



Cambodia  
Development Resource  
Institute (CDRI)

# **“ WE ARE LIVING WITH WORRY ALL THE TIME ”**

**A Participatory Poverty Assessment of the Tonle Sap**





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### **Authors:**

Brett M. Ballard, Christian Sloth, David Wharton,  
Ingrid FitzGerald, K.A.S Murshid, Kasper K. Hansen,  
Phim Runsinarith and Lim Sovannara

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*Brett M. Ballard*

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## Acronyms and Abbreviations

|                 |  |
|-----------------|--|
| <b>ACLEDA</b>   | Association of Cambodian Local Economic Development Agency     |
| <b>ADB</b>      | Asian Development Bank   |
| <b>ADHOC</b>    | Cambodian Human Rights & Development Association               |
| <b>ADRA</b>     | Adventist Development and Relief Agency                        |
| <b>AFTA</b>     | Asian Free Trade Area  |
| <b>AIDS</b>     | Acquired Immune Deficiency Syndrome                            |
| <b>ASEAN</b>    | Association of South East Asian Nations                        |
| <b>BZ</b>       | Buffer Zone  |
| <b>CBNRM LI</b> | Cambodia Bio-Natural Resource Management Learning Institute    |
| <b>CBO(s)</b>   | Community Based Organization (s)                               |
| <b>CDHS</b>     | Cambodia Demographic Health Survey                             |
| <b>CDRI</b>     | Cambodia Development Resource Institute                        |
| <b>CEDAW</b>    | Convention for Elimination of Discrimination Against Women     |
| <b>CF</b>       | Community Forestry   |
| <b>CFMC</b>     | Community Forestry Management Committee                        |
| <b>CMDG(s)</b>  | Cambodia's Millennium Development Goal(s)                      |
| <b>CODEC</b>    | Cooperation Development for Cambodia                           |
| <b>CPR</b>      | Common Property Resources                                      |
| <b>CSES</b>     | Cambodia Socio-Economic Survey                                 |
| <b>CWS</b>      | Church World Service   |
| <b>CZ</b>       | Core Zone  |
| <b>DFID</b>     | Department for International Development (UK)                  |
| <b>DV</b>       | Domestic Violence  |
| <b>EU</b>       | European Union   |
| <b>FAO</b>      | Food and Agriculture Organization of the United Nations        |
| <b>FDI</b>      | Foreign Direct Investment                                      |
| <b>FGD</b>      | Focus Group Discussion   |
| <b>FW</b>       | Field Workers  |
| <b>GADC</b>     | Gender and Development Cambodia                                |
| <b>GAP</b>      | Governance Action Plan   |
| <b>GDI</b>      | Gender Development Index                                       |
| <b>GDP</b>      | Gross Domestic Product   |
| <b>GMS</b>      | Greater Mekong Sub-region                                      |
| <b>GTZ</b>      | Deutsche Gesellschaft Für Technische Zusammenarbeit            |
| <b>ha</b>       | Hectare (1 ha = 10,000 m <sup>2</sup> )                        |
| <b>HDI</b>      | Human Development Index  |
| <b>HH (hh)</b>  | Household  |
| <b>HIV</b>      | Human Immunodeficiency Virus                                   |
| <b>HPI</b>      | Human Poverty Index  |
| <b>HYV</b>      | High Yield Variety   |
| <b>ID</b>       | Identity   |
| <b>IFAPER</b>   | Integrated Fiduciary Assessment and Public Expenditure Review  |
| <b>IUD</b>      | Intra-Uterine Device   |
| <b>Kg.</b>      | Kilogram   |
| <b>Km</b>       | Kilometer (1 Km <sup>2</sup> = 100 hectares)                   |
| <b>LICADHO</b>  | Cambodian League for the Promotion and Defense of Human Rights |
| <b>LMAP</b>     | Land Management and Administration Project                     |
| <b>LWF</b>      | Lutheran World Federation                                      |
| <b>MAFF</b>     | Ministry of Agriculture Forestry and Fisheries                 |



|                |  |
|----------------|--|
| <b>MD</b>      | Maryland (US State)  |
| <b>MDG(s)</b>  | Millennium Development Goal(s)   |
| <b>MFA</b>     | Multi- Fibre Agreement   |
| <b>MFI(s)</b>  | Micro-Finance Institute(s)   |
| <b>MLMUPC</b>  | Ministry of Labour Management, Urban Planning and Construction         |
| <b>MOC</b>     | Ministry of Commerce   |
| <b>MOPS</b>    | Moving Out of Poverty Study  |
| <b>MOWA</b>    | Ministry of Women's Affairs  |
| <b>MRCS</b>    | Mekong River commission Secretariat                                    |
| <b>MTEF</b>    | Medium-Term Expenditure Framework                                      |
| <b>NAA</b>     | National Aids Authority  |
| <b>NGO</b>     | Non Governmental Organization  |
| <b>NIPH</b>    | National Institute of Public Health                                    |
| <b>NIS</b>     | National Institute of Statistic  |
| <b>NPRSP</b>   | National Poverty Reduction Strategy Paper                              |
| <b>NSDP</b>    | National Strategic Development Plan                                    |
| <b>NTFP(s)</b> | Non Timber Forest Product (s)  |
| <b>ODI</b>     | Oversea International Institute  |
| <b>OXFAM</b>   | Oxfam America-East Asia Regional Office                                |
| <b>PA</b>      | Poverty Assessment   |
| <b>Padek</b>   | Partnership for Development in Kampuchea                               |
| <b>PADV</b>    | Project Against Domestic Violence                                      |
| <b>PAP</b>     | Priority Action Program  |
| <b>PDAFF</b>   | Provincial Development of Agriculture Forestry and Fisheries           |
| <b>PPA</b>     | Participatory Poverty Assessment                                       |
| <b>PPP</b>     | Purchasing Power Parity  |
| <b>PPRA</b>    | Purposive Participatory Rural Appraisal                                |
| <b>PRASAC</b>  | Programme de Rehabilitation et d'Appui au Secteur Agricole du Cambodge |
| <b>PRGF</b>    | Poverty Reduction and Goal Facility                                    |
| <b>PRSP</b>    | Poverty Reduction Strategy Paper                                       |
| <b>PSI</b>     | Population Service International                                       |
| <b>RDB</b>     | Rural Development Bank   |
| <b>RETA</b>    | Poverty Impact of Regional Economic Integration Study                  |
| <b>RGC</b>     | Royal Government of Cambodia   |
| <b>RHAC</b>    | Reproductive Health Association of Cambodia                            |
| <b>SES</b>     | Socio-Economic Survey  |
| <b>SESC</b>    | Socio-Economic Survey of Cambodia                                      |
| <b>SHG(s)</b>  | Self Help Group (s)  |
| <b>SIDA</b>    | Swedish International Development Cooperation Agency                   |
| <b>SMEs</b>    | Small and Medium Enterprises   |
| <b>TPO</b>     | Transcultural Psycho-social Organization                               |
| <b>TRIPS</b>   | Agreement on sanitary and phytosanitary measures                       |
| <b>TV</b>      | Television   |
| <b>TWGG</b>    | Technical Working Group on Gender                                      |
| <b>TZ</b>      | Transition Zone  |
| <b>UN</b>      | United Nations   |
| <b>UNCTAD</b>  | United Nations Conference on Trade and Development                     |
| <b>UNDP</b>    | United Nations Development Program                                     |
| <b>UNESCAP</b> | United Nations Economic and Social Commission for Asia and the Pacific |
| <b>UNESCO</b>  | United Nations Educational, Scientific and Cultural Organization       |
| <b>UNICEF</b>  | United Nations Children's Fund   |
| <b>UNIFEM</b>  | United Nations Development Fund for Women                              |
| <b>UNTAC</b>   | United Nations Transitional Authority in Cambodia                      |
| <b>USA</b>     | United States of America   |
| <b>USD</b>     | US Dollar  |

|                |                                       |
|----------------|---------------------------------------|
| <b>VCD</b>     | Video Compact Disk                    |
| <b>WB</b>      | World Bank                            |
| <b>WFP</b>     | World Food Program                    |
| <b>WHO</b>     | World Health Organization             |
| <b>WTO</b>     | World Trade Organization              |
| <b>WUP</b>     | MRCS Water Utilization Program        |
| <b>WUP-FIN</b> | WUP Tonle Sap Modeling (Finnish Team) |
| <b>WV</b>      | World Vision                          |

### *Glossary of Cambodian Terms*

|                                       |   |
|---------------------------------------|---|
| <b>a</b> (អា)                         | Measure of an area of agricultural land; 1a= 0.01 ha  |
| <b>Chamcar</b> (ចំការ)                | Plantation, Farm  |
| <b>Chamcar Thmor</b> (ចំការថ្ម)       | A plot of stone at the foot of a mountain where villagers considered as a place where marble can be extracted from  |
| <b>Chbap Srey</b> (ច្បាប់ស្រី)        | The Chbap Srey or “treatise on women” is one of a series of moral texts which combine popular custom with Buddhist principles. In the form of advice from a mother to her daughter, the Chbap Srey describes women’s duties, proper behavior towards their family and husband, and the consequences of straying from the code (Luco 2002: 21-22). |
| <b>Chet</b> (ចេត្រ)                   | Month in lunar calendar   |
| <b>Chi</b> (ជី)                       | Unit of weight for gold equal to about 3.75 grams   |
| <b>Chhmar Dul</b> (ឆ្មារដុល)          | Name of animal  |
| <b>Dais</b> (ដៃ)                      | Two meanings:<br>- Fishing village: Dais meant “fishing gear”<br>- Agricultural village: Dais meant “exchange labour”   |
| <b>Domloeung</b> (តម្លឹង)             | Unit of weight for gold equal to 10 <i>Chis</i>   |
| <b>Hat</b> (ហត្ថ)                     | Measure of length from the tip of the finger of a man to his elbow  |
| <b>Hattha Kaksekar</b> (ហត្ថាកាកសិករ) | Hattha Kaksekar saving group  |
| <b>Hun</b> (ហ៊ុន)                     | Used for fishing gear (fishing net); equal to 1 centimeter  |
| <b>Kampleanch</b> (កំព្លាញ)           | Name of fish  |
| <b>Kagnchang</b> (កញ្ចាំង)            | Name of animal  |
| <b>Kamping Daung</b> (កំពាំងដូង)      | Name of animal  |
| <b>Kavet</b> (កាវេត)                  | Ethnic group  |
| <b>Khmer Rouge</b><br>(របបខ្មែរក្រហម) | Khmer regime  |
| <b>Khloromin</b> (ក្លរូមីន)           | Antibiotic drug   |
| <b>Khloam</b> (ខ្លាញ់)                | Water cock  |
| <b>Khlong</b> (ខ្លាញ់)                | Tree name used for charcoal production  |

|   |   |
|---|---|
| <b>Kondob</b> (កណ្តប)                             | Frame or piece of wood used as frame on which palm leaves are sewn together to make a sheet of palm leaves; used for roof and walls of houses |
| <b>Kondabb</b> (កណ្តាប)                           | Rice sheaf; a bunch of rice plants cut down and tied together   |
| <b>Kong</b> (កុង)                                 | Measure of land equivalent to about 1,296 sq.m  |
| <b>Loblock</b> (ឡប់ឡក់)                           | Fishing gear  |
| <b>Lob, Leur, Lorn</b> (លប ឡើ លន)                 | Net or materials to make bamboo vertical cylinder traps, fishing gear   |
| <b>Man Teok</b> (ម៉ាន់ទឹក)                        | White Breasted Water Hen  |
| <b>Motodup/motodop</b> (ម៉ូតូឌុប)                 | Motorcycle public transport or motorbike-taxi.  |
| <b>Mouy Dai</b> (មួយដៃ)                           | Selling labor for transplanting/harvesting per day  |
| <b>Phchekn</b> (ផ្អែក)                            | Tree name used for charcoal production  |
| <b>Ploun</b> (ផ្លែន)                              | Used in counting fruit and vegetables, 1 ploun is equivalent to 40 fruits.  |
| <b>Pchiem</b> (ព្យាម)                             | Measure of length equivalent to the distance between the right and left hand's fingertips when a man's arms are stretched out                 |
| <b>Prek</b> (ព្រែក)                               | Small river, creek, waterway, channel, tidal river, mouth of a river, canal   |
| <b>Pring</b> (ព្រីង)                              | Tree name used for charcoal production  |
| <b>Ra</b> (រ៉ា)                                   | Part of Toul Ta Ek village (Ra village).  |
| <b>Rai</b> (រ៉ៃ)                                  | Thai term used to measure land area; 1 Rai = 40m x 40m = 1,600 sq.m   |
| <b>Riels</b> (រៀល)                                | Cambodian currency  |
| <b>Sangkum Reastr Niyum</b><br>(សង្គមរាស្ត្រនិយម) | The citizen-supporting regime ruled by King Sihanouk, 1953-1973   |
| <b>Seila</b> (សិលា)                               | Khmer word meaning 'foundation stone'/Name of Royal Government's Programme of Decentralized Development                                       |
| <b>Sen</b> (សែន)                                  | Measure of length equal to 20 pchiem  |
| <b>Spean</b> (ស្ពាន)                              | Bridge  |
| <b>Snau</b> (ស្មៅ)                                | Kind of small plant which grow in swamps and has small leaves and light yellow edible flowers).   |
| <b>Stoeung</b> (ស្ទឹង)                            | Small river or tributary  |
| <b>Tbaing</b> (ត្បែង)                             | Tree name used for charcoal production  |
| <b>Thang</b> (ថាង)                                | Unit of volume used to measure small grains; equal to about one bushel (50 to 60 pounds);<br>2 Taos equals one Thang; 1 Tao = 12 to 15 Kg     |
| <b>Theang</b> (ឆាង)                               | Midrib of palm leaf or a leaf of the type attached to the trunk or stem of a large leaf.  |
| <b>Tong Tin</b> (តុងទិន)                          | Traditional Information Saving Group  |

***Tao*** (តៅ)

Measure of rice equivalent to about 12 kg, 1 tao = 12kg x 500  
riels = 6000 riels

***Yama*** (យ៉ាម៉ា)

Addictive drug

***Currency equivalents***

Cambodian Riel (R) 4,100 = US \$ 1.00 (fieldwork: January-October 2005)



## Executive Summary

The Participatory Poverty Assessment of the Tonle Sap (PPA) has been undertaken by CDRI in collaboration with the National Institute of Statistics (NIS) and the Asian Development Bank (ADB). The study employed qualitative research methods covering 24 villages in the six provinces around the Tonle Sap Lake. The main objective of the study has been to provide policy makers, donors, and civil society with a deeper understanding of (1) the relationship between poor people's livelihood strategies and their use and the management of natural resources, (2) the gender dimensions of poverty, and (3) the role of local governance in poverty reduction.

The PPA study shows that many of the poor and the destitute in the Tonle Sap region are not benefiting from Cambodia's rapid economic growth, and often appear to be beyond the reach of public policy. This observation poses serious challenges for the government and its development partners in delivering effective poverty reduction outcomes in line with the objectives set out in the National Strategic Development Plan aimed at meeting Cambodia's MDGs.

The study shows that the poor and the destitute are increasingly dependent on land and water based natural resources to sustain their fragile livelihoods. Several years of draught and flooding, along with poor soils and a lack of water management capacity, however, has eroded farming productivity, while people's traditional access to forests and fisheries is increasingly subject to the pressures of a growing population and to conflict with local elites and powerful actors from outside the village. As a result, a greater number of the poor are selling their labour locally or migrating elsewhere within the country or to Thailand and Malaysia in search of employment.

The study also shows that the poor and the destitute lack access to important infrastructure, such as clean drinking water, and are routinely excluded from education, vocational training, and health care services because they are not able to pay for such services. As a result of the high costs associated with informal fees for teachers, the children of the poor, especially girls, tend to stop attending school at an early age. The high costs of healthcare are forcing more of the poor and the destitute into selling assets such as land to pay for health services, thus pushing them closer to landlessness and into deeper poverty. The poor and the destitute are also excluded from social services because they lack information and knowledge about such services and their rights to obtain such services. In this sense, the situation of the poor, and especially the destitute, becomes self-perpetuating.

The study also shows that many people perceive that personal security is fragile and that the poor and the destitute are especially vulnerable to various forms of domestic and public violence. Women's fear of rape and parental fears associated with the perceived safety risks in sending their daughters to school have been a constant refrain in many PPA villages. In all the villages, people also observed instances of youth and gang violence. In some villages, people have observed drug and substance abuse among youth. In many villages, domestic violence against women is closely associated with poverty.

The study shows that local officials are routinely confronted with inadequate information, scarce resources, and ambiguous authority. Local officials are also frequently under pressure from powerful elites or high-ranking officials for special favours and services. Corruption at the local level is endemic, and prevents the poor and the destitute from obtaining social services and erodes their capacity to improve their livelihoods. The poor and the destitute are also excluded from decision-making processes, and receive little or no

response to requests or opportunities for the redress of grievances. They tend to avoid government, while relying on civil society organizations and social networks for support. That the poor and the destitute may view certain government institutions as part of the problem, rather than the solution, should concern government agencies and other development stakeholders.

The PPA study also shows that the commune councils can work effectively in areas such as rural infrastructure involving the construction of roads and bridges. In some villages, the poor have also benefited from collaboration between local governance institutions and non-governmental organizations (NGOs) in areas such as healthcare, extension services and small-scale credit. Such examples demonstrate that many commune councillors and other local officials remain committed to improving the situation of the poor and that improved governance at the local level is clearly possible when various stakeholders are able to cooperate.

### ***Policy Implications***

The PPA study has identified several areas where improved governance is required to achieve the government's poverty reduction objectives. The most important priority areas concern the need for (1) more allocation and better targeting of agricultural and rural development inputs, (2) strong and impartial enforcement of laws and regulations governing access to and control over natural resource assets, and (3) more allocation and better targeting of social services, especially clean water and healthcare access for women, as well as expanded education and vocational training opportunities for all youth, with a special emphasis on women and girls. Other priority areas concern the need for laws and regulations that protect migrant workers and the enforcement of laws that promote public security, with particular attention to violence against women and drug use among youth. Overall, there is a real need to reduce the pernicious effects of corruption and strengthen the responsiveness of national policymakers and local officials to the problems and needs of the poor and destitute. Without a strengthening of public sector accountability, efforts to reduce poverty and improve the well-being of the poor and the destitute in the Tonle Sap region, and elsewhere in the country, will not be effective.

The delivery of services in support of agricultural and rural development is highly fragmented in the PPA villages. There would be a greater impact on well-being and poverty reduction if complementary packages of inputs, including irrigation, secure land titles, extension services and affordable credit, were provided to poor areas along with social services, such as affordable health care. This reinforces the need for better horizontal and vertical planning and coordination of efforts within government and between government, international donors, and NGOs. At the local and commune level, such approaches require that technical support and capacity building must be available from district and provincial offices as well as NGOs. There are now several examples of integrated community development best practices that could serve as models for replication on a wider scale.

Although national policies governing natural resources are designed to promote the sustainable management of land and water assets, poor implementation and enforcement at the local level are promoting the rapid degradation of the natural resource base and undermines people's respect for public institutions. What is urgently required is stronger and more equitable enforcement of the rules and regulations that already constitute the policy framework governing natural resource management. There is also an urgent need to reconsider how conflicts can be managed in ways that provide the poor and the destitute with access to fair and impartial resolutions. This concerns local conflicts at the village level as well as conflicts involving outside interests, including the rich and powerful.

Special provisions need to be designed to promote better access to social services, including health and education, on the part of the poor, especially women. A greater share of

the national budget must be urgently allocated for clean water and public sanitation, healthcare, education and vocational training, and public transport. Health insurance schemes for the poor and destitute need to be piloted and education scholarships for boys and girls of poor households need to be expanded. One avenue for channelling increased resources to the local level would be to increase the annual amount of inter-governmental transfers to the commune/sangkhat fund. A certain portion of such transfers could also be specifically designated for certain priority activities, such as clean water.

The ineffectiveness and lack of fairness associated with governance in the Tonle Sap region are largely matters of implementation and enforcement. This suggests that much more attention must be devoted to strengthening governance institutions at the local level in ways that promote better planning and enable more public participation, including women, reduce corruption, and increase public sector accountability and responsiveness. Steps must also be taken to improve dialogue between the people and their governing institutions in ways that build mutual trust and respect.

There are several ways for this to take place. The roles, responsibilities and authority of the commune councils, police and military need to be clarified. Empowering the commune councils to raise own source revenues and plan in response to local needs is another essential component of building stronger governance institutions at the grassroots. Such processes must include a strong capacity building component for local and sub-national officials concerning the planning and implementation of services in response to the needs of the poor and the destitute.

It is clear that the state, private, and civil society sectors all have certain strengths. The challenge for policymakers and other stakeholders in the Tonle Sap region, as in other regions of the country, is how to design and strengthen collaborative arrangements between all three sectors in ways that the comparative advantages of each are complimentary in support of ecologically sustainable pro-poor social and economic development.





**Part I.**  
**Introduction to  
the Study**

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# Chapter 1: Introduction to The Tonle Sap Participatory Poverty Assessment

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## Chapter 1:

### Introduction to the Tonle Sap Participatory Poverty Assessment

The Cambodia Development Resource Institute (CDRI) has undertaken a Participatory Poverty Assessment (PPA) in the Tonle Sap region in collaboration with the National Institute of Statistics (NIS) and the Asian Development Bank (ADB). This “second generation” study follows an earlier nationwide PPA done by the ADB in 2001, and represents a longer and regionally focused research process involving multiple stakeholders at the national, provincial, and local levels. The Tonle Sap PPA has been designed to provide policy makers, donors, and civil society with a deeper understanding of the social and economic dynamics of poverty concerning the relationship between people’s livelihood strategies and their use and management of natural resources. More specifically, the study was designed to listen to the voices of the poor and the destitute, with particular attention to women, whose livelihoods so deeply depend on the region’s natural land and water based natural resources. The study will also inform ADB’s projects in the region.

The Tonle Sap Basin area is of special concern to policy makers and other stakeholders as it contributes directly or indirectly to the livelihood needs of at least 15 percent of Cambodia’s total population. It is also home to a remarkably diverse array of flora and fauna, including one of the richest fisheries in the world. Despite the country’s impressive overall economic growth rate over the past several years and the apparent wealth of natural resources in the region, the Tonle Sap area features some of the highest levels of poverty in Cambodia, in some areas reaching as much as 80 percent. Problems associated with increasing population pressures, increased market penetration due to improved infrastructure and a widening gap between the rural and urban, and richer and poorer, households threaten both ecological and social stability throughout the region. The situation will worsen in the absence of policies and programmes designed specifically to ensure a more sustainable pace of development and better distribution of benefits that reach the poor and the destitute.

The main objective of the study, therefore, has been to develop knowledge that will lead to the adoption of policies and programs to reduce poverty and improve the management and productivity of natural resources in the Tonle Sap area. The PPA also intended to develop a micro level perspective of poor peoples’ experiences with and responses to poverty, and enable them to participate in the formulation of policies and programmes that directly affect them and the resource base upon which they rely. The PPA was designed to identify new issues, and/or link issues in ways that provide fresh, and perhaps unexpected, insights and perspectives on the dynamics of poverty and feasible interventions. Moreover, the study was designed to provide women with opportunities to express their opinions and to advocate for policies that affect them and their families.

The Tonle Sap PPA employed a qualitative research methodology that was guided by four cross-cutting themes: rural livelihood strategies, natural resource use and management, gender, and local governance. CDRI and NIS fieldworkers used a variety of participatory rural assessment (PRA) tools in focal group discussions (FGDs), including social mapping, well-being ranking, and natural resources mapping. There were, on average, a total of 10 FGDs per village. The PPA teams also conducted individual household interviews and key informant interviews. The structure, composition, and implementation of the focal group discussions and individual household interviews were designed to ensure that women had ample opportunities to articulate their experiences and opinions during the research.

This report presents the findings and observations from research conducted in 24 villages in six provinces around the Tonle Sap Lake over a period of 8 months (February – September 2005). The study area is essentially bounded within Routes 5 and 6, and also includes several villages from outside areas in and around the drainage systems feeding into the Tonle Sap Lake. Site selection was done on a purposive sampling basis representing specific regional characteristics and circumstances. The three priority criteria used for selecting villages were (1) commune poverty levels, (2) household livelihood activities (e.g., land and water based resources) and (3) geographical location. The site selection also took into account other factors, including the percentage of female-headed households and governance issues.

This chapter provides an overview of qualitative approaches to policy research and brief summaries of each of the chapters that follow. The general story that emerges from the study is that the poor and the destitute are increasingly dependent on land and water based natural resources to sustain their fragile livelihoods. As a result of a deeper penetration of markets serving primarily urban interests, the access to natural resource that the poor have traditionally relied upon is increasingly tenuous and subject to conflict. In agricultural villages, the poor are losing their land due to debt and illness. In forest villages, the poor often end up working as day labourers for powerful outside logging interests. In fishing villages, the poor are being crowded out of fishing areas by those who have access to better fishing equipment or those who use illegal fishing technology. In general, the situation of the poor and the destitute is becoming increasingly difficult as a result of a combination of factors, including debt, illness, shocks such as flooding and draught, and a lack of institutional safety nets and protection. As a result, they either end up selling their labour to local or outside elites, or, in the absence of such alternative forms of employment, migrate elsewhere within the country or to and across the border with Thailand in search of employment.

### **1.1. PPAs as Policy Research Instruments**

As a research instrument, participatory poverty assessments are specifically designed to incorporate poor people's perceptions of and experiences with poverty in its study and analysis, as well as the formulation of poverty reduction strategies through public policy. PPAs therefore represent innovative efforts to understand poverty from the viewpoint of the poor themselves, and include their voice in decision-making processes that affect them. In this sense, it is important to consider that participatory studies are not intended to be definitive by providing specific measurements in the form of precise numerical data. Rather, participatory studies are designed to identify and open up a range of issues and present new perspectives on existing problems that confront various stakeholders. Participatory approaches are also useful in terms of understanding how the poor perceive and respond to certain trends and changes in their circumstances over time.

The very idea of a research study purporting to enable the poor and the destitute to speak for themselves in a developing country like Cambodia, however, raises complex and difficult methodological questions and issues. One question concerns how to include people in the research process so that they are truly active participants in, rather than the mere objects of, the study. Another question concerns what it means to be "poor" and who decides who is poor and who is not. In this regard, a fundamental issue concerns the relationship between policy makers and the people involved with the study. For example, in Cambodia, relationships between urban people and the rural poor are often shaped by mistrust and misunderstanding. On one hand, to what degree are the perceptions of urban policy makers distorted by class or gender bias toward the rural poor? On the other hand, to what degree is the information provided by the poor distorted by expectations of how they are to benefit from the research? The relationship between urban-based researchers and rural participants also has an important bearing on the integrity of the data and subsequent analysis.

At the base of these and other questions and issues lies a set of assumptions about what poverty is and what it means to be poor. Generally speaking, researchers and policy makers tend to view poverty primarily as a function of income and/or consumption. In this sense, policy analysts believe that poverty can be quantitatively described and then analyzed with statistical methods using data generated from household surveys or other measuring tools. While such approaches are indeed relevant and important, most researchers understand that regardless of accuracy, quantitative data does not provide a full understanding of how the poor experience and cope with poverty and vulnerability. In this sense, quantitative data can often hide or obscure the social and political dimensions of the human relationships that lie behind the data. Many researchers also understand that quantitative approaches by their very nature almost invariably preclude the poor from articulating their own feelings, fears, and aspirations and effectively exclude them from participating in any analysis of their own situations and formulating solutions to the everyday problems they encounter.

As a result of these perceived short-comings of quantitative approaches to the study of poverty, there have been increasing efforts by some policy researchers to involve the poor in the research process in ways that empower them to articulate their own standards of well-being, identify problems associated with meeting basic needs and achieving life ambitions, and propose solutions to such problems. Policy researchers have therefore developed tools and methods to compliment quantitatively based understandings of poverty with qualitative approaches that provide texture and fabric to our understanding of the poor's perceptions of well-being and their experiences with poverty. The objective is then to weave this qualitative texture and fabric into the policy debate, thereby providing the poor with a voice at the policy-making table.

This objective in turn raises another set of questions concerning the degree to and manner in which the poor are affected by public policy. In this regard, PPAs are motivated by two factors. The first concerns a belief that public policy matters, and that the state has an important role to play in reducing poverty and promoting the well-being of the poor. For example, public policy is relevant in improving access to services such as education and health for the poor. Policy also matters for natural resources management and conflict resolution in order to ensure the poor have access to and control over natural resource assets in their communities. Policy matters in regulating markets in order to ensure that the poor and the destitute have access to certain services or rights, such as affordable credit and safe working conditions. Policy also matters for human security in the protection of human rights and safety of the more vulnerable segments of society.

The second observation, however, concerns the fact that public policy all too often fails to serve the interests of the poor because its formulation at the national level is often captured by powerful elites who either disregard the interests of the poor or who are well meaning but do not have accurate information or understanding of the situation of the poor. This predicament of the poor is exacerbated by the fact that they do not have the power or capacity to advocate for themselves, and often lack allies that can effectively advocate on their behalf. Policy can also fail at the sub-national levels in its implementation because adequate resources have not been allocated from the national budget or are otherwise unavailable, policy objectives are ambiguous and lack clarity, or that local governments do not have the capacity for effective enforcement, or are captured by special interests. At both levels of government, then, policymaking and implementation can be disempowering for the poor.

Two policy-related questions emerge from the above observations. First, what are the linkages between policy and the poor and how do such linkages operate? For example, how do the poor learn about and understand what a particular policy entails and how it applies to them? What then are the main sources of information available to the poor, and which sources are most trusted? A second policy related question then concerns which linkages work best, and how weak linkages between policy and the poor can be changed in ways that effectively



address issues of poverty? In this sense, what are the factors and circumstances that enable policy to have a positive impact in terms of promoting the well-being of the poor, and how can such impacts be replicated elsewhere?

These questions are fundamentally critical when one considers the situation of the poor and the destitute in the Tonle Sap region. Perhaps one of the most disturbing observations that emerge from the PPA study concerns the possibility that many of the poor, especially the destitute, may be beyond the reach of policy. They cannot read, they have few resources, they are often ill, and above all they have little or no power or control over any aspect their lives. For example, the poor and the destitute are routinely excluded from training opportunities and obtaining credit because they do not meet the minimum criteria. They also fail to receive adequate health care and education, especially females, because of a lack of cash. These and other factors help explain while poverty becomes a self-perpetuating reality in the absence of effective policy and programme interventions on the part of government, civil society, and other stakeholders.

The study shows, however, that such situations can change and in fact have. For example, a PPA case study by the NGO Padek in Siem Reap shows how poor women can improve their household well-being through saving and loan activities facilitated by well-managed self-help groups (SHGs). In several other villages, people reported that the incidence of domestic violence had decreased following awareness building activities of NGOs and more active interventions from local authorities. These and other cases illustrate that government, donors, and civil society each have comparative advantages over the other, and that the real task is to formulate collaborative mechanisms in which the comparative advantages of each set of actors are complimentary.

The first step however in designing effective policies is to develop a comprehensive understanding of the situation and circumstances of the poor and the destitute. This Tonle Sap PPA represents an important contribution the development of such an understanding. Following this introductory chapter, Chapter 2 examines the recent literature concerning poverty in Cambodia with particular reference to the Tonle Sap region. Chapter 3 then discusses the conceptual framework and research methodology in some detail in order to provide a transparent account of how the research was designed, implemented, and analyzed. This is important, as some readers may be more familiar with statistically phrased poverty discussions. Some of the findings are also likely to be controversial. Chapters 4 – 8 describe and analyze the situation of the poor from a variety of perspectives. These chapters frequently quote people who spoke out in FGDs or talked with fieldworkers during individual interviews. Chapter 9 concludes the study by examining the role of local governance in poverty reduction from the point of view of the poor and the destitute, as well as of local government officials, and identifies some of the more salient governance issues at the local level.

## **1.2. Chapter Summaries**

Chapter 4 discusses the characteristics and situation of the poor as described by village members during focal group discussions using well being ranking and social mapping tools. The FGDs identified a wide range of social, economic, and physical attributes that distinguished the poor and the very poor, on one hand, from the rich and medium level households, on the other hand. This chapter covers tangible assets in the form of economic and financial, physical, and natural resource assets, as well as intangible human and social assets. This chapter observes that there is an emerging rural class structure differentiated at the village level according to who owns and controls the factors of production. For example, in farming villages, land is being consolidated in the hands of the rich as a result of various types of transfers from the poor and the destitute, who then become landless. Similar dynamics occur in both fishing and forest villages. The evidence suggests this is a result of

distress sales of assets due to routine shocks and debt crises, as well as inequitable management of resources. There is a related increase in rural wage and migrant labour, as the poor can no longer produce enough food on their own because of a lack of productive resources and increasing exclusion from common property resources that have traditionally been a critical element of the livelihoods of the poor and provided a safety net in times of crisis. In general, the majority of rural households face similar high-risk profiles. The distinguishing feature is that richer households are able to cope with shocks without resorting to the sale of key productive assets or other measures that increase vulnerability, while the poor and the destitute must sell off dwindling assets and/or borrow at high rates of interest.

When the poor express their visions and aspirations for the future, they envision having enough rice to eat, an absence of domestic violence, better harvests, grown up children who are able to work and contribute to the family income and ownership of more properties. The perceived options of the poor in terms of income-generating activities, investing in productive assets, and in accessing social services are, however, very limited. Some of the younger generation want to have more education with the aim of moving from resource-based livelihoods like agriculture, forestry and fishing to jobs in the manufacturing, tourism and service sectors. They explicitly do not want to stay in their villages or maintain their traditional livelihoods, or even marry people from their village. Others see no point in gaining an education when there are no perceived opportunities for employment. Many have no vision of a future other than the day-to-day struggle to survive.

Chapter 5 argues that gender relations are complex and changing, and that around the Tonle Sap women are taking on an increasingly wide variety of tasks in primary production and wage employment, including domestic and cross border migrants. Out of necessity, gender roles are most flexible among the poorest women, who often undertake so-called male tasks, while better off households can more easily afford to preserve traditional gender roles. Although women's labour, including domestic work, is of central importance to their household, it is generally less valued than that of men. Gender inequality and poverty continues to constrain women's access to land and other assets, as well as to social services such as health and education. For example, women from the poorest households typically experience ongoing health problems due to a lack of affordable health care, unhygienic living conditions, and reluctance to seek help. As for education, across all PPA villages, with the exception of some fishing villages where boys' labour was seen as more valuable, the benefits of investing in girls' schooling are not perceived to outweigh the opportunity costs of their lost income and labour in the majority of households. Domestic violence was observed in all PPA villages, and was reported to occur primarily in poor and destitute households. Rape and marital rape were also reported in many villages with little redress for victims.

Risk taking behaviour among men of all ages, including some young men's involvement in gangs, unprotected sex outside the marital relationship, and drinking and gambling, was identified as a problem in all PPA villages. While such behaviour is often tolerated and even viewed as normal, negative consequences were reported, including some families breaking down and falling into poverty, as well as the spread of HIV/AIDS. At the local level, focal group participants routinely observed that such recently emerging behaviours are the result of greater exposure to the mass media and/or work in Thailand. Village chiefs and elders, as well as commune council members, frequently claimed they did not know how to manage or respond to such problems, as they had neither the capacity nor the authority to do so. In some situations, local authorities appeared reluctant to act when the children or relatives of powerful people or officials were involved.

Chapter 6 makes several observations concerning the important relationship between land and water based natural resource assets and the situation of the poor. First, the poor are especially dependent on access to natural resource assets in terms of livelihoods and a social safety net in times of shock and distress. Second, the natural resource base around the Tonle

Sap Lake is rapidly dwindling in the face of poorly regulated exploitation by outside investors operating in collusion with power government officials. Another factor contributing to the depletion of the natural resource base, however, involves an expanding population that must resort to collecting NTFP or cutting wood on a wage basis in the absence of other feasible employment alternatives. Third, the scope and scale of conflicts over access to natural resources is escalating as local villagers struggle with more and more outsiders for control over the resources. The poor feel they are often not able to participate in decisions that affect their access to local resources and there are no effective avenues for redress of their grievance. Fourth, as the availability of natural resources declines, many poor must migrate to other locations either inside Cambodia, along the border, or cross the border to sell labour. Fifth, as a result, of these inter-related factors, the management of natural resource assets is a crucial component of the government's efforts to reduce poverty and promote well-being of the rural poor. Finally, the people around the lake clearly feel, however, that governance and management failures are in fact allowing the situation to worsen. As referred to above, one result is a sense of despair and lack of hope about the future among rural youth.

Villages engaged in a variety of different types of livelihood strategies around lake have consistently reported that natural resources in their areas are rapidly dwindling or being degraded by a variety of factors. For example, people living in fishing villages around the lake routinely observed that fish stocks in the lake are declining due to illegal fishing techniques used by outsiders and those with better technology. The poor also report they are routinely excluded from better fishing areas by powerful lot owners. The fishing lot reforms were appreciated and well understood by the poor, but poor management and implementation at the local level has often exacerbated problems rather than solved them. Similarly, in all land resources based villages, people observed that over the past twenty years or so forested areas have been seriously depleted and once abundant wildlife is rarely seen anymore. In agricultural villages, land is increasingly consolidated in the hands of a few larger landowning families.

Chapter 7 looks at domestic and cross border migration to and from the Tonle Sap region. This chapter observes that as violence induced population movements have eased off, new forces are emerging that prompt a new wave of people migrating out of rural areas into cities and across borders. The forces constitute the demand side, or pull factors, associated with migration, and include rapid growth of industry (e.g., garments), growth in the tourism and construction sectors, as well as a general trend towards a private market-led economy and integration with regional and world markets. As for the supply side, or push factors, high population growth, low productivity in agriculture, a series of crop failures from droughts and floods over 2000-05, a growing underclass in the rural areas and the rapid decline of natural resources, especially timber and fish, and the gradual elimination of traditional rights to natural resources have generated acute pressures on young people to move out in search of work.

Although migration can be a powerful tool for combating poverty, the impact on the poorest is likely to be modest unless their ability to respond to labour opportunities can be raised. In this regard, the poor are constrained by a lack of credit worthiness as well as skills, and find themselves left behind in low productivity work in the village while those who are more 'capable' have left for greener pastures. At the same time, local level resources and livelihoods are likely to remain depressed in the absence of a comprehensive government policy to raise agricultural productivity and create a much more effective, pro-poor resource management regime. The medium term outlook thus, is one of continued demographic destabilization of the countryside as able-bodied young men and women desert village after village, while the old and the very young, along with the destitute, are left behind to tend the farms.

Chapter 8 observes that the nature, availability, type, and structure of credit are very closely related to the livelihood regimes in a particular agro-ecological region or context. As a result, areas with abundant fisheries resources are likely to generate credit demand related to fishing activities and trade and transport. Rice growing areas are likely to create demand for credit for the purchase of agricultural inputs. Similarly, where long-distance migration is widespread, much of the demand for credit is related to the costs of travel and dislocation. There is also a chronic need in rural areas for consumption credit or credit to cope with sudden, unforeseen adversity, including food shortages, illness, accident, or death. These kinds of “certain shocks” suggest it becomes increasingly impossible for the poor, especially the very poor, to move out of poverty on a sustainable basis, as their rates of savings and accumulation are too slow, eroded away by shocks more quickly than they are formed.

The analysis of the evolution of credit system systems in the Tonle Sap region suggests that the development of credit markets is crucially tied to the penetration of commercial capital and market interests, the nature of the property-rights regime and the availability and access to natural resources. Trade capital dominates areas that are better endowed with extractive opportunities or have progressed further with commercialization. Areas that have been successful in developing their own productive activities have stimulated the growth of local, private moneylenders. In poorer, poverty stricken areas, cash-kind/labour or kind-kind arrangement abound. Interestingly, the evidence suggests an asymmetric effect in that credit rarely plays a role in moving poor people out of poverty, although it can certainly accelerate downward mobility.

Chapter 9 discusses the role of local governance institutions in poverty reduction based on the experiences and perceptions of the poor and the destitute in the Tonle Sap region. The chapter also presents the perceptions of local government officials concerning some of the more salient issues and problems that emerged in the course of the commune and provincial workshops discussed in Chapter 3. Despite some important indications of positive change, albeit limited, in certain areas such as infrastructure development and health care provision, the general impression is that the poor and the very poor are routinely excluded from decision making processes and have little or no opportunities for the redress of grievances and conflicts. The lack of real opportunities for participation and redress is disempowering and contributes to a widening schism between the poor and the governance institutions that are expected to serve them and their interests on an equal basis. The result is growing distrust between citizens and public institutions, which in turn undermines the institutional foundation of upon which good governance rests. In this sense, there is a general perception that the poor and the destitute tend to actively avoid government institutions whenever possible. They prefer to rely on civil society organizations and/or social networks with whom they feel more secure and safe. While such involvement with civil society and reliance on social networks is entirely appropriate, the fact that government institutions are perceived as part of the problem, rather than the solution, is in the medium to long term problematic.

The design and oversight of public policy is generally the prerogative of the national government, while the implementation and enforcement of public policy is often a matter of local governance institutions, either acting on their own or in collaboration with civil society organizations. In the Tonle Sap region, the gap between policy intentions and implementation outcomes appears to be widening, especially in terms of natural resource management and public service delivery. One reason for this is that the policy feedback mechanisms in which the poor could have a greater voice are weak or generally unresponsive to their needs. The implementation and enforcement of various policies and programmes is also undermined by the fact that local officials are routinely confronted with conflicting policy objectives, inadequate information, scarce resources, ambiguous lines of authority and jurisdictions, and a sometimes uncooperative citizenry. They are often poorly managed by distant supervisors, frequently under pressure from powerful local elites and higher officials for special favours and services, and always poorly paid.

### **1.3. Conclusion**

The Tonle Sap PPA provides a detailed assessment of the characteristics and situation of the poor and the destitute in one of Cambodia's most economically and socially dynamic, yet ecologically fragile, regions. The tension between these market and demographic forces on the one hand, and the natural resource base on the other hand, is played out on an everyday basis in terms of a struggle for and conflicts over access to and control over natural resources. Although national policies governing the management of natural resource are generally reasonable, poor implementation and enforcement at the local level are promoting the rapid degradation of the natural resource base and undermines people's respect for public institutions. As a result, the poor and the destitute, who have traditionally relied on natural resources for a significant share of their livelihoods, are increasingly being pushed and pulled into alternative forms of employment that are increasingly characterized by internal and cross-border migration in search of wage-based livelihoods. One clear indication of the stress this situation places on the poor and the destitute concerns the observation that women in poor households are having to increasingly diversify their employment portfolio, while women from better off households are able to maintain more traditional gender roles.

The situation concerning the delivery of public services for the poor and the destitute is no less problematic. The poor and the destitute, especially women, are routinely excluded from education, vocational training, and health care services because they are not able to pay for such service or they do not meet selection criteria. In this sense, the situation of the poor, and especially the destitute, becomes self-perpetuating. Because their parents are poor and cannot afford the costs of education, children – especially girls - are not able to attend school. With poor education they are not eligible for employment expect wage labour, and end up poor themselves. Because they are poor and lack education, women routinely do not seek out early interventions for certain illnesses from modern health care facilities (if they are available) and instead rely on cheaper traditional forms of medicines. When such problems worsen, they must borrow money, usually at very high rates of interest, for more expensive forms of treatment. These kinds of cycles, and there are many more, suggest that the poor and the destitute are beyond the reach of policy.

There is evidence, however, from several PPA villages that suggests this is not necessarily always the case and there are indeed prospects for hope. For instance, there are clear examples in which affordable credit and health care are being provided by either NGOs or government, or both acting in concert with one another. There are also other examples in which people are finding decent jobs in the private sector. There are also other examples in which domestic violence against women has decreased as a result of activities on the part of NGOs that build better awareness of such problems among local officials and the communities. These success stories need to be studied and better understood in order to determine the factors and circumstances that promote success and the degree to which such efforts can be replicated elsewhere.

Two important questions emerge at this point. One concerns the relationship between the design and implementation of public policies that will benefit the poor and the very poor. The view that emerges from the local level is that the problems associated with policy in Cambodia are largely a matter of implementation. This suggests in turn that much more attention must be devoted to strengthening institutions at the local level in ways that promote and enable more public participation, including women, and increase public sector accountability and responsiveness. Steps must also be taken to improve dialogue between the people and their governing institutions in ways that build mutual trust and respect.

There are several ways for this to take place. As for natural resource management, and law enforcement, the roles, responsibilities, and authority of the commune councils, police, and military need to be clarified. Mechanisms for resolving any confusion about or conflicts over mandates concerning institutional arrangements need to be established at either the

national or sub-national level as appropriate. As for service delivery, empowering the commune councils to raise own source revenues and plan in response to local needs is another essential component of building stronger governance institutions at the grassroots. This being said, it is important to bear in mind that reforms in such directions will take time and must be supported by ongoing policy research in which government, donors, and the research community collaborate in the design and implementation and analysis of research. Any such process must include a strong capacity building component for local and national officials concerning the role and use of evidence-based policy making.

Another set of questions concerns ways that the poor and the destitute can be and are more effectively targeted for policy. In terms of policy, some areas, such as health and education, special provisions need to be designed that promote greater access on the part of the poor, especially women. A greater share of the national budget must be urgently allocated for public sanitation, health, education and vocational training, and public transport. This in turns raises questions concerning project-based approaches that frequently involve the donor community and civil society. One set of issues concerns planning and coordination, while another set of concerns the relative effectiveness of large-scale and small-scale projects. Regardless of the answers to these questions, it is clear that the state, private, and civil society sectors all have certain strengths. The challenge for policymakers and other stakeholders in the Tonle Sap region is how to design and strengthen collaborative arrangements between each sector in ways that the comparative advantages of each are complimentary in support of ecologically sustainable pro-poor social and economic development.

As a result of these and other questions and issues that emerge from the study, the Tonle Sap PPA is very timely and highly relevant for policymakers, the private sector, civil society organizations, the research community, including CDRI, and Cambodia's development partners. For one thing, the Tonle Sap PPA provides rich information and insights that compliment other recent policy research aimed at poverty reduction. This material includes the 2004 Cambodian Social and Economic Survey (CSES), the World Bank's 2006 Poverty Assessment, and CDRI's two other poverty studies, the Moving Out of Poverty Study (MOPS) and the Poverty Impact of Regional Economic Integration Study (RETA). Second, it helps establish a policy research framework that listens to, considers, and responds to the experiences and opinions of the poor and the very poor in Cambodia's heartland. Third, together with other relevant studies, the Tonle Sap PPA helps identify a longer term research agenda aimed at strengthening local capacity for monitoring progress toward the government's poverty reduction priorities as outlined in the National Strategic Development Plan (NSDP) and Cambodia's Millennium Development Goals (MDGs). In this sense, the Tonle Sap PPA represents an important step forward in informing and promoting more effective policies and practices for reducing poverty in Cambodia.



# Chapter 2: A Review of Poverty and Vulnerability in Cambodia

(With Special  
Reference to the  
Tonle Sap Region)

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## Chapter 2:

### A Review of Poverty and Vulnerability in Cambodia

#### (With Special Reference to the Tonle Sap Region)

## 2.1. The Context: Development Challenges

Cambodia is one of the poorest countries in the South East Asia region with poverty head count rates at 35.9 percent with 20 percent falling below the food-poverty line in 2004 (CSES 2004). It is still struggling with a legacy of conflict and destruction that has left the country weak and vulnerable in many areas, including social and physical infrastructure, health and education, governance and institutions, and knowledge and technology. Despite these critical shortcomings, the country has made important progress over the last decade. The great achievements have been an attainment of political stability and an improved law and order situation, enabling the country to reap rich peace dividends. In addition, the country has emerged out of the post-conflict reconstruction stage and has now entered into a new phase of economic development characterised by open economic policies, a focus on private sector-led development and far-reaching macroeconomic reforms.

Cambodia is at a crucial stage on its development path, aptly described as being at the crossroads in a recent World Bank document (World Bank 2004). Cambodia has become a member of the WTO and has undertaken to fulfil 29 ‘systemic commitments’ in its Protocol of Accession, but has been granted four transition periods that allow delays in implementation of critical agreements (e.g. TRIPS, agreement on sanitary and phytosanitary measures, and on Customs valuation).<sup>1</sup> This nevertheless has given rise to both concerns and hopes about the short and longer-term impact on the economy and on poverty reduction.

Despite steady economic growth over the last five years, Cambodia continues to face major challenges. There has been some decline in poverty over the period 1993-94 and 2004 although 20 percent of the population continues to live below the food poverty line (i.e. 2.6m people in 2004). While progress has been achieved in primary and secondary school net enrolment rates, there are significant gender gaps at all levels, particularly in secondary and tertiary education. The overall quality of schooling remains a major concern and illiteracy remains high with more than 50 percent of men and 71 percent of women being functionally illiterate. There are indications of rising infant mortality and child mortality rates, with 50.3 percent of children under age five being underweight. The maternal mortality ratio is estimated at 437 per 100,000 live births, amongst the highest in Asia. The prevalence of HIV/AIDS among the adult population has decreased from 3.3 percent in 1997 to 2.6 percent in 2002. However, parent- to-child and husband-to-wife transmission is increasing.

### 2.1.1. Economic Challenges

Major underlying reasons for the slow progress in poverty reduction and slow improvements in human development more generally are low productivity and the narrow base of Cambodia's economic growth. The country's private business sector is especially narrowly based, concentrated mainly on the garment industry and tourism, which represent about 15 percent and 9 percent, respectively, of the country's GDP in 2005. Despite their significant shares, these two sectors are not generating sufficient employment to both absorb the new

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<sup>1</sup> UNCTAD (2004)

entrants to the labor force and to reduce the unemployment rate.<sup>2</sup> The majority of people live in rural areas and earn their livelihoods in the agriculture sector which exports little and has a labour productivity less than half that in the garment sector. The garment industry has no significant backward linkages with the other sectors of the domestic economy since almost all its inputs are imported. Competition is also set to become more intense in the face of Cambodia's accession to WTO and deepening integration into ASEAN through the Free Trade Agreement.<sup>3</sup> Tourism has not yet played a crucial role in reducing poverty because of a lack of backward linkages to other sectors of the economy, such as agriculture (Ballard, 2006). Moreover, the tourism sector is susceptible to external shocks, including terrorist attacks and SARS.

### **2.1.2. Governance Challenges**

Substantial improvement in governance, including a substantial reduction in corruption, will be essential to Cambodia's sustainable development including the sustainable achievement of the CMDGs. According to a recent survey, the investment climate in Cambodia is heavily characterized by weak rule of law, bureaucratic costs and pervasive corruption.<sup>4</sup> An average of some 5 to 6 percent of sales revenues are reportedly siphoned off in rent seeking payments. The corruption problem is reportedly so acute that it severely constrains the functioning of basic factor markets for land, capital and skilled labour, holds up basic infrastructure development and, in general, severely constrains private sector development and badly needed job creation.

The governance challenges in Cambodia are a legacy of the country's recent history. Cambodia's transformation to a post conflict society that has lived through the most brutal revolution of the 20th century has been daunting. It is a country where the reality of a State, with a functioning public administration, is just over 10 years old. The country's public sector suffers from serious shortages of capacity and inefficiency. There is an acute shortage of people with the requisite level of technical and professional skills. Because of the low level of civil service salaries (\$20 - \$30 per month) it is extremely difficult to attract and retain qualified civil servants. Decision-making in the public sector is further complicated by the existence of a complex web of government agencies, institutions and competing inter-ministerial committees with overlapping mandates.

### **2.1.3. Review Objectives**

This review has been conducted as part of the Participatory Poverty Assessment (PPA) of the Tonle Sap initiated by CDRI with ADB assistance. While the immediate purpose of the review is to highlight findings from the Tonle Sap area, the scope has been widened to include all of rural Cambodia in order to be able to relate the Tonle Sap to the overall Cambodian development context. The chapter is thus organised as follows:

The next section examines national-macro level data and findings on the status, trends and distribution of poverty and inequality in the country. In addition to income poverty, macro data on health, nutrition, education, demography, landlessness, real wages and earnings of poor workers, are also discussed. Wherever possible, these are compared with the Tonle Sap data. Section 3 focuses on the major poverty themes to emerge from the Cambodian literature. Section 4 identifies emerging issues and hypotheses about the nature and dynamics of poverty, while Section 5 deals with the legal and policy regime, particularly with respect to natural resources and decentralisation.

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<sup>2</sup> Phim *et al.* (2007)

<sup>3</sup> The National Assembly passed the Law that ratified Cambodia's accession to the WTO on August 31, 2004

<sup>4</sup> (World Bank, 2004), Cambodia Seizing the Global Opportunity: Investment Climate Assessment and Reform Strategy for Cambodia, WB, Phnom Penh

## 2.2. Nature and Dimensions of Poverty: Macro Evidence

### 2.2.1. Status, Trend and Distribution of Poverty

#### 2.2.1.1. Status and Trends

Data from Cambodia Socio Economic Survey (CSES) 2004 has for the first time, enabled us to quantify changes in poverty over time in Cambodia. Two separate poverty estimates were derived using alternative methodologies ("diary" method and recall method), with both being very similar – 35.9 and 34.7 percent, respectively. Despite a number of household surveys (e.g. 1993-94, 1996-97, 1999) lack of comparability has dogged assessment of poverty trends. The 2004 survey is thought to be comparable with the 1993-94 survey although even in this case geographical coverage of the two surveys was different. It was not possible in 1993-94 to cover all provinces because of the on going insurgency which of course was not the case in 2004. Thus, the two data sets can only be compared if the excluded provinces from 1993-94 are also excluded from the 2004 survey.

The poverty line was estimated at 2124 riels (\$0.53) in 2004 while the food poverty line was 1684 riels (\$0.42). The poverty head count index is 35.9 percent (by the more reliable diary method), while 20 percent live below the food poverty line. More than 93 percent of the poor live in rural areas.

Poverty has declined significantly between 1993-94 and 2004. For the country as a whole, poverty declined by around 11 percent or at the rate of slightly over 1 percent a year. The sharpest decline occurred in Phnom Penh (Table below).

**Table 1: Cambodia: Poverty Trends, 1993-94 - 2004**

| Area        | 1993-94 | 2004 |
|-------------|---------|------|
| Phnom Penh  | 11.4    | 4.6  |
| Other Urban | 36.6    | 20.5 |
| Rural Areas | 43.1    | 33.7 |
| Cambodia    | 39.0    | 27.8 |

Source: Knowles 2005, CSES 2004.

Given that GDP growth per capita in Cambodia in recent years has averaged between 3-4 percent, this implies a poverty-growth ratio of .25-.33 which cannot be considered high. Some observers have argued that the narrow sources of GDP growth (garments, tourism and construction) and poor backward linkages has meant that benefits of growth percolate down to the poor only slowly (e.g. see Beresford et al, 2004).

In the light of the newly generated evidence, it is useful to re-examine the position of Beresford et al (2004) who have argued that growth in Cambodia has not led to poverty reduction but in fact may have worsened the situation even further. This seems particularly to be true of non-income poverty due to fewer public health facilities, rising infant and child mortality, poor educational outcomes and high incidence of HIV-aids. Inequality has also been growing, particularly between rural-urban areas. On the other hand, the depth of poverty (head-count) is shallow and rural inequality is low.

It is quite possible for income poverty and other non-income manifestations of poverty to be uncorrelated in the short and medium term. It is nevertheless curious to note that much of the budgetary and development focus of the government and donors in Cambodia has been on the health and education sectors, while other crucial sectors like agriculture and rural development have not received sufficient attention. Despite its significant share in the economy, the investment commitment on agricultural sector was only USD 20 million in 2005 compared to those of USD 931million and USD 211 million of the industry and service sectors, respectively. The World Bank (2006) also indicated that the agricultural sector

received relatively little attention. Public investment, inclusive of both domestic and donor funds, in the sector remained very low at about 0.5 percent of the total GDP. The share of foreign aid for the agricultural sector has been in the 8-10 percent range with most of this used for technical assistance i.e. institutional capacity building that has not yielded satisfactory impact.

Despite increased budgetary-fiscal and policy attention to health and education, poor outcomes in these sectors are surprising. Thus, Beresford et al (2004) note that four major policy documents of the government (PRSP, IFAPER, PRGF and MTEF)<sup>5</sup> have established health and education as main policy priorities. These documents, however, do not establish a clear link between macro-fiscal aggregates and poverty reduction. Health and education are currently still on the priority list of the government as reflected in its key policy papers including the Cambodian Millennium Development Goals (CMDGs) and the National Strategic Development Plan (NSDP).

Poor outcomes in health and education may be related to leakage or poor quality of expenditures. It is also possible that there is a lagged response to these investments, implying that the short to medium term outlook may be brighter. The shallow poverty depth and low levels of rural inequality suggest that a broadening of economic growth, even if modest, could have very significant poverty reduction effects.

#### *2.2.1.2. Spatial Distribution*

The Tonle Sap region covers Banteay Meanchey, Battambang, Pursat, Siem Reap, Kompong Chhnang, and Kompong Thom provinces. It is 60,707 km<sup>2</sup> and makes up 34 percent of the country surface. There are approximately 4.3 million inhabitants accounting for one third of the total population. The crop cultivated area aggregated to 989,654 ha in 2005 contributing 42 percent of the country's cultivated land. These provinces are also home to the Tonle Sap Great Lake, which is rich in fisheries resources. Nevertheless, the poverty incidence in these provinces is surprisingly high. Kompong Thom and Siem Reap, for instance, are the second and the third poorest provinces with 52.4 percent and 51.8 percent of the population living below the poverty line, while the other three provinces namely Banteay Meanchey, Pursat, Kompong Chhnang have poverty rates higher than the national average (see Table2). Other studies confirm this view. Thus, Marko (2002) notes that the Tonle Sap area has the highest incidence of poverty amongst all regions in Cambodia, characterised by the highest incidence of landlessness, precarious access to natural resources and a high population growth rate.

#### *2.2.1.3. Consumption and income patterns*

The structure of food consumption based on CSES 2004 revealed that cereals are the largest food item group (see Table 3). The expenditure on this item is found to be highest in rural areas. Since cereals are the main source of calories, their prices, particularly those of rice, are therefore important for poor households that depend on buying rice from the market. In fact, farmer households that are not able to produce enough rice to meet their consumption needs view themselves (and are viewed by others) as poor.<sup>6</sup>

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<sup>5</sup> Poverty Reduction Strategy Paper (PRSP), Integrated Fiduciary Assessment and Public Expenditure Review (IFAPER), Poverty Reduction and Growth Facility (PRGF), and Medium Term Expenditure Framework (MTEF).

<sup>6</sup> Based on field interviews and Focus Group Discussion conducted for the Moving Out of Poverty Study of CDRI. Absolute levels of rice consumption across deciles would have been interesting to observe but there is no data on this. A CDRI study based on micro survey data in 1996-97 suggests that absolute differences are small (Murshid, K.A.S., 1998).

**Table 2: Provincial poverty estimates and other key indicators**

| Indicators                      | Banteay Meanchey | Battambang | Pursat  | Siem Reap | Kompong Chhnang | Kompong Thom | Cambodia    |
|---------------------------------|------------------|------------|---------|-----------|-----------------|--------------|-------------|
| Area (sq km)                    | 6,679            | 11,702     | 12,692  | 10,299    | 5,521           | 13,814       | 181,035     |
| Population                      | 773,092          | 997,840    | 428,173 | 861,214   | 513,179         | 681,692      | 13,806,923  |
| Cultivated area (ha)            | 200,711          | 235,730    | 91,488  | 187,305   | 116,980         | 157,440      | 2,374,175   |
| Rice production per capita (kg) | 440.8            | 468.6      | 344.2   | 308.2     | 353.3           | 241.2        | 302         |
| Inland fishcatch (tones)        | 4,800            | 16,900     | 21,650  | 30,100    | 32,850          | 22,700       | 250,000     |
| Poverty rate*                   | 37.2             | 33.7       | 39.6    | 51.8      | 39.6            | 52.4         | 35.1        |
| Literacy rate                   | -                | -          | 70.5    | 64.4      | 66.4            | 70.8         | 73.6        |
| Pupil-teacher ratio             | 54.1             | 55.3       | 51.7    | 75.5      | 61.3            | 54.9         | 53.5        |
| Child mortality (per 1000)      | 32               | -          | 38.7    | -         | 35.3            | 36.7         | 31.9        |
| Aid disbursement 2004-05 (USD)  | 16,523           | 11,272     | 5253    | 35020     | 4971            | 17084        | 425,000,000 |
| <b>Province/Cambodia</b>        |                  |            |         |           |                 |              |             |
| Area (sq km)                    | 0.04             | 0.06       | 0.07    | 0.06      | 0.03            | 0.08         | 1.00        |
| Population                      | 0.06             | 0.07       | 0.03    | 0.06      | 0.04            | 0.05         | 1.00        |
| Cultivated area (ha)            | 0.08             | 0.10       | 0.04    | 0.08      | 0.05            | 0.07         | 1.00        |
| Rice production per capita (kg) | 1.46             | 1.55       | 1.14    | 1.02      | 1.17            | 0.80         | 1.00        |
| Inland fishcatch (tones)        | 0.02             | 0.07       | 0.09    | 0.12      | 0.13            | 0.09         | 1.00        |
| Poverty rate                    | 1.06             | 0.96       | 1.13    | 1.48      | 1.13            | 1.49         | 1.00        |
| Literacy rate                   | -                | -          | 0.96    | 0.88      | 0.90            | 0.96         | 1.00        |
| Pupil-teacher ratio             | 1.01             | 1.03       | 0.97    | 1.41      | 1.15            | 1.03         | 1.00        |
| Child mortality (per 1000)      | 1.00             | -          | 1.21    | -         | 1.11            | 1.15         | 1.00        |
| Aid disbursement 2004-05 (USD)  | 0.00             | 0.00       | 0.00    | 0.00      | 0.00            | 0.00         | 1.00        |

Sources: Ministry of Planning CAMinfo2.1 (2005) and Cambodia Development Council (2005)

\* Poverty rate is defined as the proportion of people living below the poverty line of 1,826 riels per day.

After cereals come fish and seafood, and meat and poultry, accounting for around 20 percent and 16 percent, respectively, of total food expenditures on average for all households. It is interesting to note that less fish and seafood and more meat and poultry are consumed in urban Phnom Penh compared to other urban and rural areas. It is likely that fish consumption in rural areas is almost entirely based on subsistence fishing in which participation of the poor is likely to be more common. Until 2002, access to fishing grounds was restricted, but has since been opened up under the new fishing law that has released fishing lots for public access. While this has been widely applauded as a pro-poor decision, there are serious concerns with sustainability issues and dramatically falling catch rates.<sup>7</sup> (See Chapter 6 on Natural Resource Management and Livelihood Strategies).

With non-food consumption, housing is the largest item accounting for 43 percent of the total non-food expenditure for all Cambodians. On average, the residents in Phnom Penh spend 43.5 percent of total non-food expenditure for housing compared with 49.1 percent in other urban areas and 41 percent in rural areas. For expenditure directly related to human resource development, the shares are relatively small. The share of health care and that of education in total non-food consumption is 4.5 percent and 1.8 percent, respectively, of all Cambodians.

In aggregate, self-employment accounts for 61 percent of income with rice cultivation contributing 16.3 percent, non-farm activities 17.7 percent, other cultivation at around 7 percent, and livestock at 9.4 percent. Amongst 'other sources' (39 percent), wages and rents are the main contributors at 20.5 and 16.5 percent. The pattern for deciles 1-9 is similar to this average picture. The pattern for decile 10 (top decile) is reversed, with more than 60 percent of income emanating from wages and rents (about half and half) and 36 percent from self-employment, predominantly from non-farm activities (i.e. not from cultivation or livestock).

**Table 3: Structure of household consumption by Stratum 2004**

|                       | Cambodia   | Phnom Penh | Other Urban | Rural Areas |
|-----------------------|--|------------|-------------|-------------|
| <b>Food Item</b>      | <i>as percentage of total food expenditure</i>     |            |             |             |
| Cereals               | 31.3   | 11.4       | 24.6        | 34.5        |
| Fish & seafood        | 19.9   | 15.4       | 21.2        | 20.2        |
| Meat & poultry        | 15.6   | 20.7       | 15.8        | 15          |
| Other                 | 33.2   | 52.5       | 38.4        | 30.3        |
| <b>Non-Food Item</b>  | <i>as percentage of total non-food expenditure</i> |            |             |             |
| Housing               | 42.8   | 43.5       | 49.1        | 41          |
| Use value of durables | 14.5   | 22.8       | 17.3        | 12.2        |
| Health care           | 4.5  | 3          | 2.4         | 5.3         |
| Education             | 1.8  | 3.9        | 2.1         | 1.3         |
| Other                 | 36.4   | 26.8       | 29.1        | 40.2        |

Source: Johanson and Backlund 2005, CSES 2004

#### 2.2.1.4. Human Development Index and Gender Development Index

In addition to income poverty, there are other aspects of poverty that require strong policy actions. In particular, broader concepts like human development and human poverty have gained currency because of their focus on non-income aspects of well-being. Thus, human development has been defined to take into account the non-income dimensions of poverty,

<sup>7</sup> It is interesting to examine the findings of fisheries surveys (see Ahmed, M. 1998) carried out in the late 1990s which systematically report sharp reduction in catch size on the basis of qualitative interviews with fishermen and other villagers. These trends continue to be reported today, with some observers seeing a connection with the land law. Hard evidence on the subject is difficult to come by.

particularly health and education, and are usually reported in the Human Development Reports produced by the UNDP. Human poverty is similar in nature incorporating measures related to education, health, nutrition, safe water, and health services. The core measure of human poverty is the Human Development Index (HDI) that incorporates real GDP per capita, a measure for health (i.e., average life expectancy at birth) and education (i.e., adult literacy and school enrolment rates). Cambodia's HDI is relatively low compared to other countries in the world. The Gender Development Index (GDI) reflects male-female disparities in health, education and living standards. For Cambodia, the GDI is in a similar position with respect to its HDI. The measures for HDI, HPI, GDI by degrees of poverty are indicated below.

**Table 4: Human Development Measures and Per Capita GDP, 2004**

| Indicators               | Value | Rank                         |
|--------------------------|-------|------------------------------|
| HDI                      | 0.583 | 129 <sup>th</sup> out of 177 |
| GDI                      | 0.578 | 97 <sup>th</sup> out of 136  |
| HPI-1                    | 39.3  | 73 <sup>rd</sup> out of 102  |
| Per Capita GDP (PPP USD) | 2423  | 122 <sup>nd</sup> out of 177 |

Source: UNDP 2006

#### 2.2.1.5. Other Broad Characteristics

Some broad characteristics of the poor have been established from the various CSES rounds. These are as follows:

- The highest poverty incidence and the largest number of the poor belong to households headed by persons aged between 30 and 50 years. Both female and male headed households experience similar rates of poverty in Cambodia. Similarly, not much difference exists in poverty rates in terms of marital, ethnicity or disability status.
- Poverty rates are highest in rural areas and amongst people living in households headed by farmers
- Poorer households tend to be larger, younger and have more children, and are likely to be headed by a male
- The poor are likely to live in households where the head is illiterate and has limited schooling
- Poverty is lowest in Phnom Penh
- The Plains and the Tonle Sap zone accounts for 80 percent of total poverty; poverty severity is higher in the urban and rural areas of the Plateau/Mountain zone (although head count is low for rural areas).
- Infant and under five mortality rates are much higher for the poor compared to the non-poor; these rates are particularly high for children of uneducated mothers.<sup>8</sup>
- Anthropometric studies indicate significant malnutrition among children with 45 percent suffering moderate stunting and 21 percent exhibiting severe stunting (height for age).<sup>9</sup>

More recent insights into the characteristics of the poor are available from qualitative surveys using participatory approaches to understand the nature of poverty. Thus the Cambodia Participatory Poverty Assessment (PPA) reported in ADB (2001) collected

<sup>8</sup> See 1998 National Health Survey (Ministry of Health 1999); and CDHS (2000).

<sup>9</sup> Knowles (2003) who quotes CDHS (2000).



information on the rural and urban poor in Cambodia in terms of their status with respect to food access, land, animals, health, education and housing. These are summarised below.

**Table 5: Characteristics of the Poor: Findings from the PPA in 2001**

| Characteristics      | Extreme Poor   | Poor   | Lower middle   |
|----------------------|--|--|--|
| Food                 | Persistent chronic hunger; food shortages up to 8 months | Food shortages: 3-6 months                               | Food shortages 3-4 months                                |
| Land                 | Possess little land                                      | Less than 2 ha usually located in unfavourable locations | Less than 3 ha   |
| Livestock            | Perhaps one draft animal; no farm implements             | Usually a pair of draft animals; some farm implements    | Draft animals and farm implements                        |
| Income sources       | Rice cultivation and access to CPRs                      | Rely mainly on rice cultivation                          | Rice cultivation   |
| Education            | Cannot send all children to school                       |  |  |
| Healthcare           | Vulnerable to any illness                                |  |  |
| Cultural obligations | Cannot meet  |  |  |
| Housing              | Thatch, very poor condition                              | Thatch; sometimes tiled roof and bamboo walls            | Greater use of tiles and wood                            |
| Assets/credit        | Chronically in debt; unable to borrow more; few utensils | Able to borrow money for rice cultivation; some utensils | Able to borrow money for rice cultivation; some utensils |
| HHSIZE/ composition  | Many small children; few workers                         |  |  |
| Vulnerability        | Highly vulnerable to crisis and shocks                   |  |  |

Source: ADB (2001)

The above description of the conditions of the rural poor allude to the limited capacities of the poor in terms of land and assets, family workers, the very limited and highly volatile nature of income sources, and an inordinate dependence on common property resources. Poor housing conditions, debt and lack of credit worthiness are important aspects of poverty.

Another study that uses a PPA approach to generate “up to date socio-economic information” is Keskinen (2003) focuses exclusively on the Tonle Sap. As part of the preparatory exercise for the 2001 PPA, the study examines the existing large scale databases to draw some important findings related to livelihoods in the Tonle Sap.<sup>10</sup> Generally people living closer to the lake depend more on fishing and gathering activities, as well as on the flooded forests compared to those living further away. Rice cultivation is important for all groups (except for people in floating villages) but rice yields are subject to wide variations due to floods and drought. Access to common property resources has changed enormously with widespread reports of dramatic declines in fish and forest resources. Population pressures in the Tonle Sap are higher than elsewhere in the country, and this combined with declining resources, has contributed to cutting down of inundated forests and their conversion into rice lands. The study also notes the high degree of seasonality in terms of the main livelihoods/occupations of the people (fishing and rice cultivation) and points to the considerable time spent in other activities designed to supplement the incomes from the main occupations. Many of these other activities involve collection-gathering and hunting in the forests. The extreme seasonality of incomes reported combined with the acute dependence on

<sup>10</sup> These data include the Population Census 1998, CSES 1999, Oxfam-Quebec Data Base and the Seila data base (see MRCS/WUP-FIN 2003).

natural resources (non-irrigated rice cultivation and fishing) also imparts a high degree of uncertainty and risk to rural livelihoods in the area.

A study by Oxfam-Quebec characterised the Tonle Sap area in terms of eco- systems, e.g. Flooded Forest Eco System, Rainfed Rice Lowland Eco System, Upland Rice System and so on, and for each type examined livelihood issues by groups of poor, medium income and rich households.

Fishing is the main activity for the poor in the flooded forests and floating villages,. Access to the richer commercial fishing grounds however, is restricted. As far as the flooded forests are concerned, these are owned by the government but in actual practice are controlled by soldiers. Those living on the landward side also engage in agriculture. The main problem of the poor seems to be lack of access to services, poor infrastructure, lack of income opportunities that do not depend on fishing and forestry. The poor reported to be aware of over-exploitation of common resources and indicate a 30 percent decline in fish catch. Another problem for farmers is the huge fluctuations in rice yields due to weather, disease and pests. The emerging issue seems to be the rapid decline in natural resources, especially fisheries, and the encroachment of forest areas, including burning of forests to catch animals.

**Table 5: Trends of Different Natural Resources and Socio-economic Factors by Sample Areas in Tonle Sap**

| <i>Area</i>   | <i>K. Preah</i> | <i>Preak Ta Kong</i> | <i>Ansang Sak</i> | <i>K. Pradam</i> | <i>Peam Kraeng</i> | <i>Pou</i> |
|---------------|-----------------|----------------------|-------------------|------------------|--------------------|------------|
| Population    | R               | R                    | R                 | R                | R                  | R          |
| Livelihoods   | D               | D                    | D                 | D                | D                  | D          |
| Fish catch    | D               | D                    | D                 | D                | D                  | D          |
| Forest area   | D               | D                    | D                 | D                | D                  | D          |
| Agr Land      |                 | D                    | D                 |                  |                    |            |
| Cattle        |                 | U                    | U                 | R                | R                  |            |
| Flooding      | R               | R                    | R                 | R                | R                  | R          |
| Water quality | D               | D                    | D                 | D                | D                  | D          |
| Sedimentation | R               |                      | R                 | R                |                    | R          |

*Source: MRCS/WUP-FIN (Keskinen, 2003). R: rising or increasing; D:declining*

In rain-fed low-land eco systems, the poor are mainly farmers with secondary occupations that include palm sugar processing, knife making and ox-cart making (but not fishing). Drought is the main problem. Interestingly, most poor people do not know how to improve their situation. Upland areas seem quite similar, with a high dependence on rice cultivation and large yield variations. Animal raising is popular but beset with animal health problems leading to high mortality. The poor generally need to buy food (rice) during the dry season. Many, however, have no cultivable land and depend on selling labour and foraging in the forests. This group needs to buy rice on a daily basis.

The available evidence, although uneven and often dated, does provide a good descriptive understanding of who the poor are, where they are located and what are their broad characteristics and status in terms of incomes, assets, household composition, access to resources and services, health and education. The data on the Tonle Sap – both from the large-scale data bases and the qualitative surveys is also quite rich, with at least two of the qualitative surveys taking place in the early years of the century (i.e., the Cambodia PPA and the MRCS/WUP-FIN study).

### **2.3. Poverty Correlates and Determinants: Major Themes**

This section is divided into a number of sub-themes identified systematically from the poverty-livelihoods literature in an attempt to introduce specific findings and insights from a diverse range of studies, based not only on micro and small surveys but also on larger data sets.

### **2.3.1. Education**

Educational levels and literacy rates are one of the most powerful determinants of poverty. Unequal access to educational opportunities seems to be strongly correlated with income inequality. Because education directly contributes to worker productivity, and can promote better natural resource management and more rapid technological adaptation and innovation, education investments are crucial for sustainable economic growth and long-term poverty reduction.

A number of recent studies, however, reveal that the current status of education in Cambodia is very poor; public investment on education is relatively low and there is a positive relationship between poverty and these two factors. Knowles (2003), through the analysis of available data found that many poor villages in Cambodia are still served by schools offering three or fewer grades of primary school and the pupil-teacher ratios approach 100 in some areas. The quality of primary schools, thought to be more pro-poor, is also very low, especially in rural areas and in schools serving the poor.

Keskinen (2003) also addresses the issue of poor educational infrastructure, but focused on the areas around the Tonle Sap Lake in his survey. He reports that class sizes are often too large, with 50 children per teacher or more, and often two or three shifts a day are needed due to too few classrooms. In addition, the survey indicates that the literacy rates and levels of education are lowest in the zones closest to the lake and increases remarkably when approaching the national roads and provincial capitals.

A 1999 systematic nation-wide survey carried out by the Ministry of Education, Youth and Sport (So and Pasetsri, 2000) shows that literacy rates are likely to be far below estimates provided by the 1998 Census. In this survey, literacy is redefined in terms of minimum competence in basic areas of knowledge and skills, i.e. in reading, writing, arithmetic and problem solving to be able to function effectively in all areas of life and contribute to the community. The survey finds that some 62.9 percent of the adult population is basically illiterate. Although using a different definition may undermine the conclusion that the number of the illiterate is far above the 1998 Census, the survey yielded two important findings. First, there is a high correlation between illiteracy and poverty in the sense that people who have low literacy rates also have low income. Second, public investment in education is significantly lower in Cambodia than in other ASEAN countries.

The importance of education is well reflected in the government policy papers. The NSDP 2006-2010 (RGC, 2005) put education on its high-priority development agenda. The paper notes that while there are improvements in the net enrolment rate in primary and secondary schools, more attention needs to be paid to the quality of education, student performance, dropout and repetition rates and pupil-teacher ratios. Vocational training and higher education are also seen as important public investments apart from universal basic education, which is one of the CMDGs.

The relationship between poverty and education is also clearly indicated in the Poverty Assessment (WB, 2006). The study shows that the poor are generally those who lack human capital and the mean years of schooling among them are 2.75 compared to an average of 5-6 years for the two richest quintiles. The study also finds that the probability of being mired in poverty dropped significantly for household heads with some years of schooling compared to those with no schooling at all.

Overall, it can be said from the existing studies that the current status of education in Cambodia still remains poor with high illiteracy levels, inadequate number of teachers serving in rural schools, and low levels of investment in education. There is a consensus that education is one of the most powerful instruments for reducing poverty, and the failure to provide basic education retards the country's efforts to reduce poverty.

### 2.3.2. Health and Sanitation

Health care in Cambodia is not free. Expenditure on health is high and for the poorer households, illness can be catastrophic. Numerous attempts to explore the connection between health and poverty demonstrate that the poor are vulnerable to many kinds of diseases, that healthcare cost is not at a level the poor can afford, that the public health services are seriously under-resourced and that perhaps the most important factor leading to a downward slide into poverty lies in illness and disease.

Knowles (2003), using data both from 1998 National Health Survey and the 2000 Cambodia Demographic and Health Survey to examine the health conditions of the poor provides a number of plausible findings. First, many types of infectious diseases are still highly prevalent in Cambodia. Second, the infant mortality rate increased significantly between 1986 and 1997 and the mortality of children under 5 is almost twice as high for mothers with no education as compared to mothers with some secondary education. Third, maternal morbidity and mortality are markedly higher among the poor. Fourth, indoor air pollution, which causes serious health problems is a greater problem among the poor who rely more heavily on wood fuel. Fifth, health knowledge among Cambodians is generally low and even lower among the poor and uneducated. In short, the study illustrated that the poor tend to suffer more from ill health, reinforcing the poverty-health nexus.

Mukherjee (2001) analyzed the sanitation situation in Cambodia using data from 10 rural communities where sanitation coverage rates are unusually high (a coverage rate of household latrines at least twice the national average). The literature argues that access to sanitation is extremely low and that the poor have little access to sanitary latrines compared to the non-poor classes. It shows that 86 percent of the high-income, 48 percent of the middle-income, and 13 percent of the poor owned sanitary toilets in Cambodia. As a large proportion of diseases are caused by limited access to sanitation, the poor are particularly susceptible to health-related outcomes arising from poor sanitation. This argument was strongly supported by another study undertaken by the World Bank on the poverty-environment nexus (Dasgupta, 2003). Such empirical analysis implies that the health status of poor Cambodian households tends to be worse than that of the non-poor because they rely much more heavily on the use of charcoal and wood fuel for cooking, which is a major source of indoor pollution. Such pollution is blamed for a range of illnesses and respiratory problems, especially for women, young children and the old who tend to remain indoors.

*The Participatory Poverty Assessment* (ADB 2001) and the final report on *Tonle Sap Sustainable Livelihoods* (ADB, 2004) also observes that illness is a major cause of poverty in the Tonle Sap and that serious illness can strip the household of all its livelihood assets very quickly. These studies show that people who lack access to clean water often suffer from the illnesses that are associated with waterborne diseases, namely diarrhea, dysentery, and typhoid fever. The situation is exacerbated when there is neither a functioning health center nor affordable medicines. Many people complained that most of the medicines available are not effective and the side effects have sometimes been worse than the actual illness. Under such circumstances, the poor risk losing whatever savings they have or incurring debts that they cannot repay. Consequently, they are forced to sell assets including land and draft animals. Another finding from a study on *Health and Landlessness* (Oxfam 2000) also supports this analysis, pointing to illness as one of the most important factors contributing to landlessness and poverty.

Schwartz and Bhushan (2004) discusses the equity impact of using private sector contracts for the delivery of primary health care as an alternative to traditional government provision in Cambodia. It does so by using pre- and post intervention data from a large scale contracting experiment to provide primary health care in rural districts of Cambodia between 1998 and 2001. The study asserts that although all districts increase health care service coverage, the contracted districts outperformed the government districts in targeting services

to the poor, even when controlling for other factors, including differences in expenditure levels, starting values, and demographics. This suggests that reform of the public health delivery system through health centers is urgently required to make the services more accessible by the poor.

The NSDP 2006-2010 (2005) recognized that there is still a long way to go to reach satisfactory levels of health status especially in regard to reducing maternal mortality and infant mortality rates. It notes that the government expenditure for health increased by 264 percent over 1998-2004, but much more needs to be done regarding actual allocations and the timely release and the proper use of funds.

The Poverty Assessment (WB, 2006) provided the most recent poverty profile in Cambodia. Regarding access to water and sanitation, the report found that the poor had virtually no access to water and sanitation. Barely two percent of the poor households were found to have access to piped water or public tap and only 3.5 of the poorest had access to decent sanitation.

In sum, it is evident from the literature that poor health is a major cause of poverty and that most Cambodians are at disadvantage because they are still vulnerable to various kinds of diseases due to the lack of health knowledge, low access to sanitation, and because healthcare is costly.

### ***2.3.3. Land and Natural Resources***

Of the more than 10 million Cambodians currently living in rural areas, over 8.5 million depend on natural resources to support their livelihoods. Most are subsistence farmers, relying on one crop of rice per year, fish and other aquatic resources, and a range of forest products. Over the past decade, rural livelihoods have faced increasing challenges due to a rapid decline in resources. Many recent planning and policy documents declare the government's fundamental commitment to reducing rural poverty. To be effective, poverty reduction and sustainable rural development efforts must take into account the close linkages between rural livelihoods and natural resources. Several recent studies have attempted to identify the relationship between natural resources and poverty in Cambodia.

Bhargavi et al (2001) claimed that 12-15 percent of the rural population is landless and close to 40 percent of rural households have less than 0.5 hectare of agricultural land. This is clearly too little for subsistence as the overwhelming majority of rural households depend on agriculture for their living. The main factors behind the economic marginalization of increasingly large numbers of the rural population were identified as very rapid population growth, lack of non-farm employment opportunities, and generally depressed economic conditions. Thus, large-scale employment creation has become a matter of urgent policy action, particularly in rural areas.

Kim, Chan and Acharya (2002) investigate some key dynamics of the agrarian structure in Cambodia. The study was carried out in six villages representing all the broad agro-climatic zones in Cambodia, using anthropological and other qualitative methods. The findings of this research accords well with Bhargavi et al's observation that considerable inequality in land holdings and landlessness has emerged over the course of the last decade; small farmers were often penalized in a system whereby interlinked markets and localized monopolies controlled both inputs and outputs and often suffered from uneconomical plots with insufficient irrigation facilities, poor market integration and expensive credit. The study further reveals that in some villages poor quality soils contributed to keeping yield rates low and levels of poverty high.

McKenney and Prom (2003) presents an overview of the current status of Cambodia's natural resources, based both on an extensive review of existing studies and documents and interviews with a selection of experts and practitioners. They observed that natural resources

have been subject to dramatic declines in recent years. Illegal and unsustainable harvests of fish and timber by commercial enterprises, military and local authorities in the face of a growing rural population were blamed. Added to this, the landless too were thought to be part of the problem as they intensified exploitation of these resources in their struggle for livelihoods. The study also argues that increasing restrictions on the rural population's access to resources due to the leasing of large tracts of the most productive resources to commercial enterprises has been a key feature in the natural resources sector in Cambodia – a trend that has tended to adversely affect rural poverty.

Keskinen (2003) underlines the impact of increasing population pressure and the privatization of common property resources on access to land and other natural resources. The study has also highlighted the situation with regard to land ownership status in the Tonle Sap that has resulted in serious disputes and conflicts, especially in the face of the high level of landlessness in this sub-region of Cambodia.

Another report on sustainable livelihoods in the Tonle Sap (ADB 2004) based on three months of field studies using a Sustainable Livelihoods Approach to understand the needs and priorities of village communities, indicates that there is a universal complaint from the people living in the provinces around Tonle Sap that fish resources have declined radically in recent years and that the flooded forests are being continually eroded by fires and encroached upon by farmers. Similarly, there has been a decline in both timber products and non-timber forest products as most landless and land-poor villagers cleared flooded forestland for other livelihood purposes including the cultivation of agriculture crops. The findings of the study reveal that natural disasters are one of the most difficult shocks to cope with on a community-wide basis. The impact of natural disasters on livelihood strategies can be acute, generating additional pressure on resources. For instance, overall decline in fish catch will induce the use of illegal fishing gear, and the clearing of trees and vegetation by the landless and land-poor villagers.

#### **2.3.4. Credit market**

A number of studies indicate that even though there is demand from customers, the financial system is poorly developed and rural banking is virtually non-existent in Cambodia. A study conducted by UNDP in 2004 using secondary data suggests that only about 10 percent of the population has access to formal credit. The study also found that despite this poor performance of the formal credit institutions, most households are involved in credit markets, mainly the informal credit markets, characterized by a high rate of interest that people find very difficult to service. The PPA study carried out by ADB (see ADB 2001) stressed the need for expanding the coverage of micro-credit. More than 35 percent of the FGD participants could not get access to any form of credit, whether it be to purchase basic foodstuffs or support micro-enterprise activities, including local trading. They cited frequent needs to borrow money to purchase rice and other basic foodstuffs, for land preparation and the purchase of fertilizer, and to treat chronic health conditions or emergency illnesses.

Other micro studies corroborate these impressions. Ballard and So (2004) examined the distribution of land titling benefits in Cambodia using data randomly selected from 970 households. The study revealed that about 60 percent of loans from the sample were obtained in the informal sector, which includes relatives and friends (43.7 percent) as well as moneylenders (16.0 percent). Another 31 percent of loans were obtained from the formal sector, either from ACLEDA (6.1 percent) or a Micro Finance Institute (MFI) (24.9 percent). About 9 percent of the loans were obtained in the "semi-formal" NGO sector. Productive investments were the purpose of 36 percent of loans, including agricultural production (14.4 percent), small businesses (12 percent), and animal raising (9.6 percent). Health care (21.7 percent) and food shortages (17.9 percent) accounted for almost 40 percent of all loans. The remaining loans (24.5 percent) were for other activities, including social ceremonies, home

construction and transportation. It is clear from the study that in spite of high interest rates the informal credit markets are more widely used than the formal one, although its importance seems to be on the decline.

The ADB (2004) study on sustainable livelihoods in the Tonle Sap cites the strict rules of formal sector creditors as the main factor that makes them unpopular to the public. According to the report, ACLEDA is the overarching formal financial service organization in the Tonle Sap and is the bane of many people. It is widely known by the people in the area that ACLEDA has the money to lend, but is strict as it will foreclose on borrowers who cannot meet their loan repayments and will readily impose penalties on borrowers who are late with repayments.

Rural credit is regarded as an important ingredient for broad based economic expansion and poverty reduction (RGC 2006). As of 2006, there were 15 Micro-Finance Institutions working in rural areas along with specialized banks and the Rural Development Bank. Demand, however, continues to far exceed supply and the issue of high interest rates needs to be urgently addressed. The most important challenge is to find ways and means by which rural credit can be made available at much lower rates of interest than prevailing now [48 percent per annum].

### **2.3.5. Governance**

Governance is defined as the manner in which power is exercised in the management of a country's economic and social resources for development. Recently the term governance is being increasingly used to refer to a wide variety of failures of the state. Weak governance is viewed as a central cause of poverty and poor economic performance in developing countries like Cambodia. Problems of poverty and governance are inextricably linked. If power is abused, or exercised in weak or improper ways, those with the least power-the poor-are most likely to suffer. Weak governance compromises the delivery of services and benefits to those who need them most; the influence of powerful interest groups biases policies, programs, and spending away from the poor; and lack of property rights, police protection, and legal services disadvantage the poor and inhibit them from securing their homes and other assets and operating businesses. Thus, poor governance generates and reinforces poverty and subverts efforts to reduce it.

A study by CDRI (Kato et al 2000), examined key issues related to good governance and the need to carry out national reforms in its support. The study implies that current governance is poor and can be enhanced by addressing three major challenges. First, accountability institutions need to be strengthened to hold public officials accountable and to operate in a transparent manner. Second, the government should build partnerships with non-government sectors to broaden its ownership of reforms. Third, it is necessary to build the capacity for local government because the reforms of both public finance and public administration require the involvement of local administration to be the component of their implementation and the success of these reforms relies heavily on that.

Many studies agree that governance is the key cross-cutting constraint on economic growth and poverty reduction. Poor administrative capacity, particularly in the areas of civil service performance and budget management, constrains the ability of the Government to provide efficient and equitable services in such areas as education, health and agricultural extension.

Another study (World Bank 2000) explains how corruption, an important indicator of poor governance, affected the Cambodian poor. Using secondary data, it found that widespread corruption harms the poor, both directly and indirectly, via its effect on the investment climate and on overall government performance. The last ADB PPA (ADB 2001) backs this explanation by arguing that up to 8 percent of the focus group participants blamed

poor governance for corrupt practices associated with the misallocation of aid projects, bad policing functions that discriminate against the poor and the misallocation of development projects as the causes of their poverty. It emphasized that the major issues relating to governance revolve around the delivery of government services such as the extra-official charges imposed by teachers on their children attending school, loss of control over local fishing resources and denial of access to forests.

### **2.3.6. Gender**

In Cambodia, women customarily have been seen as men's subordinates; they also tend to suffer more seriously from the impact of poverty. Several studies have specifically related gender to poverty in Cambodia showing that women are generally in a disadvantaged position within the country; they have less access to education, paid employment, land ownership and other property rights, resources and power than men, (e.g. see ADB 2001; Gorman, S.1999; Ministry of Women's Affairs 2004). The following are the summary of methodologies used and findings of the various studies.

CDRI (1999) provided an overview of current issues for gender and development in Cambodia, drawing together key issues from literature and research, and reviewing the latest statistics. Issues are presented under three broad headings-education, health, and economy and labor. Gender gaps revealed in the most recent statistics are highlighted, together with an analysis of the gender constraints, which lead to women's disadvantage in accessing the material and non-material resources of contemporary Cambodian society. The study indicated there were wide disparities in the literacy and educational attainment levels of the Cambodian population, with significant differentials according to gender. The gender gap in educational participation has immediate observable ramifications for the employment opportunities open to women, which in turn has wider social significance. Women's lack of skills and qualifications means that they are unable to compete for professional and decision-making positions, which are also the positions that command status and wealth. By restricting girls' access to education, their life opportunities and choices are also restricted.

The most recent study to emerge on gender is the Cambodia gender assessment entitled *A Fair Share for Women* (Ministry of Women's Affairs 2004) which is based on secondary data and a review of existing studies conducted by the Government, donors, and NGOs. The study reported as expected, that gender disparities are sharp e.g. in terms of access to health and education services with the poor at a great disadvantage, especially in rural areas. The current health services are not reaching rural areas and especially to rural women and girls. The illiteracy rate is very high; approximately 45% of female adults are completely illiterate (compared to 24.7% for men and around 25% of youth). Lack of access to information and education about law and rights is a serious issue; ignorance about legal protection leaves the poor vulnerable to exploitation. The study also stressed that most of Cambodia's women have considerably less access to extension services, land, or other resources, than men do.

*The Participatory Poverty Assessment* (ADB 2001), which aimed at providing a qualitative assessment of poverty involving the participation of the poor themselves, also provided important evidence to support the existence of gender inequality. First, the study revealed that young women and girls are more likely to be disadvantaged than male counterparts, particularly when it comes to access to education because, they, more so than males, are taken out of school to help at home or are kept from travelling long distances when there are no local facilities. Second, the most vulnerable group in rural area was widows with young children and with no adult labour available in the household. Third, there is some gender bias in the way poor communities deal with women's health problems. In a village inhabited by the ethnic Kavet in Ratanakiri, it was learned that if a family member was seriously ill and required hospitalisation, the family would be more likely to try and arrange for a man to be transported to hospital than a woman. Fourth to find paid work, out-migration,



either temporary or permanent, is necessary. Young men are supposed to be encouraged while young women are to be discouraged; and yet, some women recognized that there are more opportunities for young females than for men. Fifth, water is a problem that involves all women, whether it is access to and utilization of safe drinking water or for household garden plots or the irrigation of agricultural crops. All women complained that they spend a lot of time each day accessing water for cooking, washing and bathing purposes. In all regions women stated the time spent was almost double to what it was in the wet season.

In sum, both the qualitative and the quantitative data/findings suggest that gender disparities in Cambodian society are large. Women have less access to education and healthcare making them less competitive in the labour market. Since illiteracy limits the choices available to women and restricts participation in development activities, public investment in education will increase access for women to employment and economic opportunities.

### ***2.3.7. Domestic Markets and Trade***

Sik Boreak (2001) examined the constraints on rice marketing through information obtained from farmers, traders, millers, transporters, and government officials. He argued that trade liberalization would not benefit the poor unless the rural population has opportunities to participate in trade-oriented activities. At present, however, the rural poor find it hard to trade their agricultural products. Even though Cambodia was able to produce more rice than the country consumed, such surplus only led to lower prices for farmers, the majority of whom subsist below the poverty line. The study stressed that due to market imperfections stemming from the lack of information on retail price, the lack of competition, and transportation problems, Cambodian farmers had no choice but to sell their crops soon after harvest and accept the prices offered by the local paddy trader. This suggests that as long as the rice marketing system remains uncompetitive and constrained by serious distortions, there is no guarantee that rice surplus will make the poor better off. Another CDRI study on off-farm and non-farm employment (Acharya et al 2003) also support these findings, claiming that small rural industries in Cambodia often suffer from a lack of control over marketing and price mechanisms and that traders and intermediaries, who possess money and have monopoly power, gain a great deal.

ADB (2004) also highlights the poorly functioning and inefficient nature of the domestic marketing system in Cambodia, with reference to the Tonle Sap area. The report revealed that in the areas around Tonle Sap, formal markets can be found only in provincial, district, and some commune centers along the main highways. Limited market access coupled with poor transport infrastructure has led to weak bargaining power and low prices faced by farmers and fishers in the market for fish and agricultural products.

McKenney and Yim (2003) using information collected from fishers, traders, fish exporters and government officials, showed fisheries play a vital role in supporting rural livelihoods throughout Cambodia particularly around the Tonle Sap. The study argued that constraints on domestic fish trade (and exports) has negative effects on the livelihoods of the many small and medium-scale fishers supplying exporters, as well as others working in the sector.

The literature on domestic markets in Cambodia generally refers to monopoly power, interlocked or interlinked markets, high transactions costs and fees as being serious impediments to efficiency that reduces returns to producers. On closer inspection however, much of this literature is exploratory and often impressionistic. No rigorous attempts have been undertaken to look at the question of monopoly power or market integration to date. Nevertheless, two points still remain valid. First, poor infrastructure and high transport costs constrain trade. Second, high and unpredictable informal fees have a pervasive and negative impact on domestic markets.

### 2.3.8. Infrastructure

Rural infrastructure development can lead to higher farm and non-farm productivity, employment and income opportunities, and increased availability of wage goods, thereby reducing poverty by raising mean income and consumption levels. Roads, rail, power, communications, and water and sanitation systems deliver services that promote better health and education and increase people's earning capacity and assets. Nevertheless, there is sufficient evidence to show that rural infrastructure is extremely poor in Cambodia, and that what exists is badly managed. Thus, a central challenge for Cambodian policy makers is to address the problem of weak infrastructure that potentially could have huge poverty reduction and growth pay-offs.

*Participatory Poverty Assessment* (ADB, 2001), points to the acute need for infrastructure development on the basis of extensive discussions with villagers who identified particular problems with regard to access to roads, water-sanitation and electricity. PPA participants stressed the need for better roads, complaining of their poor access to markets, schools and health facilities.

Keskinen (2003) also examined the infrastructure issues in the Tonle Sap area. It analysed the source of lighting, cooking fuel and drinking water as well as toilet facilities using data derived from the Census 1998 and revealed a number of things. First, the main source of lighting in all rural areas is kerosene whereas in the urban areas electricity use is almost as widespread as kerosene. Second, the main cooking fuel in the whole study area is undoubtedly firewood. Third, although bottled water is the most hygienic source, its use in the rural areas is very limited, mainly due to high cost. Finally, the availability of toilet facilities increases steadily as one moves closer to the national roads and urban centres. The study stressed that in general, infrastructure seems to be the poorest in the villages closest to the lake and improves gradually when moving closer to urban areas and national roads.

Another study (Knowles 2003) notes that the poor are doubly disadvantaged -- in terms of access to transportation, and in terms of transportation costs. Among the various elements of rural infrastructure, investment in roads might well contribute the most to poverty reduction, especially in the short to medium term. The study further observed that electricity, safe water, and sanitation facilities are not widely accessible in Cambodia, particularly in the rural areas. The study continued to assert that only about one-fifth of cultivable land is currently irrigated and that existing irrigation systems in Cambodia predominantly exploit surface water resources and many of them were built during the period of Khmer Rouge rule and are non-functioning.

This picture is further reinforced for the Tonle Sap area in ADB (2004), which reveals that rural infrastructure in Kompong Thom, Siem Reap, Battambang, Pursat, and Kompong Chhnang is inadequate with poor transportation links, lack of clean domestic water supplies and a scarce public facilities and services. Communities are often isolated due to the difficulty of reaching the main road network. Much of the rural economy is fragmented into small-localized units operating largely on a subsistence basis. Irrigation/water control systems operated partially at best.

The PA (WB, 2006) identifies the lack of basic infrastructure as a constraint to agricultural growth in Cambodia. Agricultural production is vulnerable and dependent on weather condition due to the under-developed irrigation systems. Farm productivity was also negatively affected by poor road infrastructure and transport since it raises the cost of trade, lowers the farm-gate price, and increases risks and transport losses for marketing of higher value but perishable products.

A direct effect of the poor infrastructure and the related lack of rural/agricultural services has been on agricultural production systems in Cambodia, and especially in the Tonle Sap, making crop cultivation highly uncertain and risky. This weakness has become

particularly exposed in the face of consecutive weather shocks suffered by the country with bouts of floods and droughts occurring regularly over the last five years, eroding rural incomes and deepening poverty.

### ***2.3.9. Labor Markets and Small and Medium Enterprises***

The vast majority of the Cambodian labour force is employed in the low income, low productivity agriculture sector, with non-farm employment opportunities being highly limited. The existing literature suggests that the economy does not generate sufficient employment for the increase in the labor force and that the private sector, which is considered as the main vehicle of poverty reduction, is constrained by various factors.

There is evidence from the 1998 Census data and CDRI surveys that the size of the formal sector labour force (primarily, engaged in garment industries and the tourist sector) represent only about 5 percent of the total labour force, while the remaining 95 percent are distributed as follows: agriculture (77 percent), non-garment industry (4 percent) and other services (14 percent).

Godfrey et al (2001) provided a clearer analysis of the relationship between the labour market and poverty by comparing the composition of the poorest and richest household quintiles in 1999. The study found that the richest households rely far less on unpaid family workers and have a smaller number of children as a percentage of total household members and that the percentage of unemployed members is actually slightly higher in the richest households. Thus, the way out of poverty is for household members to move out of unpaid family work into wage employment and also into self-employment, and that unemployment and economic inactivity are luxuries that richer households can better afford.

Acharya et al (2003) examine off-farm and non-farm activities using secondary data and field inquiries, to show that the occupational diversification away from agriculture is small in Cambodia. The study identified fishing, fish processing, silk weaving, loom cloth weaving, pottery, marble handicrafts and brick making as the main non-farm and off-farm activities in rural areas. These enterprises, however, often suffer from poor, obsolete technologies, inadequate training and exposure of workers to modern methods, lack of finance, limited marketing channels and small scale operations that yield insufficient incomes. The study also identified several problems facing local business. First, the producers were put at a disadvantage because of the inefficient and expensive marketing systems. Second, productivity was found to be low due to subsistence operations using small amounts of capital and depending entirely on family labour. Poor infrastructure and dollarization were also noted as constituting important obstacles to development of local businesses.

Studies examining the employment/labour market situation in the Tonle Sap also reinforce the view that besides farming and agriculture, there are few non-farm or off-farm opportunities available (Keskinen, 2003). Keskinen also points to the overwhelming importance of agriculture, hunting and forestry in generating employment and incomes, while trade and services come second and fisheries third in importance.

*The Final report on Tonle Sap Sustainable Livelihood* (ADB 2004) also found that waged employment is very limited. The report indicated that before 1970 wage labour was restricted primarily to the jute industry, large rice mills owned by Sino-Khmers, and to a small extent in the fishing operations conducted by large-scale fishing-lot concessionaires. Even though waged employment opportunities on a greater scale have become available to younger people during the 1990s, most of these opportunities are to be found outside the Tonle Sap in either Phnom Penh or in Thailand.

The PA (WB, 2006) relates poverty headcounts to the employment status of the household head. It shows that poverty rates are highest among farmers and domestic workers, accounting for 48 percent and 13 percent, respectively, of the total poor. Poverty headcounts,

however, were estimated to be lowest among public servants. The PA suggests that the removal of binding constraints for both agriculture and agri-business would have a significant positive impact on the livelihoods of the poor.

Lundsrom and Ronnas (Sida 2006) discusses employment and growth issues to identify the underlying bottlenecks of poverty reduction. It finds that Cambodia's economy is under pressure to generate productive employment opportunities for the large number of new labour-force entrants. Given the status quo, many more people will become poor due to the lack of employment or decline in income. The study suggests sustained and high rates of increased of labor productivity will be crucial for reducing poverty. This requires the easing of constraints that prevent agricultural growth and private sector development, including insecure property rights, weak infrastructure, corruption and the high cost of energy.

In general, limited formal employment or productive self-employment opportunities is one of the major obstacles that hinders the effort to alleviate poverty. In the short run, the standard of living of the poor can be improved through the improvement of agricultural productivity such as the delivery of land title, better infrastructure and through the introduction of new farming technology and credit access.<sup>11</sup> In the long run, poverty reduction can be achieved through the creation of jobs outside the agricultural sector.

### **2.3.10. Demographic Pressures**

Malthus had postulated that while population grows at a geometric ratio, food supplies grow at an arithmetic ratio. As a result, population growth over time far outstrips food supplies and this leads to famine. His pronouncement seems to be accurate, at least for many Cambodian households in the countryside. Many existing studies on poverty in Cambodia suggest that households which consist of large number of members tend to be poor. In a region where food production technology is backward, population growth is likely to outstrip food output, leading to serious food insecurity. While macro level data suggests that Cambodia has attained a food surplus status, micro (household) repercussions of Malthusian dynamics may still be very much at work.

The areas around the Tonle Sap have attracted many migrants from elsewhere in Cambodia after the demise of the Khmer Rouge, and more importantly, as security improved in the 1990s. Data derived from the Socio-Economic Survey of the Tonle Sap Lake (Keskinen 2003) showed that the population density is much higher in the areas closer to the national roads. Density of population steadily increases as one moves from the rural zones towards the urban zones. The study shows that almost 56 percent of people living in the study area were under 20 years old. As this numerically large cohort enters into the labour market, it generates huge pressures on existing resources and facilities, and especially on rapidly dwindling natural resources. The recent emerging phenomenon of gang violence, drug addiction and rape that is coming to light is part of the problem of this new generation.<sup>12</sup>

In general, the combination of a fast growing population and the lack of appropriate natural resource management is a major contributory factor of rural poverty.

### **2.3.11. Food Security, Agricultural Production, and Natural Disasters**

*The Final Report on Tonle Sap Sustainable Livelihoods* (ADB 2004) yielded two important findings concerning the effect of natural disasters on agricultural production and food security. First, it suggests that even though flooding did not affect people living in the Core

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<sup>11</sup> PA (WB, 2006)

<sup>12</sup> Field reports as well as news items in Cambodian newspapers frequently note the rising level of youth violence, drug addiction and rape. Much of the youth violence seems to stem from proliferation of rural and urban gangs bound together by drugs and other anti-social interests.

Zone (CZ) and Buffer Zone (BZ), it did have a serious impact on the Transition Zone (TZ).<sup>13</sup> Flood recession rice cultivation in the TZ of Siem Reap was badly affected by successive 'larger than normal' flooding, with floodwaters taking longer and longer to recede. The traditional varieties of flood recession rice used have not adapted well to the changing levels and intensity of flooding in the TS and that many of those households self-sufficient in rice production until the late 1990s are no longer self-sufficient. Second, it indicated that besides flood, fire is another evil that made the livelihood of the people living in the Tonle Sap experience food insecurity. Fires in the flooded forest areas have created problems over the past decade especially for poor and vulnerable households because it is in these areas that they are able to gather a variety of NTFP including snakes, turtles, wild honey, plants and fruits that can be exchanged for other foodstuffs, sold for cash, or consumed within the individual household

*The Poverty Assessment* (WB, 2006) identified covariant shocks, such as extreme floods and droughts, as sources of vulnerability that may push relatively wealthy households into poverty and poor households into destitution. The impact of flooding has been extensive. In addition to spreading diseases, flooding has adversely affected millions of people by causing crop failures and damaging infrastructure and property, such as houses and livestock. The impact of drought was also significant as farmers heavily rely on rainwater. According to this study, the yields of agricultural crops, including soy bean and rice, fall dramatically due to the lack of rainfall in many areas of the country.

In short, coping with natural disasters has proved quite difficult for the people living around the Tonle Sap. Not only the immediate impacts like loss of livelihood assets, decline in food security, and the stresses and strains that were placed on local communities, but the longer term impacts, inability to adapt livelihood strategies to changes in natural capital, is also very difficult to cope with.

## **2.4. The Legal and Policy Regime**

In 2001, the government announced its Governance Action Plan (GAP) which identifies a set of crucial reforms that the government intends to accomplish over the short and medium term. These comprise of actions in four cross-cutting areas, (a) judiciary and law, (b) public finance, (c) civil administration, and (d) anti-corruption. The government has also identified two specific policy issues that are considered vital: management of natural resources, including management of land, forests and water resources; and demobilization of the armed forces. The first phase of GAP has been implemented while a second phase is underway. In the meantime the government has launched its rectangular plan where governance has been identified as the central plank from where the reform process must emanate. In 2005, the government introduced its National Strategic Development Plan (2006-2010) based on various policy initiatives, including the National Poverty Reduction Strategy and Cambodia Millennium Development Goals. This development blueprint refers to the need to strengthen natural resources management through institutional reform in the fisheries and forestry sub-sectors.

From the point of view of this review, the foremost concern is with the management of natural resources and the policy regime that affects access, exploitation and distribution of benefits.

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<sup>13</sup> The area encompasses the Tonle Sap Biosphere Reserve is classified as Core Zone (CZ-high degree of protection), Buffer Zone (BZ-sustainable development activity) and Transition Zone (TZ-relatively high degree of economic activity).

### **2.4.1. Forestry Reform**

Soon after the 1998 general elections, the government embarked on forestry reforms to combat illegal logging and to improve serious mismanagement of forest resources through a detailed regulatory framework or declaration. The objective of the government underlying this declaration is laudable: development of an environmentally sustainable, socially responsible and economically viable forestry sector.

In 1999, the government introduced forest policies aimed at safeguarding Cambodia's natural resources while supporting sustainable logging. Measures sought to be introduced to realise these objectives included law enforcement, concession management, community forest management, and improvement of the forest revenue system. Measures have also included confiscation of sawing machines and illegally collected timber, destruction of trucks and saw mills.

The basic management policy of the government has been through its forest concessions granted to large companies – a position that was fully supported and advocated by the World Bank. However, the manner in which concessions were granted, and the subsequent actions of the concessionaires resulted in strong criticism both by the government's independent monitor (Global Witness) and other civil society groups and donor organizations. Some positive steps were taken subsequently by the government, resulting in some concessions being cancelled or withdrawn. Forest concessions covering 3.5 hectares to 17 companies have been cancelled. As of 2005, there were only 12 concessionaires covering 3.4 million hectares of forests and no new forestry concessions have been issued. At the moment, the concession approach to forest management has become discredited, with even the World Bank seeming to back-track on their earlier support.

The civil society position remains firmly in favour of promotion of community based management. Some forest areas have in fact been brought under community management efforts but these are for the most part, degraded forests. The area under pristine forests has dwindled alarmingly to perhaps no more than 10 percent, and even these remain under serious threat from big logging interests.<sup>14</sup>

On the legislative front, the government has developed a plan for the completion of additional regulatory instruments needed for the 2002 Forest Law. A sub-decree signed in late 2003 on Community Forestry allows the government to transfer management of public forest assets to local communities.

### **2.4.2. Fisheries Policy**

Cambodia has one of the richest inland fisheries resources in the world which is a vital source of food and an important source of livelihoods for the population. This is particularly true for the areas around the Tonle Sap.

Fishing activities in Cambodia are generally of two types: large scale fishing; and open access fishing consisting of small to middle scale operations, also referred to as family or subsistence fishing. In 1997 revenues from fishing licenses granted by the government generated some US 2 million dollars annually.

Large scale industrial fishing consists of fishing lots and *dai* lots that require exclusive access and concessions/lease rights. Fishing lot concessions are generally auctioned for exclusive exploitation for a period of two years – a colonial system that was re-introduced by Cambodia in the late 1980s. The 'open season' for industrial fishing is October to June, so that the rest of the year is in principle, open to the general public wishing to engage in

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<sup>14</sup> Piloting of community forestry initiatives is underway in over 80,000 hectares with the help of NGOs. Further momentum in this direction is envisaged, e.g. with funding available from USAID.

subsistence fishing. In practice, lot owners prevent public access even during the closed season, leading to conflict and violence.

In 2001, more than half of the fishing lots were handed over to communes, dramatically altering the entire fisheries management system. In 1998 there were a total of 167 fishing lots in the whole of Cambodia encompassing a total area of 850,000 hectares of the most productive fishing grounds. The lot coverage was particularly large and rich in the Tonle Sap. One estimate suggests that in 1996, lots covered around 80 percent of the shoreline of the Tonle Sap lake (Gum 2000). In addition to fishing lots there were 113 *dai* fisheries in 1998.<sup>15</sup> More than half of the *dais* were located in the Tonle Sap river, operating during the fishing season (October to March).

In 2000, the government of Cambodia proclaimed radical changes in the management of fisheries by reducing the area of private fishing lots and allowing these to be managed by local communities themselves (Somony 2002). As a result 56 percent of the total area under lots was released and declared open access, affecting more than 500,000 hectares. The reasons behind this mover were many: frequent violence and conflicts between villagers and lot owners, controversies about conversion of flooded forests into agricultural land, outmoded fisheries legislation and poor enforcement, as well as the fundamentally inequitable nature of the fishing lot system – all affecting the poorest members of the community the most.

Although the reforms are largely considered beneficial, some have regarded it as too quick and radical, and introduced before the local communities were prepared to take on this management role. After fisheries officers were temporarily suspended from their duties in February 2001, illegal practices went out of control and anarchy replaced corruption and inequality. In many instances, powerful ex-lot owners continued to deny public access to fishing grounds, often with the help of the military. There are signs now that such disputes have diminished and that community management is slowly taking root throughout the Tonle Sap.

Not much is known about the impact of the reforms, e.g. on the poor. Anecdotal evidence suggests that in many areas, the poor (and others) have made windfall gains, using these to build/reconstruct houses and acquire other assets. The catch per person has dwindled rapidly, leading people to rethink livelihood strategies, particularly with a view to explore a shift in focus, away from fishing to agriculture.<sup>16</sup>

### **2.4.3. Land Policy**

Cambodia's history of forced collectivisation and destruction of social institutions has left the country with a legacy of complex land issues to resolve. The government's land policy framework provides a very forthright assessment of the issues that have yet to be resolved. These include lack of titles to land – most land owners have no titles and the process of awarding titles has been slow; flawed (and costly) land registration system; lack of cadastral survey maps that make it difficult to locate a specific piece of land; absence of clear property rights (including the right of transfers); administrative boundaries are unclear and there remains confusion over jurisdiction amongst different authorities. The same is true about state lands that makes it difficult to implement economic and social concessions: there is no land valuation system; land disputes are frequent and difficult to resolve; and the land tax system is weak.

The Land Law of 1992 was the first move towards introduction of private ownership of land after the collectivisation experiment under the Khmer Rouge. This law provided for 'rights of possession' of agricultural land and ownership rights to residential land. Two types

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<sup>15</sup> *dai* is a bag- net or stationery trawl net positioned in the river to catch fish as they migrate downstream.

<sup>16</sup> Field report from CDRI's Moving Out of Poverty Study.

of state lands were recognised: state public land and state private land. Only the latter can be given for concessions or alienated.

The Land Law 2001 provides a better foundation for land administration, land management and distribution. It also provides private ownership rights on both residential and agricultural land, enables delegation of land administration from central to local levels and the creation of a central land registry.

As of December 2003, the MAFF has granted 25 land concessions for agricultural production covering 724000 hectares. Only ten of the concessions have initiated any planting activities in about 14,000 hectares. In other words, as in the case of forest concessions, these large-scale land/agricultural concessions have not yielded any benefits. It would also seem that the full set of sub-decrees relating to the Land Law of 2001 is yet to be developed.

From the point of view of poverty reduction, perhaps the Social Concessions Sub-decree with regard to state land is of greater relevance. Social concessions are a unique form of land use right that has emerged out of very recent changes in the land policy formulation process in Cambodia. Article 13 of the 2001 Land Law would appear to have sufficient provisions to allow for such concessions: “.. vacant lands of the State private domain may be distributed to persons demonstrating need for land for social purposes in accordance with conditions set forth by sub-decree”. (ADB 2003:31).

Although the government has rushed ahead with the sub-decree on social concessions, in part in response to pressures from civil society, it is clear that actual implementation will take time and will extend beyond the medium term. Thus, ADB (2003 p.48) notes “..it still means that given current resources and capacities, the completion of the land registration task, as well as the subsequent allocation of social concessions, will require at least a decade of continuous work”. In the short to medium term, progress would have to be mainly in terms of land identification, demarcation and allocation on an area by area basis. For example, the Tonle Sap region with a high incidence of poverty, high population pressures, deep encroachments into the flooded forests would appear to be a good area to pilot the social concessions system.

#### ***2.4.4. Decentralization and Local Government Reforms***

The government of Cambodia started decentralization reforms since 1996 with the piloting of the Seila program, based on bottom-up, participatory, decentralised rural development initiatives. The idea is to allow participation of local communities in grassroots institutions to provide greater ownership and accountability. The Seila pilot experiment seems to suggest that decentralisation and deconcentration of authority to communes has enhanced democracy and improved the efficiency of public services.

In 2002, political decentralisation took place in Cambodia in the form of elected commune councils with discretionary and delegated powers. In 2003, a number of regulations were adopted and training given to build up the capacity of commune representatives. However, communes control few resources resulting in low investment levels and few services being delivered.

In the context of poverty reduction in the Tonle Sap, two considerations are of uppermost importance: (a) the growing need for community-based management of forests and fisheries require the local councils to play a big role in terms of ensuring adherence to rules and regulations, and for the successful implementation of the chosen management model, and (b) the reality on the ground that suggests that most villagers are not confident about the ability or willingness of the commune councils to play a fair, effective and pro-poor role.

To sum up, it is clear that within a short period of time major changes have taken place with respect to the legal and policy regime that has profound implications for access of rural



people, especially the poor to vital natural resources and livelihoods. Many of the reforms have been introduced in the name of the poor, and while the potential to make a difference is large, there remains scant evidence that this is beginning to happen. The battle will perhaps be ultimately won but it promises to be long and difficult as strong vested interests, poor institutions of enforcement, low salaries and a tradition of political patronage and selective operation of the law, combine to slow things down.

## **2.5. Emerging Issues**

### ***2.5.1. Migration and Garments Subcontracts***

Migration of agricultural workers to Thailand has emerged as an important source of earnings and livelihoods, especially for communities living in the Tonle Sap neighbourhood. While some amount of illegal migration has always taken place across porous borders, this has now received a big boost because of apparent policy changes on the Thai side. Cambodian workers are now legally allowed to work on Thai farms in exchange for a work permit that reportedly costs 4000 bahts per year. Field reports suggest these workers are not regarded as 'legal' on the Cambodian side, often leading to exploitation of returning workers by Cambodian border authorities. Nevertheless, working in Thailand is considered highly lucrative with farmers equating one such worker as being equal to having one hectare of farm land.<sup>17</sup>

Another phenomenon that has emerged in recent years (but not adequately reflected in the literature) is the growth of garments subcontracting work that began along the Thai border but which has expanded steadily far inland (Murshid and Sokphally, 2005). This has evolved in response to high Thai demand and availability of cheap Cambodian labour through a process of sub-contracts from Thai or Cambodian entrepreneurs who were quick to identify a market niche. This has created significant employment and earnings – especially for women in rural areas.

### ***2.5.2. Urban-Rural Labour Market Linkages***

As discussed earlier, grave doubts have been expressed about the growth-poverty linkage in Cambodia in the light of a narrowly-based growth process based on garments, tourism and related construction activities. In principle this is a reasonable stance to take, particularly in the context of invoking a much more inclusive, broad-based growth process. However there is increasing anecdotal evidence to suggest that the extent of rural linkages may have been underestimated. There are entire villages that have been transformed by sending their daughters to work in the garments sector. There are many villages where it is difficult to find young men and women who have all migrated to the towns, the men mostly in construction. The nature and extent of these linkages need to be better understood. It is quite likely that the construction boom sweeping the country is related not just to tourism but to a huge demand for housing – villas and apartments, that suggest the existence of significant domestic demand.

### ***2.5.3. Role of SMEs***

Both donors and the government put a lot of stress on the potential role of SMEs in poverty reduction through employment generation in non and off farm sectors. Existing studies (Chandararot 2004) suggests that the sector is at a low level of development with very little capability to address market challenges related to exports or import substitution. The potential of the SME sector to develop into a dynamic engine of growth and employment should be closely examined. The critical question is really market linkage or demand, and in the Cambodian context it would be essential to integrate SMEs or at least link them to either the tourist sector or to garments. There is no sign that this is occurring.

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<sup>17</sup> Field reports from MOPS project of CDRI.

## 2.6. Conclusion

While there is a huge and expanding literature on many aspects of poverty, researchers and policymakers still lack a basic understanding of its dynamics, both in theoretical terms and in terms of the specific experience of individual countries. The experience of people who have moved out of poverty seems to suggest some basic features or processes. These include access to initial capital, avoiding borrowing and indebtedness, absence of any major economic or health shock, frequently engaged in money-lending along with a shop or trading activity, diversification of earnings away from rice cultivation (animal raising, small business, food processing etc.) and strong family support from the extended family. There is generally very little help and assistance available from social networks, local government or community based institutions. Family support seems especially strong in the case of people from a Sino-Khmer background, particularly in terms of acquiring initial capital. Others have reported hard work (e.g., cutting wood, farming and fishing) behind initial capital accumulation. The basic struggle seems to be getting out of rice farming and into something more productive. Unfortunately, productive activities are difficult to come by in rural Cambodia in the face of low yields and a traditional technology, and the ultimate challenge is to provide more opportunities for people to find better alternatives.

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**Chapter 3:  
Listening to  
Cambodia's Poor:  
Concepts and  
Methods Guiding  
the Tonle Sap PPA**

*Brett M. Ballard*



## Chapter 3:

# Listening to Cambodia's Poor: Concepts and Methods Guiding the Tonle Sap PPA

### 3.1. Introduction

The Tonle Sap Participatory Poverty Assessment (PPA) has been both innovative and ambitious in its scope and methodology, raising many challenges and lessons learned regarding research design, implementation, and local capacity development. A first set of challenges involves the development of a conceptual framework that identifies the key research themes and questions that will guide the research and eventual analysis. A second set of challenges involves the implementation of the research methodology in the field in a way that provides reliable data that can be objectively analysed. A third set of challenges then involves the presentation and dissemination of research findings in ways that inform policy makers and other policy influencers. An over arching set of challenges concerns how to integrate genuine local capacity development into all these processes.

This chapter sets out in some detail the development of the conceptual framework and fieldwork methods used in the Tonle Sap PPA. This is particularly important as many policy makers and influencers in the study's intended audience may not be familiar with qualitative research methodologies and, as a result, may expect to find information that is phrased numerically. Another reason concerns the need for transparency regarding the research design, implementation, and analysis. This is especially important given that many of the findings from the Tonle Sap PPA involve observations that may be sensitive or controversial. For example, poor fishing households around the Tonle Sap consistently reported that fish stocks have been seriously depleted over the past several years. Provincial fishing department officials in several of the provinces, however, dispute such observation by citing data that suggest that overall fish catch is in fact increasing, or at least stable. Rather than resolve such apparently contradictory observations, the objective of this study is to report on the experiences and perceptions of the poor and the destitute in the Tonle Sap region, and where appropriate note when others challenge such observations.

### 3.2. Conceptual Framework

Using the literature review in Chapter 2 as a starting point, the development of the Tonle Sap PPA research design is structured around four inter-related themes: livelihood strategies, natural resources, governance, and gender. The conceptual framework is underpinned by a complex set of linkages between (a) livelihood strategies and (b) household income and well-being. Livelihood strategies involve technologies and a social organisation of economic production that governs access to and control over the means of production. The ability of people and households to acquire and combine labour, capital, and natural resource assets impacts on their well-being and status within their household and community. An important research focus therefore concerns the factors of production associated with the predominant livelihood strategies or activities that characterize social and economic life around the Tonle Sap Lake. For analytical purposes, 23 of the 24 PPA villages have been divided into land and water resource based livelihoods, including agriculture, agriculture and forestry, agriculture and fishery, and fishery. One village has been categorized as an urban-based village.



The quantity and quality of each factor of production available to any given household is constantly changing, and, as a result, livelihood strategies in the Tonle Sap region tend to be highly dynamic. This is an important consideration for both policy makers and development programme designers. This dynamism is accelerated by the seasonality of economic production around the lake, which in turns closely links livelihood strategies with access to natural resource assets. Indeed, researchers have observed that the natural resource base plays a particularly important role in the livelihood strategy of the poor in Cambodia, who are, as a result, highly sensitive to any changes in their access to common property resources (CPRs), as well as changes in the quality of either land or water resources based assets.<sup>18</sup> Such observations highlight the important role that natural resource and environmental management plays in poverty reduction strategies and development policies of the government as outlined in its current National Strategic Development Plan (NSDP).

This dynamism is also a function of the increasing reach of domestic, regional, and international markets for a variety of natural resource based products and commodities. These emerging markets have been for the most part poorly managed and regulated, and in a relatively brief period of time have degraded the natural resource base with a concomitant increase in the scope and scale of conflicts between local people and those from outside the community. As a result, in addition to the management of the natural resources and the environment, the resolution of such conflicts and the enforcement of any such resolutions is an important function of local governance institutions and plays an exceptionally important role in determining who, or what groups of people, are to enjoy access to and control over the natural resource base. The degree to which the poor are either included or excluded from such resources has a significant bearing on their well-being.

An important feature of this dynamism also concerns household demographics that are in a constant state of flux due the natural rhythms of life (e.g., birth, illness, death) as well as external shocks (e.g., flooding, drought). As a result, some poor households are able to progress out of poverty, while others remain stagnant or fall deeper into poverty. In this sense, then, analysts understand that some people are for various reasons more vulnerable than others. In many cases, these vulnerabilities are often associated with the capacity to produce enough food for consumption and/or obtain employment to generate income to purchase basic needs and services. For example, female-headed households may be particularly vulnerable due to labour constraints within the household as well as a lack of access to affordable credit. In other cases, such vulnerabilities may also be associated with one's identity or status in relationship to the rest of society. For example, people of minority ethnicity are often vulnerable to various forms of social exclusion or discrimination that inhibits their access to certain services (e.g., health, education) or opportunities (e.g., training, employment).

The main factors of production that various households in the Tonle Sap region combine to maintain a particular livelihood strategy are to one degree or another affected by public policy. For example, the management of natural assets, such as forested areas or fishery lots, is a function of policy. How such policies are implemented at the ground level in turn determine who has access to and control over such resources. Access to public services, such as health and education, affect the ability of young men and women to obtain employment. The degree to which such access is influenced by one's gender is also a matter of concern as some forms of gender bias can and do perpetuate certain cycles of poverty. For example, girls who are not able to attend school will generally not be eligible for better paying employment, thus relegating them to poorly paid labour that undermines their ability to eventually help support their own daughter's education. Conceptually, then, matters of local governance concern not only natural resource management and conflict resolution, but also social service delivery functions, such as health, education, and public safety.

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<sup>18</sup> For example, see *Natural Forest Benefits and Economic Consequences of Forest Conversion in Cambodia* (CDRI 2007).

Given the circumstances of poverty, how the poor and vulnerable manage and cope with such problems then becomes a very important aspect of their experience and perceptions of poverty. In the many cases where there is little or no access to state services, people must rely on civil society organizations and/or family and friends and other types of social networks for support. This in turn suggests that in the face of the everyday challenges of living, as well as the emergencies that are sure to arise given the lack of financial and physical assets,<sup>19</sup> many of the poor in the Tonle Sap region have only social assets to fall back on as their primary coping strategy. An important question for the PPA then concerns what sources of social assets are available to the poor and the destitute? How do the poor and the destitute gain access to and benefit from services and support from the State (when available), civil society, and social networks?

### **3.3. Implementing the PPA Research**

The integrity of any research methodology requires that the researchers strictly adhere to proven and acceptable principles of research ethics, which include objectivity and transparency, confidentiality of sources, and safety of sources and staff. With these principles in mind, this section discusses the methods used in the fieldwork phase of the Tonle Sap PPA. Given the methodological concerns associated with the relationship between researchers and study participants, as referred to in Chapter 1, and the important role that the enumerators played in the overall research process, this section devotes considerable attention to the planning and preparation for the study, as well as monitoring and supervision. The study sample in terms of livelihood strategies and other factors is also an important matter in any qualitative study, and this section therefore devotes attention to the site selection process. Finally, the accuracy and reliability of the data lies at the heart of the research integrity, and transparency of the research process, so detail is also provided concerning documentation and reporting.

#### **3.3.1. Planning and Preparation**

In addition to the research objectives, another important objective of the entire PPA exercise has been to strengthen the capacity of local researchers, including CDRI and NIS staff, in qualitative research methodology. In this sense, the Tonle Sap PPA study can also be understood as a capacity building exercise. The planning and preparation phase of the project therefore initially focused on providing relevant training and experience to both the fieldworkers and research assistants concerning participatory assessment tools and techniques. A total of 20 individuals were originally trained as Field Workers (FWs) for the village survey work. Of this total, 7 were female and 13 were male. Eighteen FWs were deployed in 6 teams of 3 each, with 2 additional trainees serving as backup in the event of any emergency. In each team, one of the more experienced members served as the Team Leader. Two teams were deployed in each province at any one time. On average, the teams spent a total of 17 days in each village. This included 10 days of actual fieldwork (e.g., FGDs, individual household interviews, key informant interviews) and daily documentation, as well as 4 days for village report writing and presentation, 1 day for the commune workshop, and 2 days travel. In each province, the two teams worked under the supervision of a Provincial Team Leader. The PPA Project Leader, with support from a project Technical Advisor, supervised the Provincial Team Leaders. CDRI's Research Director provided overall direction during the fieldwork phase of the project.

The initial training for participatory research methods was conducted by an external consultant contracted by the ADB from 20 December 2004 through 6 January 2005. The classroom phase of the training included the development of a preliminary checklist of issues and topics that would form the basis of the over-arching research questions and the field-

<sup>19</sup> In Chapter 8, K.A.S. Murshid refers to such emergencies as non-random, or "certain" shocks.

guide for the FW teams. This phase of the training also focused on documentation and the use of the following qualitative research tools and methods.

- Time line analysis;
- Natural resource mapping;
- Livelihoods analysis;
- Well-being/wealth ranking;
- Social mapping;
- Seasonal mapping;
- Mobility mapping;
- Institutional mapping; and,
- Trend analysis.

In addition to the training in qualitative research tools, one of the most important outcomes of the initial planning and preparation phase was the development of a field guide that provided the key research questions along with specific guidelines concerning the conduct of the fieldwork (See Appendices 2 and 3). The field guide was especially useful in the first round of fieldwork when the facilitator teams were just beginning their work

A field practicum was designed to provide facilitators and research assistants with an opportunity to practice using the participatory research tools they learned during the initial round of training and strengthen their documentation and reporting skills. The field practicum also provided an opportunity for team members to develop good working relationships with one another and enabled research assistants and project leader to observe how facilitators and team leaders performed under actual field conditions.

The field practicum exercise concluded with a 4-day debriefing workshop. The first part of the workshop included two days in which the facilitators (1) discussed their experience with the various PRA tools that they had learned about in their previous training, and (2) identified priority villages for inclusion in the PPA study. Each team was also asked to prepare and present a case study about one of the villages where they worked, including a summary of the tools they used and their main observations about the village. Each report was translated into English so that trainers and advisors could assess the content and quality of documentation and reporting and provide appropriate feedback.

### **3.3.2. Site Selection**

The PPA study area is primarily bounded within Routes 5 and 6, but also includes outside areas in and around the drainage systems feeding into the Tonle Sap Lake. A total of 24 villages in six provinces around the Tonle Sap Lake are included in the survey pool. Site selection was done on a purposive sampling basis representing specific regional characteristics and circumstances. The three priority criteria used for selecting villages were (1) commune poverty levels, (2) household livelihood activities (e.g., type, diversity), and (3) geographical location. The commune poverty levels were based on World Food Program survey data. The four main household livelihood types refer to: (1) agriculture (rice/vegetable and *chamcar* cultivation, livestock); (2) fishing; (3) forest-related activities (e.g., cutting wood, NTFP collection); or (4) some mix of the three. Geographical location refers to village location relative to the Tonle Sap Lake, main roads and markets, and upstream forest communities.

The PPA teams first used thematic maps to identify prospective communes according to commune poverty rates and geographical location. The field teams then met with commune council members in the targeted communes and discussed the PPA research objectives and

solicited advice about potential village sites in the commune. Depending on time and other factors (e.g., distance) the teams then visited prospective villages for a more detailed assessment. In addition to commune poverty levels, livelihood strategies, and location, the village assessments also took into account the following criteria:

- percentage of female headed households;
- ethnicity;
- size of village (i.e., number of households);
- governance issues, including conflicts;
- special features (e.g., migration/mobility);
- special areas/villages of interest (e.g., urban Battambang); and,
- staff security.

The sampling method used in developing the PPA study was therefore purposive in accordance with the research objectives and conceptual framework. For example, given the PPA's stated objective of listening to vulnerable women, the percentage of female-headed households was an important selection factor. Ethnicity was also an important factor in the original Terms of Reference given the potential vulnerabilities of ethnic minorities. In the Tonle Sap region this generally refers Vietnamese and Cham communities. The size of the village was also a factor given the logistics associated with working with various qualitative tools. Ideally, villages of 100-150 households can be most effectively studied using qualitative research tools, such as social mapping and wealth ranking. Much larger villages were divided on the basis of an apparent representative sample of groups (*krom*) and/or well-defined geographic features that acted as a natural boundary separating one part the village from another (e.g., Treay village in Siem Reap province).

Governance issues were also another important selection criteria. Based on a survey of the literature and other research experience, researchers have been particularly aware of issues associated with governance of natural resources. Again, as governance was one of the guiding themes of the research, certain villages characterized by potential conflicts over natural resources were chosen (e.g., Khla Kroupeu in Pursat province). Other special features were also identified based on the overall methodology that focused on the poor and vulnerable. For example, researchers are aware that migration and mobility are an emerging factor in rural livelihood strategies and so some villages were selected on this basis. In other cases, villages were chosen based on special factors or circumstances. For example, Kok Trach in Siem Reap province was chosen because of its low poverty rate poverty and close proximity to Siem Reap town in order to better understand the impact of tourism on the poor. In Battambang town, Toul Ta Ek village was chosen as it was an area that was home to a large number of urban poor.

Finally, the security of both staff and study participants is always an important concern for CDRI when selecting village study sites. In the case of the Tonle Sap PPA, most of the potential sites were considered safe and secure for the staff to work. On two occasions, however, potential villages were not chosen due to security concerns. In one village, there was a large amount of unexploded ordnance and landmines in the area, while in another province a village was dropped from consideration when it turned out there was a high number of kidnappings and instances of banditry in the area. In two actual study villages, staff were relocated away from the study village during the night out of fear for their safety.

### **3.3.3. Monitoring and Supervision**

One of the key components of maintaining high standards of research practices concerned close monitoring and supervision during the long periods of time in the field. During the initial

provincial site visits and training, project staff observed that the PPA process would require much closer guidance and supervision than previously planned. This was especially relevant for quality control in terms of the appropriate use of qualitative research tools and methods, as well as documentation and reporting. As a result, project staff initially focused on the three provinces of Siem Reap, Kompong Thom, and Kompong Cham during the first phase of work. This enabled the Research Assistants to concentrate their attention on just one province at a time. Given the extended distances between many of the study villages, this arrangement was also more efficient in terms of the costs and time associated with field supervision.

During the first round of fieldwork, the Project Leader and Technical Advisor, along with the provincial team leader, visited each team on a regular basis to observe the group work, review field reports, and discuss methodological and logistical problems. In several cases, adjustments in methods were made on the spot. For example, in some cases, teams were essentially interviewing the FGDs by using the research questions from the field guide as a kind of structured instrument format. Other teams were taking time in the FGD to complete charts and tables that were originally designed as data summary tools. Project leaders intervened in ways to help structure and facilitate the FGDs using a thematic approach that promoted more active story-telling on the part of participants, rather than using task-oriented exercises that tended to inhibit lively discussion.

Another import intervention concerned problems associated with mixing the gender of facilitators and the FGDs. For example, men were observed facilitating and/or taking notes in the women's FGDs, while women were facilitating and/or taking notes in the men's FGDs. This approach was especially inhibiting in the women's FGDs. As a result, the project leader stipulated that only women should facilitate women's FGDs and men should only facilitate men's FGDs. This intervention helped open up the discussion to more gender specific issues and concerns, especially in the case of the women's FGDs. Before the teams returned to the field for the second round of field work in Battambang, Pursat, and Kompong Chhnang provinces, project staff also worked with the facilitators to sharpen their attention to gender-oriented perceptions and concerns. This included a special session for the female team members to help strengthen their facilitation skills. More time was subsequently made available in the field monitoring schedules for supporting and coaching the female PPA team members in the field.

### ***3.3.4. Documentation and Reporting***

Documentation and reporting have been extremely important components of the PPA methodology, and, given the enormous volume of data generated, constituted a significant project management and resource challenge. Each team took copious notes during the FGDs, individual household interviews, and key informant interviews, as well as village report meetings and commune meetings. Each day in the village the field teams prepared a Daily Report that provided detailed summary of the information gathered that day. Finally, each team produced a written village report at the conclusion of their work in the village.

The process of transferring information from the spoken word (e.g., FGDs) in to field notes, then into daily reports, and on into village reports provided several points where information leakages could occur. As all of the original work was done in Khmer language, additional leakages could also occur during the translation process from Khmer into English language reports. As such reports essentially constitute a large component of the PPA data, every effort was made to minimize such leakages. This has been addressed in two ways. First, considerable time and effort was spent monitoring the fieldwork and the reporting to ensure that any such gaps were minimized at the field level. Second, the FGDs and individual interviews, as well as village and commune meetings were also recorded using tape cassettes. The use of the tapes has been especially important in terms of preparing the final report, including the actual quotes used through the text of the report.

Much of this material has been copied onto CD-Rom and will be made available on both the ADB and CDRI websites. In all cases, the names of informants (e.g., FGD participants, household interviewees) have been coded in order to protect their confidentiality. The names of specific individuals (e.g., government officials) referred to by informants have been also coded, in part because the nature of the references is sometimes highly sensitive and controversial.

Another important challenge concerns the degree to which people's statements or claims should be verified and the degree to which they can in fact be verified. In most instances, people have been articulating their own experiences with and perceptions of poverty and how they cope and manage the changing social and ecological environment around them. In this sense, the objective of the research process has been to provide people with an opportunity to articulate their own perceptions of and experiences with poverty and then to accurately report about these perceptions and experiences. That being said, when possible, efforts were made to talk with people involved in certain stories in order to provide them with an opportunity to either refute the story or provide clarification. In situations where this has occurred, the references are duly noted. In other cases where it was not possible to verify or follow up with all parties, then people's names have been coded in the texts and documentation in order to ensure anonymity.

As for reporting, how does one maintain a high degree of objective integrity when working with qualitative material that may be by its nature largely subjective? One way is to provide a balanced account of any particular situation or issue. Not all people agree, and where there is disagreement on various issues, such differences are identified and discussed. The research process itself should ensure that multiple perspectives of any particular situation are heard, and there should be opportunity for crosschecking and verifying stories and information that is provided whenever feasible. This was done in several ways.

(1) Fieldworkers and team leaders routinely made it clear that this research process was designed to inform public policy, and not oriented to identify development projects. This was done to avoid, or, at least, minimize the tendency of some people to paint a situation far worse than what it is in reality in order to attract development assistance.

(2) The field workers stayed in the villages where they worked for the entire time period. This provided them ample opportunity to informally verify and crosscheck stories and information that they heard with other villages, village leaders, or other key informants on a more or less day-to-day basis.

(3) The fieldwork teams made a formal presentation at the conclusion of the fieldwork in each village to discuss the team's observations and findings. Along with the village leader, the meetings were open to the entire village. People were invited to discuss the findings and make corrections to any errors of fact or add to any perceived omissions. The notes and recordings from these meetings were used to prepare a written summary report.

(4) The teams then made a formal presentation to a commune level meeting to which members of the commune council and villages leaders from other villages in the commune were invited. A village member from the study village was also invited to present a certain component of the findings. At the commune meetings, researchers presented the findings and observations from the study village and compared them with the experiences of other villages in the commune. The objective of these meetings was to obtain feedback from key local informants concerning the reliability and integrity of the data. As with the village meetings, the notes and recordings from this meeting were used to prepare a written summary report.

(5) Formal presentations were then made at the provincial level in each of the six provinces. Government officials from all the relevant provincial line departments were invited along with other relevant officials, such as police and military officials. Other stakeholders, such as NGOs, were also invited to participate. The purpose of these meetings was to present main

findings and observations from the PPA study villages in each of the respective provinces and to solicit feedback from government officials and other stakeholders. As with other meetings, the study teams were interested to confirm their findings as well as identify areas where there were either factual errors or omissions. In several cases, clear differences of perspective and/or opinion emerged between what was reported from the village and the government officials. In such cases, the perspectives of government officials are presented as well.

(6) Finally, the PPA findings were presented at a dissemination conference in late November 2006 jointly convened in Phnom Penh by CDRI, NIS, and ADB. As with the provincial PPA workshops, government officials from key ministries and departments participated, along with donor agencies and civil society organizations operating in the Tonle Sap region. This event provided an opportunity for the PPA researchers to engage in an active dialogue with policymakers and policy influencers about the situation and needs of the poor and the destitute in the Tonle Sap region. The following day CDRI, NIS, and ADB convened a smaller workshop with 35 poverty specialists from the research and donor community. This workshop was also informed by the active intervention of several key government officials. CDRI circulated a draft report of the research findings to participants prior to the workshop to help facilitate discussion and provide an opportunity for comment on the written report. The next day, CDRI convened a meeting with the PPA report authors and peer reviewers to discuss ways to strengthen the written report, including comments from the dissemination conference and comments from the specialist workshop.

This process also helped affirm the representativeness of the village sample group with respect to the Tonle Sap region. At both the commune and provincial level, there was a general impression that the findings substantially reflected and represented the overall situation in those respective jurisdictions regarding the poor and the destitute. That being said, the PPA analysts have had to exercise caution when generalizing about the relevance of the findings to other areas of the country, or scaling up certain generalizations to represent the entire country. Special care has been taken to make specific references to such observations in the report as appropriate.

### 3.4. Listening to the Poor

The material presented in this report is based on what people in the 24 study villages reported to CDRI and INS researchers during the course of focal group discussions, individual interviews, and participant observations. In this sense, the characteristics and circumstances of the poor and the destitute, and what separates or distinguishes them from better-off households (usually referred to as the rich and/or the medium income households), is based entirely on what was reported during the social mapping exercises in each village. A summary of all 24 village social mapping and well-being exercises is found in the Annex Volume 2.

Of all the 24 PPA villages, the FGD participants in 13 villages identified and defined four well-being ranking: the rich, medium income, poor and destitute (very poor). In the other 11 villages, people identified three well-being rankings with some degree of variation. For example, in some villages there was not a category for rich, in others no category for destitute.<sup>20</sup> This raises questions concerning the comparability across villages when discussing the characteristics and situation of village people in terms of well-being ranking. In a qualitative exercise of this nature, however, the analysis is not necessarily concerned with strict definitions of different levels of household income, or consumption for that matter.

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<sup>20</sup> People mostly used the Khmer words *neak mean* for rich household or individuals, although some used *neak thou thear*. For medium income households and individuals, people used *neak mathium*. For the poor, people used *neak krur*. For the destitute, people used mostly *neak toal*, although some used *neak krur nas* or *neak ath*. In the English text in this report, medium income households or individuals are sometimes referred to simply as "medium". For the destitute, the "very poor" may also be used in some references.

Rather, the analysis is concerned with identifying the factors and circumstances that distinguish the poor and the destitute from those who are better off (rich and/or medium income) than they are. The analyst is therefore uses this approach to look at the relative distribution of well-being within a village and understands that what may be considered poor in one village may be considered as medium in another. That being said, once these factors are aggregated across villages, the analyst gets a clear sense of the different indicators people use to define or differentiate well-being. For example, there is widespread consensus that housing conditions, the amount of land, the number of livestock, and mode of transport are all useful indicators of well-being. Generally speaking, the rich have more, and the poor have less of each.

This approach also enables people to compare their well-being at two different points in time, in this case 2000 and 2005, without having to be too overly concerned with precise recall, a problem that plagues quantitative approaches. In this sense, then, people are able to identify the factors that push people downward toward poverty, keep them in poverty, or enable them to move out of poverty. Such qualitative approaches, therefore, can provide a more nuanced understanding of mobility factors based on people's perceptions taking into account a wide range of factors, other than assets that might otherwise be lost in a large statistical data set. When analyzed within the context of how livelihood strategies respond to changes in the natural resources base and other factors, this approach helps generate a clear picture of the dynamics associated with well-being movements in a particular village.

The findings and recommendations in each of the following chapters are based on the analysis of the authors who individually reviewed the PPA data, including village reports as well as FGDs and individual interview summaries. The analysis was discussed on an ongoing basis and reviewed in consultation with one another and with other researchers at CDRI as well as poverty and development specialists elsewhere. The analysis was also informed by previous and ongoing research conducted by CDRI and other institutions concerning development and poverty reduction in Cambodia and the region. For example, the analysis has been crosschecked with the findings from CDRI's other major poverty-related research in the Moving Out of Poverty Study (MOPS), forestry management and poverty reduction studies, and the impact of regional trade on poverty reduction (RETA). As discussed above, the findings and analysis were also presented at different levels of the government, including the village, commune, provincial, and national levels. These discussions also served to inform the analysis of the PPA village data.

In order for the report to better reflect a sense of people's voices, much of the text is interspersed with actual quotes and stories where relevant and appropriate. The quotes and story boxes are largely drawn from the Khmer language versions of the field notes for the individual interviews, and the English language translations of the village summaries. Many quotes have also been drawn directly from the cassette recordings of the individual interviews and FGDs. The quotes themselves provide a deeper understanding of the human dimensions of poverty and tell a very compelling story about how people respond to and cope with the everyday realities of poverty.

As the reader will observe, the text, along with the quotes and stories, generally portray the poor and the destitute as powerless in the face of circumstances beyond their control. This being said, the selection of the quotes and stories included in the text was purposive in order to highlight or illustrate particular issues or problems. Decisions about which quotes to use are can be subjective and introduce the possibility of bias. Some may ask, for example, why not study rich families or choose something more positive for quotation? These are reasonable questions that warrant careful consideration. In this report, efforts have in fact been made to identify situations where there are positive comments as well as examples of where things were working well or where there had been progress of some sort. This discussion underscores the fact that a useful line of policy research in Cambodia concerns identifying



situations and circumstances that enable or contribute to positive outcomes in promoting individual or household well-being and reducing poverty.

The report also includes the perceptions of local and provincial government officials expressed during the commune and provincial workshops. There are three reasons for including these perspectives. First, many local officials are well-intentioned and often frustrated with limited capacity to address problems of poverty, either because of poor cooperation on the part of local people, pressure from powerful people, or a lack of resources. Second, it is important to present a balanced picture of the interaction of the poor and their governing institutions at the local level. In this sense, the views of officials at various levels of the sub-national administration are relevant and their observations should also be heard. A third reason is that local officials generally validated the perspectives of the poor and the destitute at the various provincial and commune workshops. Officials frequently agreed with the PPA observations analysis, while also on several occasions providing different perspectives and constructive suggestions for changes in the report.

### **3.5. Limitations of the Study**

It is important to acknowledge from the outset some of the limitations of the study, in terms of design, implementation, and analysis. One limitation of the study concerns the fact that not all vulnerable groups living and working in the Tonle Sap region are included in the study. One aspect of this concerns the fact that the PPA was designed to focus on the rural areas around the lake. Although many poor are now living in urban areas around the lake, only one urban village was included in the sample. Another limitation concerns implementation. For example, in the case of the Vietnamese communities, there were no Vietnamese speaking enumerators, so access to the poor in Vietnamese communities was weak. This is important as the study was, after all, designed to give voice to the poor. Another aspect of the problem concerns the analysis. While there is in fact some data from certain villages where either Cham or Vietnamese lived, there is no explicit analysis concerning ethnicity in this report. A similar observation might be made as well regarding the physically disabled. In terms of vulnerable groups, then, the general analytical focus of the PPA was primarily on migrant workers and female-headed households. One solution to this kind of problem in the future would be to develop smaller-scale PPAs that are specifically targeted at certain vulnerable groups (e.g., ethnicity, disabled) or locations (e.g., urban communities).

Another limitation concerns the fact that many enumerators were only working with the PPA tools for the first time. As a result, early work with some of the initial focal group using various PPA tools was weak. Also, enumerators were not always sufficiently well versed in relevant development issues and, as a result, potentially interesting lines of inquiry were sometimes not recognized and then followed up. Such limitations were probably most evident in the work concerning more sensitive aspects of the gender dimensions of poverty, such as domestic violence. This kind of limitation concerns the selection of enumerators as well as training and preparation. In Cambodia and other countries similarly challenged by human resource constraints, PPAs, or any qualitative research for that matter, should devote considerable attention to capacity building and providing ongoing support and supervision for fieldworkers. Another possible solution to this kind of limitation would be to work with a smaller team of well-trained and experienced researchers.

The amount of data generated by such intensive work in a large sample of 24 villages was voluminous, and made a comprehensive reporting of all the material impractical. Even though all vulnerable groups and issues have not been covered in this report, it is important to bear in mind that the data and information is well organized and will be available for further analysis in stand-alone work or in conjunction with other studies. For example, the PPA data is recorded on CD-ROM and will be housed in CDRI's new library facilities. It should also be noted that certain subjects may be revisited and analyzed and presented in different ways. For

example, the PPA gender material may be integrated into other studies (e.g., MOPS, RETA) to form a more comprehensive study concerning gender and poverty in Cambodia. Such an approach would overcome some of the above-mentioned limitations concerning the lack of quantifiable measures supporting the PPA analysis.

Finally, although certain limitations of the study have been identified, the many lessons learned in relation to what constitutes effective capacity development for local researchers, and the time, resources, and strategies this requires, will be invaluable to CDRI and its partner agencies in designing future studies of this nature. It is also important to consider that the methodology was sound and robust in generating a large amount of high quality information with which a number of international and local analysts have been able to produce work of high quality. As a result, the general aim of the PPA to “identify and open up a range of issues and present new perspectives on existing problems engaging various stakeholders in analysis and problem solving” has certainly been achieved. The next steps of course will concern how to most effectively integrate such information into the policy making process. This report represents a significant effort in this regard.



**Part II.**  
**Vulnerability and**  
**Poverty:**  
**Characteristics and**  
**Situation of the Poor**

*David Wharton*



## Part II.

### Vulnerability and Poverty: Characteristics and Situation of the Poor

Poverty and vulnerability are now recognised as complex and multidimensional. In addition to income and consumption, access to health care, education and other public services, prevalence of disease, susceptibility to natural disasters, gender, and other factors are all seen as critical in assessing poverty and in finding appropriate strategies for its alleviation. There is also an increased focus on the dynamics of poverty, which recognises that the welfare of households is not simply dependent upon their income or consumption but also on their exposure to risk and on coping mechanisms. Thus, in its poverty reduction strategy,<sup>21</sup> the Asian Development Bank core statement on poverty states that:

*Poverty is the deprivation of essential assets and opportunities to which every human is entitled. Everyone should have access to basic education and primary health services. Poor households have the right to sustain themselves by their labor and be reasonably rewarded, as well as have some protection from external shocks. Beyond income and basic services, individuals and societies are also poor – and tend to remain so – if they are not empowered to participate in making the decisions that shape their lives.*

Part II comprises chapters 4 and 5, which discuss these multifaceted dimensions of poverty in the Tonle Sap region. The guiding themes concern livelihoods, natural resources and environment, gender and governance. In line with the ADB core statement above, the main framework used in Chapter 4 is the UK-DFID Framework for Sustainable Livelihoods.<sup>22</sup> This framework analyses poverty in terms of five types of capital or assets, i.e., human, physical, financial (and economic), natural and social. Chapter 5 then examines the gender dimension of poverty and vulnerability for different livelihood strategies and income generating activities, with a special focus on the livelihood assets of women, the situation of female-headed households, violence against women, and male risk-taking. At the same time, Part II has also drawn upon the UNDP's dimensions of human security that cover threats to economic, food, health, environmental, personal, community and political security.<sup>23</sup> The local communities themselves identify these assets and threats. While human security concerns are critical in Cambodia, initiatives to incorporate a human security orientation in regional and local development policies and planning are still few. Studies in this field could improve understanding of micro-level constraints to poverty reduction and the role of social protection and empowerment in mitigating threats.

The DFID approach provides a picture of the characteristics of the poor, based on the five classes of livelihood assets (see Box below). These assets or capital endowments are inputs to livelihood strategies aimed to achieve positive livelihood outcomes. Through participatory methods, all the stakeholders in a community generate a definition of well-being, which is usually based on livelihood assets of individual households, which are then classified or ranked according to well-being, e.g. rich, medium, poor and destitute. It also examines how people manoeuvre within the context where threats to these assets exist. The

<sup>21</sup> ADB (1999), *Fighting Poverty in Asia and the Pacific: The Poverty Reduction Strategy of the Asian Development Bank* (Manila).

<sup>22</sup> *Sustainable Livelihoods Guidance Sheets*, Department for International Development (DFID) 1999.

<sup>23</sup> UNDP (1994), "New Dimensions of Human Security" in the Human Development Report (New York: Oxford University Press) and Commission on Human Security (2003), *Human Security Now* (New York).

study initially examines the characteristics of the poor in terms of well-being and wealth-ranking according to livelihood strategies, namely, (a) agriculture, (b) forestry, (c) fishery and a combination of these and (d) urban livelihoods, including migrant labour. It makes use of parameters and criteria pertaining to access to and control over factors of production and common property resources (CPR), including water resources. These encompass land, capital, labour, machines and other productive assets, and factors for mobility along the well-being ladder. Patterns across poverty levels and livelihoods are presented, together with trends over the past five years and expectations for the future. The chapters also cover demographic characteristics using measures expressed by the poor. The discussion generates a general synthesis of the similarities and differences among the aspects of poverty across the four major livelihood groups.

#### **Livelihood Assets (based on UK-DFID Sustainable Livelihoods Framework, 1999)**

##### ***Tangible Assets***

1. *Physical assets or capital* comprise the basic infrastructure and services that help to keep people out of poverty (access to roads and transportation, housing, potable water supply and sanitation, affordable energy and communications).
2. *Natural assets* comprise a variety of resources, from public goods such as the atmosphere and biodiversity to divisible assets used directly for production. Shocks that devastate livelihoods of the poor are processes that destroy natural assets such as fires that destroy forests and floods that destroy agricultural land. Natural assets are particularly significant to those who derive all or even part of their livelihoods from natural-resource based activities like fishing, farming and forestry. It also includes access to a clean and healthy environment and access to land.
3. *Economic and financial assets* are the financial resources that people are able to access. DFID defines two main sources of financial capital: available stocks (savings, credit) and regular inflows (wage earnings, pensions and other transfers from the state and remittances).

##### ***Intangible Assets***

4. *Human assets* are defined as the skill, knowledge and good health that together allow people to work and earn a living (education, health, opportunities for employment and learning).
5. *Social assets* comprise the social resources upon which people are able to draw. These social resources are developed through networks and connectedness, membership of groups and organisations. Relationships of trust, reciprocity and exchanges that facilitate cooperation can provide informal safety nets among the poor. Social capital is generally defined as the ability of actors to secure benefits by virtue of membership in social networks or other social structures.

Chapter 4 presents the characteristics and situation of the poor based on their tangible and intangible assets. Tangible assets comprise the physical, economic and financial, and natural assets that serve as inputs to people's livelihood strategies. The accumulation of these assets (gained from livelihood outcomes) is also an important gauge by which the poor assess changes in their well-being. Physical assets include housing conditions and access to sources of affordable energy and drinking water, as well as physical infrastructure, such as roads, bridges, irrigation facilities, information and communication facilities and means of transportation. Physical mobility allows access to markets and to essential social services such as health and education facilities. Economic and financial assets are sources of livelihood and income, including secondary and tertiary activities to augment earnings, as well as savings, investments and access to credit and financial resources. The section on natural assets covers

land ownership, biodiversity and the depletion of natural resources, the seasonality and geographic location of livelihoods, conflicts over natural resources and natural resource management.

The discussion covers the dimensions, nature, sources, trends, seasonalities and structure of intangible (human and social) assets, and provides an understanding of the factors that make people more or less vulnerable to poverty and of threats to the access and accumulation of livelihood assets across each of the livelihood groups. Basic human assets, such as sufficient food and safe drinking water, access to social services (e.g., education, health, sanitation), and opportunities for personal development all determine the well-being of households. Social assets include household size, the number and gender of bread-winners, governance and relationships in the community. Social networks are important coping mechanisms during vulnerable periods, and this chapter maps out the social relations and trust and kinship networks in the villages. The analysis describes the relationships among the poor and the better-off and interactions between these groups in gaining access to and control over productive resources and livelihoods, as well as social services. It looks into the extent to which social networks affect the mobility of households on the socio-economic ladder. It also considers the coping strategies used by highly vulnerable groups in the face of shocks and changes brought about by loss of assets or external factors like natural calamities, and the effects of domestic violence, drunkenness and gambling.

Chapter 4 shows an emerging rural class structure differentiated at the village level according to who owns and controls the factors of production. For example, in farming villages, land is being consolidated in the hands of the rich as a result of various types of transfers from the poor and the destitute, who then become landless. Similar dynamics occur in both fishing and forest villages. The evidence suggests that this is a result of distress sales due to routine shocks and debt crises as well as inequitable management of resources. There is a related increase in rural wage and migrant labour, as the poor can no longer produce enough food on their own because of a lack of land and productive resources. Added to this trend is a decline in access to common property resources that have traditionally been a critical element of the livelihoods of the poor and provided a safety net in times of crisis. This decline is largely due to increased commercial exploitation, enabled by new technologies of production. There is also evidence that improved communications and road access, which benefits the poor in terms of access to markets and social services, can lead to increased exploitation of local resources by larger-scale traders. In general, the majority of rural households face similar high-risk profiles. The distinguishing feature is that richer households are able to cope with shocks without resorting to sale of key productive assets or other measures that increase vulnerability.

When the poor express their visions and aspirations for the future, they envision having enough rice to eat, absence of domestic violence, greater harvests, grown up children who are able to work and contribute to the family income and ownership of more properties. The perceived options of the poor in terms of income-generating activities, investing in productive assets, and in accessing social services are, however, very limited. In some cases, the only perceived options are unsustainable, for example where there is increased exploitation of natural resources by the better-off, and related depletion, some sections of the poor also wish to have greater opportunities to exploit the same dwindling resources. Others call for more equitable natural resource management. Some of the younger generation want to have more education with the aim of moving from resource-based livelihoods like agriculture, forestry and fishing to jobs in the manufacturing, tourism and service sectors. They explicitly do not want to stay in their villages or keep their traditional livelihoods, or even marry people from the village. Others see no point in gaining an education when there are no perceived opportunities for employment. For many, there is no perceived future other than the day-to-day struggle to survive.



Chapter 5 discusses the gender<sup>24</sup> dimension of poverty. It argues that women – especially female heads of households – and their dependents are more vulnerable to factors that lead to moving into or remaining in poverty. While both men and women experience poverty, significant gender differences and inequalities impose greater constraints on women's access to and control over resources, ability to access health and education, and the range of livelihood strategies they are able to employ. The relationship between income, livelihood type, and access to resources and services is examined, as is the situation of specific groups of women including female heads of households, widows and divorced women.

Women make a substantial contribution to household income, and in a sizeable proportion of households act as the main breadwinner. The range of tasks women perform appears to be broadening, and in agriculture there is evidence that roles are increasingly flexible, although women consistently earn less than men. Paid employment is characterised by gender segregation with limited opportunities available to women outside the garment sector. The participation of young women in this sector alone, however, has changed the demographic profile of many communities, altered the marriage prospects of both young men and women, and increased the income of an estimated nine percent of Cambodian households (World Bank 2006: 67).

Because women's health status and education level strongly determines health and education outcomes for their children,<sup>25</sup> factors which drive women into poor and destitute segments of the population also constrain opportunities for the next generation. Despite increasing employment opportunities for women, parental attitudes that view investment in boys' education as more worthwhile continue to deprive girls of an education. Access to birth spacing and good reproductive health care also continues to be limited, and while Cambodia has been very successful in reducing overall prevalence rates of HIV/AIDS, transmission between husband and wife, and mother and child is increasing (NAA 2005). In this study, many women report common and easily treatable ailments that are not addressed due to the cost of treatment and distance to available health services. Pro-poor strategies that directly target women are critical to lift families and communities out of poverty.

This chapter also discusses the relationship between violence, including domestic violence, and poverty. Prevalence studies on domestic violence in Cambodia have shown remarkable consistency over the past decade: around a quarter of women report experiencing domestic violence (Zimmerman 1996, MOWA 2005). Acceptance of violence is high, but there are signs that attitudes towards violence may be shifting, with domestic violence coming to be seen as a public rather than a private issue, at least in some communities.

While the role and experience of women is the primary focus – due to their greater vulnerability and unequal status in Cambodian society – where gender roles make men vulnerable, for example by involving them in public violence such as gang fighting and pressure to engage in risk-taking behaviours, these issues are also discussed. Gambling, sex outside marriage, and drinking, appear to be increasingly acceptable and normal for men, and come at a high price for men and their families, in particular in the poorest households.

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<sup>24</sup> Sex describes the biological differences between men and women which are universal and determined at birth. Gender refers to the roles and responsibilities of men and women that are created in our families, societies and cultures. It also includes the expectations held about the characteristics, aptitudes and likely behaviors of both men and women (femininity and masculinity). UNESCO. 2003. *Guidelines for Implementing, Monitoring and Evaluating Gender-Responsive Education for All Plans*. Bangkok: UNESCO Asia and Pacific Regional Bureau for Education, 2003

<sup>25</sup> World Bank 2006 Cambodia: Halving Poverty by 2015? Poverty Assessment 2006, Phnom Penh

# Chapter 4: The Characteristics and Situation of the Poor: Tangible and Intangible Assets

*Lim Sovannara*



## Chapter 4:

# The Characteristics and Situation of the Poor: Tangible and Intangible Assets

### 4.1 Introduction

This chapter presents the characteristics and situation of the poor based on their tangible and intangible assets.<sup>26</sup> Tangible assets comprise the natural, economic and financial, and physical assets that serve as inputs to people's livelihoods. The accumulation of these assets is an important gauge by which the poor have assessed changes in their well-being over the period 2000 to 2005. Intangible assets comprise the human and social assets that serve as inputs to people's livelihood strategies and to improving their well-being. The discussion provides an understanding of the factors that make people more or less vulnerable to poverty and of threats to the access and accumulation of these assets across each of the livelihood groups.

### 4.2 Natural Assets

Natural assets comprise agricultural land ownership and area, quality of the environment, land, water, natural resources, biodiversity, seasonality and location of livelihoods. In land resource-based villages, the amount of land owned by a family is a significant indication of its financial situation. Whereas land is being concentrated with the rich and some with the medium income households, the poor and the destitute are forced to rely on common property resources, such as lakes, ponds, and forest to fish and collect firewood and vegetable for consumption and trade. In water resource-based villages, the decline or increase of fish catch is a life and death issue.

#### 4.2.1 Ownership of Agricultural Land

Land ownership is an important asset that provides households with a sense of food security. Of the 510 households engaged primarily in land resource-based livelihoods (agriculture and agriculture in combination with forestry and fishing), approximately 13 percent did not own agricultural land. In contrast, this figure increases to 88 percent for the 853 households engaged in fishing and combined fishing/agriculture. Households in the urban village of Toul Ta Ek, Battambang, have no agricultural land since most of them are migrant workers.

The area of agricultural land owned is one of the primary criteria differentiating rich, medium income, poor and destitute households. Rich households in agricultural villages own an average of 1.5 to 3 ha, while those in purely fishing villages own about 0.05 ha on average. The poor and the destitute in these villages currently do not own any land at all. In the urban village of Toul Ta Ek, where no land is owned, no one claimed to belong to a rich household.

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<sup>26</sup> Adopted from the Department for International Development (DFID), UK Framework for Sustainable Livelihoods (see introduction to Part II of the present report).

**Table 4.1: Agricultural Land Ownership by Well-Being Ranking**

| Resource Base and Livelihood | Well-Being |           |             |           |
|------------------------------|------------|-----------|-------------|-----------|
|                              | Rich       | Medium    | Poor        | Destitute |
| <b>A. Land</b>               |            |           |             |           |
| Agriculture                  | 1.5- 3 ha  | 1- 2 ha   | 0.1- 0.5 ha | 0- 0.3 ha |
| Agriculture and Forestry     | 1- 3 ha    | 1- 2 ha   | 0.2- 0.5 ha | 0- 0.5 ha |
| Agriculture/Fishing          | 1- 3 ha    | 0.5- 2 ha | 0.1- 0.4 ha | 0- 0.3 ha |
| <b>B. Water</b>              |            |           |             |           |
| Fishing                      | 0.05 ha    | 0.04 ha   | 0.03 ha     | 0         |
| Fishing/Agriculture          | 0.3- 2 ha  | 0.3- 1 ha | 0.1- 0.3 ha | 0         |
| <b>C. Urban</b>              |            |           |             |           |
| No agricultural land         | 0          | 0         | 0           | 0         |

In most PPA villages, land was distributed to all villagers in 1979 or the early 1980s. In Tomprong village in Kompong Cham, for example, between 1979 and 1980 local villagers were entitled to own land, both residential and farmland. At that time those who did not own land were each given residential land measuring 20 m by 30 m and a piece of farmland of 0.5 ha per household by the local authorities. The same practice was also adopted in other villages. In Srei Ronguet village in Kompong Thom, in 1982 each family received 0.4 ha of farmland. In Roka village in Siem Reap, however, after 1979, when villagers returned to their homes, they occupied farmland based on their capacity to farm and their draught animals. Some households took land that had previously belonged to their families.

*“At the time of returning, we just grew rice on the fields of our ancestors without any intervention by the local authority. Everyone just took as much land as they could according to their ability to farm and their draught animals. The households that had no former land had to clear areas covered by thick grass to cultivate rice.”*  
(Agriculture FGD, Roka village, Siem Reap)

There are exceptions to the general picture of land distribution, such as Basaet village in Battambang, where land was distributed in two stages, the first between 1982 and 1985 and the second as recently as 1995 to 1998. Prior to the first distribution, Basaet villagers farmed in communal groups and the harvest was shared equally among group members. Land was later distributed to villagers according to the size of the family. The second stage of land distribution was conducted by providing newly reclaimed land or land that had been under the control of the Khmer Rouge before their re-integration into society.

*“Land distribution started in 1988; the government distributed the land according to the number of household members. The biggest household, with eight members, could receive 25 m x 200 m, and a household with four members could receive 20 m x 200 m of the same type of land.”* (Mixed open FGD, Khla Kropeu village, Pursat)

Owning land, however, is not enough. The location, quality and geography of the land and inputs, such as infrastructure and production technology, are also important factors in sustaining the livelihoods and well-being of people.

*“Some of us received agricultural land, but it is very far from the village, and although the land is fertile, we could not cultivate it because of its location in relation to the Great Lake. Whenever we plant rice, water from the lake rises to as high as five metres, flooding the rice. So we have land, but we are no different from the landless.”* (Poor and destitute female FGD, Nikom Knong village, Battambang)

### 4.2.2. Land Sales

The reasons for selling land differ between rich, medium, poor and destitute households. The rich mostly sell their land in order to purchase other productive assets, while the poor are forced into selling their land or using it as collateral for loans to cope with shocks in the family.

*“Most of the poor and destitute households lost land because they sold it to pay for medical treatment, to buy food and to pay debts, but the medium households sold their land in order to build good houses, to buy a car, truck or hand-tractor and to expand their business.” (Landless FGD, Kouk Trach village, Siem Reap)*

The data from most villages studied suggest that only rich and medium income households re-invest the money from selling land profitably, whereas the poor and the destitute end up losing land as the result of distress sales, and so lose their source of livelihood altogether. The better off and the poor see land sales from very different viewpoints.

*“It is not always bad to sell land. If the land is used for producing rice, there is little benefit, but if those people sell, they will get more money and they can use the money to buy land even 10 times bigger than the land they sold. It depends on how people use their money.” (Deputy Governor of Chikreng district, Siem Reap)*

*“After the poor sold their land, they did not use their money wisely, but spent all of it. Now they have no land... they cannot grow rice and vegetables and they cannot raise animals.” (A District Governor, PPA Provincial Workshop, Siem Reap)*

*“We are poor and we have nothing to depend on except land, so when we face any difficult problem, such as health concerns, we might sell land as the only way to survive. Actually we don’t want to do that, but we have no choice.” (Landless FGD, Tomprong village, Kompong Cham)*

*“Households from all the well-being rankings in the village [medium, poor, and destitute] have sold land. The poor and destitute sold their land to pay for health treatment, to repay debts and to have food to eat... we can quickly count about 12 cases of land sales by the poor and destitute” (Mixed open FGD, Roka village, Siem Reap)*

Some of the poor and the destitute sell land to cope with shocks in family, while others have less land after giving some to their married children. Having a family member suddenly fall ill can result in the poor and the destitute becoming landless because they must sell their land to pay for related medical costs. Rich and medium income households can cope better with these shocks because they have some savings for emergencies.

*“My husband had a serious case of malaria in 1990, and we were short of food, so I had to mortgage our rice field to get 1.5 chi gold (about USD60). I had no money to get my land back, and three years later I lost it to the creditor.” (Individual interview with landless household, Roka village, Siem Reap)*

### 4.2.3. Environment, Natural Resources and Biodiversity

Access to natural resources, such as forests and the availability and quality of water resources are core natural assets that influence well-being. Their loss can have a devastating impact on the poor. This issue is covered in Chapter 6 on natural resource management and livelihood strategies.

*"The causes of poverty are HIV-AIDS, lack of agricultural knowledge and practice and domestic violence; the most serious one is people's destruction of their environment." (Soth Nikum District Governor, PPA Provincial Workshop, Siem Reap)*

*"The land concession company not only cleared the forest around our village, but also diverted our water for its use. Now we have no water for our animals and rice cultivation. They shot our animals when they strayed onto the company's land. We have complained to the local authorities from the village up to the province, but there has been no resolution." (Informal FGD, Khla Kropeu village, Pursat)*

Some of the poor know the value of biodiversity of flora and fauna and are aware of the consequences of wildlife hunting. However, poverty pushes them to hunt and sell wildlife.

*"If there were no wildlife traders, we would not catch monkeys; but when we have nothing to eat, we need the wildlife trader." (Mixed open FGD, Dey Roneat village, Pursat)*

*"The other villagers and I never collect bird eggs, because we think that if we do this, there will be no more birds in the future. In the forest, there were people who played tapes to attract birds and then poisoned them. Most of those people were from Kompong Kdei village. They caught the birds secretly, and when the authorities arrived, they pretended to be holding hooks instead [a way of catching birds manually]. If bird catching continues, both legal and illegal, then the birds will disappear within two years." (Individual interview with a bird hunter, Srei Ronguet village, Kompong Thom)*

Some villagers venture into the forest to collect firewood for their own use or to sell. Medium households use oxcarts to transport the firewood, while the poor have to transport by bicycle or rented oxcart. The destitute have to carry the firewood home on their heads.

*"We collected firewood using borrowed oxcarts or bicycles from well-off villagers, but we have to share around 50 percent of the total profit with them; otherwise we sometimes buy goods and pay in labour in rice transplanting or harvesting for them." (Wood-cutting FGD, Khla Kropeu village, Pursat)*

*"If we have oxcarts, we can use them for transport when cutting wood, but we have nothing. [If we had them] then we could take an equal share of wood cutting with medium households that have oxcarts." (Poor female FGD, Khla Kropeu village, Pursat)*

*"Even though the law bans logging, we still engage in logging because we have nothing to eat." (Logging FGD, Sralau village, Kompong Thom)*

Changes in natural assets are caused by natural calamities, such as floods and droughts, loss of forests and fisheries, decline in land quality and the sale or acquisition of land. Fishing villagers observed that there is a decline in fish catches, which affects their livelihoods and well-being. Chapter 6 examines this in greater detail.

*"The current standard of living of some households has plunged over the past five years because their fish catch is declining. The fish population has been drastically reduced by the use of illegal fishing tools, such as electric fishing gear." (Young female FGD, Preaek Sramaoch village, Siem Reap)*

#### **4.2.4. Seasonality and Location of Livelihood Activities**

The seasonality and location of livelihood activities determine the times when the poor have enough to eat and when they go hungry. The poor are particularly vulnerable to changes in climatic conditions that affect the duration of a wet or a dry season and the high or low water marks of the Mekong River and the Tonle Sap Lake, with their unique hydrological

patterns.<sup>27</sup> For households with mixed livelihoods, such as agriculture and fishing, these factors dictate the months when they plant and harvest rice and the months when they fish.

*“We go to catch fish by walking to the flooded forest and the lake far from the village—about 15 to 20 km during low water from January to July. During high water, we just fish in the flooded forest about 8 km from the village because we have no boat to travel far like medium households.” (Fishermen FGD, Nikom Knong village, Battambang)*

*“In the dry season we fish in small rivers or ponds close to the Tonle Sap Lake, when the water becomes shallow and fish start to migrate to the Mekong River. These are very important places for us to fish during the dry season.” (Natural resources FGD, Pechacrei village, Kompong Thom)*

Many conflicts over natural resources arise during certain seasons because of the influx of people to places where they can earn a living. Conflicts over the use of water for agriculture or over fishing usually arise during the dry season.

*“River conflicts usually happen in the dry season, when the river has become smaller and there are many fishermen.” (Commune council representative, Treay village, Siem Reap)*

*“We need water to irrigate our dry season rice, but the owner of the fishing lot in the lake did not allow us to pump water from his area. He was afraid that this would affect the fish. Nevertheless, we pumped water from the lake for irrigation; if they want to take us to prison, let them take all of us there together.” (Mixed open FGD, Samraong village, Kompong Chhnang)*

The lives and livelihoods of the poorest in rural areas depend heavily and directly on natural resources, and are greatly threatened by their depletion. Better natural resource management would result in better lives for the poorest people. The data from most villages show that rural people, especially the poor and the destitute, rely more and more on common property resources for their livelihood. At the same time, natural resources are on the decline and their use is not sustainable. Fish stocks have decreased dramatically over the last five years, flooded forests are being cut, and the number of wild animals and birds is also on the decline, with some species perhaps becoming extinct.

The decline in fish stocks has serious effects on the livelihood of people in fishing villages. It can be attributed mainly to the use of illegal fishing equipment, such as electric gear and mosquito nets, which catch even immature fish. Fishing during the off-season also contributes to the decrease of fish stocks.

*“Ninety percent are dependent on fishing; some who are destitute sell their labour for a living.” (Mixed open FGD, Preaek Sramaach village, Siem Reap)*

### 4.3. Economic and Financial Assets

These assets comprise livelihood sources, technology to support livelihoods, income, pensions, remittances and bequests or inheritance, savings, access to and use of credit and financial capital and ownership of property besides land and houses. In all the villages studied, financial assets are overwhelmingly concentrated among rich and medium-income households. They have enough savings to manage any sudden shocks (e.g., illness), can buy productive assets, such as hand-tractors or engine-boats, and can still have money to lend out to the poor and the destitute. The poor and the destitute own almost none or none of financial

<sup>27</sup> The Tonle Sap Lake is the largest fresh-water lake in Southeast Asia. In the wet season it absorbs water from the Mekong River; in the process its size expands from 2500 sq km to about 16,000 sq km. The water flows out at the start of the dry season. The lake is abundant in fish, which is the main source of protein for people in the five surrounding provinces.



assets respectively. Because of their importance, such issues are discussed in more detail in Chapter 8 concerning savings and access to credit and financial capital.

### 4.3.1. Sources of Livelihood and Income

The majority of the villages in this study are engaged in land resource-based livelihoods. They are characterised by primarily agricultural activities plus a combination of agriculture with forestry and fishing. People in these villages devote most of their time to agriculture, and engage in forestry and fishing activities between the rice ploughing and harvest seasons. Seven of the villages are primarily engaged in water resource-based livelihoods, i.e., fishing and a combination of fishing and agriculture. Some villagers are able to plant rice in small plots of land beside the Tonle Sap during the dry season, when water levels are low. A more thorough discussion of these rural livelihoods is contained in Chapter 6 on natural resource management and livelihoods. The study also includes one village, Toul Ta Ek, in Battambang, characterised by urban livelihoods, such as selling labour.

Primary livelihoods are economic activities that households engage in to meet their basic needs, such as food, clothing and shelter. Households engage in secondary and tertiary activities to augment their earnings, usually during the off-season of their primary livelihoods. Sometimes they earn a substantial amount of income from secondary and tertiary activities, but these opportunities come only once in a while. Table 4.2 below shows the primary, secondary and tertiary livelihoods of selected PPA villages according to resource base.

**Table 4.2: Livelihood Strategies of Selected PPA villages**

| Village and Province  | Primary Livelihood  | Secondary Livelihood  | Tertiary Livelihood  |
|---|---|---|--|
| <b>Land Resource-Based Livelihoods</b>                      |   |   |  |
| Agriculture<br>Tomprong,<br>Kompong Cham                    | Agriculture<br>(wet and dry season rice)                                      | Fishing, labouring (in and outside village and in Thailand)   | Catching rats, collecting shells, small scale sales, gold seller, motorbike/bicycle fixing shop, rice mill owner, credit provider, small clinic and selling medicine, animal raising, construction and garment factory worker, rice trader, selling water, traditional nurse/midwife |
| <b>Agriculture and Forestry</b><br>Khla Kropeu,<br>Pursat   | Agriculture<br>(wet season rice)  | Forestry (slash and burn cultivation in degraded forest, logging, charcoal processing)              | Collecting NTFPs, migration, small shop in the village and planting crops  |
| <b>Agriculture/ Fishing</b><br>Samraong,<br>Kompong Chhnang | Agriculture<br>(dry season rice )   | Fishing and plantation (chamkar)  | Selling labour, wood cutting, catching rats, small shop in the village and catching toads  |
| <b>Water Resource-Based Livelihoods</b>                     |   |   |  |
| <b>Fishing</b><br>Koah Ta Pov,<br>Kompong Thom              | Fishing   | Fish culture and pig raising  | Selling labour to fishing lot, dry season rice farming and small shop in the village   |
| <b>Fishing/ Agriculture</b><br>Kombaar,<br>Siem Reap        | Agriculture<br>(wet season rice )   | Forestry and slash and burn cultivation in degraded forest  | Small-scale selling, operating rice mill, battery charging, collecting spiders, digging wild cassava/potato, money lending, weaving thatch   |
| <b>Urban-based Livelihoods</b>                              |   |   |  |
| Toul Ta Ek,<br>Battambang                                   | Small business like selling things at home, in the market, mobile shop owners | Porter in bus/train station and construction sites, migrate as labourer to Thai border and Thailand | Guesthouse business, motorbike-taxi (motodop), work in the government and selling chopped wood   |

### 4.3.2. Alternative and Supplemental Livelihoods

The poor recognise that a diversity of supplemental and alternative livelihoods has contributed to the upward mobility of some households.

*“The destitute households became medium households because they worked as labourers in rice harvesting and fishing and they catch and sell locusts, crickets and mice. They also work as labourers harvesting rice in other villages because they have networks there.” (Mixed FGD, Nikom Knong village, Battambang)*

Raising animals is an important supplementary source of income. Many villagers raise cattle for economic purposes, but most do so to use them in ploughing. Cows or oxen are becoming animals of choice because buffaloes need more water. Most of the animals in the PPA villages are cows or oxen. Because of their expense, the number of cattle owned by a household is a good indicator of economic strength. A local cow usually costs about 1 million riels or USD250, while a hybrid cow can cost as much as 4 million riels. Pigs are also popular in some villages. Pigs are raised purely for sale, and often price from 200,000 riels or to 400,000 riels.<sup>28</sup> In addition to cattle, chickens and ducks are also raised, mostly by the poor and the destitute. Chickens and ducks are cheap and therefore do not show economic strength of the owner.

The number of animals raised varies according to the well-being ranking of the household. In general, well-off families have more animals than worse-off families. Some poor households raise animals for the rich and are paid for their labour.

*“Apart from our main occupation, we have supplementary occupations like livestock raising (pigs and chickens), wild vegetable collection and selling labour inside and outside the village.” (Mixed open FGD, Plov Loung village, Pursat)*

Villages in fishing villages say that there are fewer alternative income sources for them compared with agricultural and forestry villages.

*“We live on the lake. Our livelihood is dependent on fishing, so our lives are harder than people who are living on land, where they depend on alternative livelihoods of fishing and farming.” (Fishing and raising fish and crocodiles FGD, Treay village, Siem Reap)*

In Santre village of Pursat, many poor villagers venture into the forest to collect cardamom, resin and other wild fruits. However, the lack of markets adversely affects their chances of improvement in well-being ranking.

*“Apart from agriculture, Santre villagers have other means of making a living, such as the collection of cardamom, resin and wild fruits. They have a hard time finding markets for these products, so they stay poor.” (Representatives of Santre village, Pursat, during the PPA provincial workshop)*

In rapidly urbanising areas, waste collecting is becoming a profitable occupation. Sadly, most of those involved are children.

*“In the village, waste collecting is well-paying work. Some families force their children to stop going to school in order to scavenge for waste. Their children can earn from 7,000 to 10,000 riels per day from this job. Even when an NGO offered to sponsor their children’s school materials, they still did not allow their children to go to school.” (Commune council, Toul Ta Ek village, Battambang)*

<sup>28</sup> Prices are quoted from CDRI research on livestock.

**Table 4.3: Livestock in PPA Land Resource-Based Villages<sup>29</sup>**

| Village                   | Well-Being Ranking        |                         |                        |                   |
|---------------------------|---------------------------|-------------------------|------------------------|-------------------|
|                           | Rich                      | Medium                  | Poor                   | Destitute         |
| Srei Ronguet              | 7-12 cattle <sup>30</sup> | 5-7 cattle              | 3-5 cattle             | 1-3 cattle        |
| Pou                       | 4-6 cattle                | 2-5 cattle              | 1-3 cattle             | Do not have any   |
| Banh Chkoul               | 2 cattle<br>4-6 pigs      | 2-4 cattle<br>1-4 pigs  | 1-2 cattle<br>1-2 pigs | Do not have any   |
| Balang                    | N/A                       | 2-7 cattle              | 1-2 cattle             | 1 cattle          |
| Tomprong                  | 5-10 pigs                 | 0-5 pigs<br>2-4 cattle  | 0-1 pig<br>0-2 cattle  | Do not have any   |
| Kouk Trach                | 2-5 cattle<br>1-2 pigs    | 2-4 cattle<br>1-10 pigs | 1-3 cattle<br>1-2 pigs | 1 cattle<br>1 pig |
| Roka                      | N/A                       | 1-2 cattle<br>1-5 pigs  | 1 cattle<br>1-2 pigs   | 1 cattle          |
| Sralau                    | 8 cattle                  | 2-5 cattle              | 1-2 cattle             | Do not have any   |
| Santre                    | 4-6 cattle                | 3 cattle                | 1 cattle               | Do not have any   |
| Kombaar                   | N/A                       | 1-4 cattle<br>1-5 pigs  | 1-2 cattle             | Do not have any   |
| Khla Kropeu <sup>31</sup> | N/A                       | 2-5 cattle<br>2-5 pigs  | 2-4 cattle<br>1-2 pigs | Do not have any   |
| Plov Loung                | N/A                       | 3-6 cattle<br>4 pigs    | 2-5 cattle<br>1-3 pigs | 1-2 cattle        |
| Samraong <sup>32</sup>    | N/A                       | 2-4 cattle<br>1-6 pigs  | 1-2 cattle<br>1-2 pigs | Do not have any   |
| Basaet                    | 3-6 cattle                | 2-4 cattle              | 1-2 cattle             | Do not have any   |
| Toul Ta Thon              | N/A                       | 3 cattle<br>1-5 pigs    | 1-3 cattle             | 1-2 cattle        |
| Nikom Knong               | 5-10 cattle<br>2-7 pigs   | 1-5 cattle<br>1-3 pigs  | Do not have any        | Do not have any   |

#### 4.3.3. Access to Productive Assets

In each livelihood category, the rich and the poor differ in terms of the type of technology used in the production of goods and services. Households in agricultural villages use animals, such as cattle and buffaloes, rice mills, tractors, water pumps, wells and threshing machines. In an agricultural village like Srei Ronguet in Kompong Thom, rich households have seven to 12 buffaloes, a rice mill, a hand-tractor, a thresher and a motorcycle. Medium households have five to seven cows and buffaloes, an oxcart, a motorbike and a bicycle. The poor have three to five cows and buffaloes, an ox cart and a bicycle. The destitute have one to three cows and buffaloes and one old bicycle. Farmers understand that farm inputs and mechanisation increase productivity, but usually the poor are unable to use farm machinery or other inputs as this entails large costs.

*"Poor households farm, but they cannot afford to purchase chemical fertilisers and pesticides and pay the rental for a tractor to plough. No work animal has been used since the year 2000 because there is a lot of imported machinery, such as tractors, hand-tractors and threshers. Now, most people hire hand-tractors at 110,000 riels per hectare to plough their land. They have to use a lot of chemical fertilisers; otherwise they will have lower yields." (Farmer FGD, Toul Ta Thon village, Battambang)*

<sup>29</sup> Villagers in water resource-based villages can not raise animals.

<sup>30</sup> Cattle here refers to cows or oxen; some villagers raise buffaloes, but the number is small.

<sup>31</sup> One household has 30 cattle.

<sup>32</sup> One household in the village has 30 buffaloes, and another has 20 pigs.

In rural Cambodia, many farmers still use traditional farming tools. Over the last five years, however, many farmers in the PPA villages have been taking advantage of newly introduced technology, although the poor and the destitute have less access to it. For example, in Basaet village in Battambang, villagers use tractors and hand-tractors to plough their rice fields. If the land is dry, they use tractors and if the land is wet they used hand-tractors. In this village, the tractors and hand-tractors are owned by rich and medium families, so they can use them anytime. If they do not have cattle to plough their land, the poor and the destitute have to rent them from rich and medium households for 50,000 to 60,000 riels per hectare of farmland. The only direct benefit of using a tractor or hand-tractor is that it saves the farmers a lot of time.

*“Rice cultivation is quite different from 10 years ago. At that time, all households used draught animals to plough their rice fields, except for two or three who used tractors, but now all households plough their fields (for floating rice) using tractors... and the rental price has increased from 40,000 riels to 75,000 riels per hectare.” (Farmer FGD, Pou village, Kompong Thom)*

*“Almost no cattle have been seen here for several years. From 2000, mechanisation, such as hand-tractors, tractors and threshing machines has been brought into the village. Most villagers have sold their cattle to buy these machines for rice cultivation.” (Farmer FGD, Nikom Knong village, Battambang)*

In Basaet village, the rich and the medium income households are able to take advantage of better inputs, such as seeds and fertiliser, which produce better yields. The poor and the destitute want to follow suit, but cannot afford to do so.

*“The people started using chemical fertiliser in 1997; it was used mostly by the medium families. By using chemical fertiliser, we could get from 60 to 70 bushels of rice from one hectare. When other people saw that using chemical fertiliser produces a rice yield like this, they all started using it. They started using chemical fertiliser in 2002.” (Young male FGD, Srei Ronguet village, Kompong Thom)*

*“Chemical fertiliser has been used for quite a long time. Now only the rich still use it, and some medium households use a small amount, buying it on credit and paying after the harvest. Fertiliser is very expensive, so no poor and destitute households can afford it at all. Therefore, if anyone raises cattle, such as cows and goats, they collect the manure for use as natural fertiliser.” (FGD of farmers in Basaet, Battambang)*

When officials from the Staung district agriculture department, in Kompong Thom, came to promote the use of fertiliser in Srei Ronguet village in 1997, only three households used it. The poor and the destitute could not afford chemical fertiliser, and some farmers also believed that although chemical fertiliser increases yields, it also reduces the quality of land, whereas natural fertilisers, such as cow dung, can maintain the quality of land for a long period of time. In 2003, after the NGO Mlub Baitong came to promote the advantages of natural fertilisers and to educate about the disadvantages of chemical fertilisers, villagers started to turn to natural fertilisers. Even with natural methods, the rich and the medium still have an advantage over the poor and the destitute because they have more cows to produce dung.

*“Using cow manure is better than using chemical fertilisers, because if we use cow dung once, we can get a good rice yield for two to three years. However, if we use chemical fertiliser, we have to use it every year. There is a different rice yield using cow dung and chemical fertiliser. If we use chemical fertiliser, we will get a yield of 30 bushels per hectare; however, if we use cow dung, we will get a yield of 35 to 40 bushels per hectare. The tools have not changed since the past, when people worked farm land using ploughs and harrows.” (Farmer FGD, Srei Ronguet village, Kompong Thom)*

In Cambodia, the harvest season is from December to January. Most farmers still harvest manually. However, threshing machines were observed in many villages studied. The traditional way of threshing rice is to have it trampled by cows or buffaloes. Technology, however, increases efficiency and productivity. Ten days of work by an animal can be done in a few hours by a threshing machine. In all the agriculture-based PPA villages, there are one or two threshing machines, usually owned by the richest families. The poor, the destitute and the medium have to pay in kind for their use. Usually, 10 kg of rice is paid as a fee for the threshing of 250 to 300 kg of rice.

*"Threshing machines started to come into the village in 2000. A few people used them at that time, but now almost all households are using them (only one percent still use cattle) ... There is only one threshing machine owned by a household of this village, but there are a few more from other villages that do business here."* (Farmer FGD, Pou village, Kompong Thom)

In fishing villages, the fishing gear and boat represent the difference between the rich and the poor. Loss of equipment, such as gill nets by theft is one of the factors pushing households down the well-being ranking.

*"I am still poor because I lack fishing equipment."* (Individual interview with a poor widow, Pechacrei village, Kompong Thom)

*"Most of our villagers make a living by fishing, and only a few households that are considered rich do not fish but do business trading fish and providing credit to the poor. Fishing gear of different sizes is used according to the living standard and what each household can afford to purchase."* (Male FGD, Treay village, Siem Reap)

*"If my gill net is stolen, I have no food to eat because the gill net is the only thing that I depend on for my livelihood. On 22 August 2005, my net was stolen. My daughter and I cried. The thieves were never arrested. Although I complained to the village chief, he was not able to arrest the thieves. The gill net of the village chief also was stolen. I temporarily used my old gill net to catch fish because I could not afford to buy a new one. I didn't like to borrow from the local fish dealer to buy a new gill net. I had to save money for three to four months to buy a new one. When I was able to buy a new one, it was stolen again. I lost two gill nets this fishing season."* (Individual interview with a widow family head, Kompong Thkoul village, Pursat)

Generally, the rich and the medium own bigger, engine-powered boats, whereas the poor and the destitute have small rowing boats. If they want to travel far, they have to ask the rich or the medium to tow their boats. The poor and the destitute are also at a disadvantage in the fishing equipment they own. The rich and the medium have modern fishing gear, and as a result they catch more fish.

*"We cannot compete—the poor and the rich use totally different equipment. We only small rowing boats, while the rich have boats with powerful engines. We borrow money from fish traders or shop vendors to buy small traditional fishing gear, such as fish hooks, nets or materials to make bamboo vertical cylinder traps. The rich can afford to buy big modern fishing gear with their own money."* (Fishermen FGD, Treay village, Siem Reap)

*"We don't have boats so in the rainy season we fish near the village. We cannot catch much fish."* (Poor male FGD, Preaek Sramaoch village, Siem Reap)

#### **4.3.4. Remittances, Bequests, Savings and Access to Credit**

These are income or property that one receives from others, such as bequests or inheritances from parents and relatives, remittances from working relatives and friends and gifts during

ceremonies, such as weddings. These assets enable poor and destitute households to survive, especially when they do not have any stable livelihood.

*“Our parents are poor and they have no inheritance or property to give us. In the future, we can only farm and sell our labour. We don’t feel confident about the future because we have no money to invest in business. We have little schooling; others do not have any at all.” (Young male FGD, Sralau village, Kompong Thom)*

*“The rich families are rich because their parents gave them capital for doing business.” (Mixed FGD, Nikom Knong village, Battambang)*

*“Their relatives gave them financial support so that they could buy machines to improve their livelihoods.” (Mixed FGD, Kompong Thkoul, Pursat)*

The poor are often seen by the better-off as having no savings, spending whatever they earn and not making wise financial investments.

*“The people are still poor because they don’t work hard; in addition, they spend more than they earn.” (Commune chief, Krokar district, Pursat, during the PPA provincial workshop)*

Some of medium income and poor households realise that they need to save in order to be able to purchase productive assets and for emergencies, such as illness in the family. They are also learning to forego unnecessary expenditures.

*“In our calculation, selling small fish that we catch is better than using them for food to raise big fish. In this way we can save money for emergencies, such as serious illness, for buying fishing gear or buying rice when there is a shortage.” (Poor female FGD, Treay village, Siem Reap)*

The poor also acknowledge that reducing expenditures on leisure activities, such as gambling and drinking is a way to improve their living conditions. Saving creates capital that can be used for productive investments, enabling a household to move up in well-being.

*“The destitute households moved up because they have good savings.” (Mixed FGD, Nikom Knong village, Battambang)*

*“If we want to improve our living conditions, we need to save, not spend too much, and avoid gambling and spending on wine.” (Interview with a medium household, Kouk Trach village, Siem Reap)*

Medium income, poor and destitute households make use of both informal and formal credit. The difference lies in the reason for obtaining loans, as shown in Table 4.4. However, it is difficult for the poor to obtain loans because creditors feel that they will not be able to repay. As noted above, chapter 8 on savings and access to credit and financial capital examines the role of credit in more detail.

**Table 4.4: Reasons for Obtaining Loans**

| Medium households  | Poor households   | Destitute households   |
|--|---|--|
| To buy vehicles like motorbikes<br>To build a house<br>For wedding ceremonies for their children | For basic necessities<br>For medical treatment of a family member<br>To buy fishing gear<br>For family members who migrate to look for work | For basic necessities<br>For medical treatment of a family member<br>To repay previous loans |

Charging high interest is normal in rural Cambodia, with one exception being the Cham ethnic group, which sees charging interest as sinful. Others charge high interest rates and

require land or animals as collateral. In many cases, the poor lose or sell their land in order to pay their debts because of extremely high interest rates.

*"We do not want to give out credit with interest because this is sinful according to our culture and beliefs. Our group gives out credit to those in the same group, and we always respect the group leader." (Cham ethnic group FGD, Khla Kropeu village, Pursat)*

*"We are unable to access PRASAC and ACLEDA credit programmes because we have no land to mortgage, but we can borrow about 100,000 to 150,000 riels from the pot trader or other villagers using an animal as collateral. We can repay our loans by labouring in rice cultivation." (Landless FGD, Banh Chkoul village, Kompong Chhnang)*

The availability and accessibility of credit, if properly tapped, can contribute to raising the well-being of households.

*"For poor families to be able to borrow money or buy something on credit, they must have a good background. The wife always discusses with her husband before taking out a loan since her husband will be responsible for repaying it. They sell some of their rice harvest in order to pay back their debts. They borrowed money for farming, and this has benefited them, so their livelihoods have gradually improved." (Meeting with farmers, Nikom Knong village, Battambang)*

The inability to repay loans is, however, a common factor that pushes households down the well-being ranking, making them chronically indebted. It also affects the credit-worthiness of a household so that its chances of getting new loans are diminished.

*"In 1997 our family borrowed about 3 million riels to buy an oxcart and cows in order to transport clay pots to sell in Phnom Penh. We failed in that business and we could not repay the loan." (Destitute individual interview, Banh Chkoul village, Kompong Chhnang)*

In the PPA fishing villages, most of the fishers need loans to buy fishing equipment. They borrow money from rich merchants in the village. The loans don't carry any interest, but the borrowers must sell fish to the merchant for the entire fishing season at less than market price.

*"When we have fish, we have to sell to our creditors at 100–200 riels less than the normal price, because we use their money for buying fishing gear and food. Even when we go fishing far away in the lake and stay there for months, the creditors follow us to that place in order to buy our fish. If we sell to other people then they will sue us to repay the loan or take back the gear." (Fishermen FGD, Treay village, Siem Reap)*

*"All poor families borrow money from fish traders in the village. Then we have to sell the fish that we have caught to them at 100–200 riels less per kg. They pay us some money so that we can survive and deduct some to reduce the loan." (Poor male FGD, Preaek Sramaoch village, Siem Reap)*

#### **4.3.5. Ownership of Property besides Land**

Besides owning a house and land, people want amenities to make their lives more comfortable. For example, in an agricultural village like Banh Chkoul, in Kompong Chhnang, a typical rich household has a colour TV and karaoke machine. A medium income household has a karaoke machine and a black and white TV. Some poor and destitute households have black and white TVs. In fishing villages, such as Pechacrei, Kompong Thom, rich households have two-way radios, colour TVs, cassette or tape recorders and karaoke machines. Medium income households have black and white TVs and radios. The poor and the destitute have only radios. In the urban village of Toul Ta Ek, Battambang, no household claimed that it was

rich. A typical medium household has a fan, TV and radio-cassette tape recorder. Some poor households have fans and cassette-tape recorders.

*“We have no property, just one old bicycle and one black and white TV. Some households have nothing at all.” (Mixed open FGD, Pou village, Kompong Thom)*

*“Most of the poor and destitute do not even have an old bicycle or a small radio. You can go and take a look at their houses; there is nothing inside.” (Poor and destitute female FGD, Toul Ta Ek village, Battambang)*

#### 4.4. Physical Assets

Physical assets include housing and access to sources of affordable energy and drinking water, as well as physical infrastructure, such as roads, bridges, irrigation facilities, information and communication facilities and means of transportation. Physical mobility provides access to markets and to essential social services, such as health and education facilities. Better infrastructure provides better access to markets, which leads to more farming and non-farming activities and at the same time stimulates more production income, and consumption.

##### 4.4.1 Housing Conditions

Villagers can identify who is rich and who is poor based on the type of house in which one lives. Particular emphasis is on the size of the house and the construction materials of the roof, the walls and the floor. House repairs and relocation during times of flood and drought are major household expenses, in addition to the extra time and effort spent in coping with these situations. There are also differences among housing conditions according to livelihoods (Table 4.5).

Houses of families from different well-being groups differ in both size and materials. The typical house of a rich household in a land-based village has a concrete roof and floor, or a tile roof, while the house of a medium income household has a tile or zinc roof and wooden walls and floor. The poor generally live in houses with bamboo floors and leaf walls and with thatch or zinc roofs, while the destitute have only small huts with bamboo floors, and thatch walls and roofs. Their homes usually have holes in the walls and roofs and are vulnerable to strong wind and rain.

*“The poor and destitute live in a small hut with a thatch roof and bamboo floor. The size of their residential land is usually 10 m x 40 m. Some of us have no house of our own and we live with relatives in the village.” (Mixed open FGD, Samraong village, Kompong Chhnang)*

The houses in water resource-based villages also differ in material and most notably in size according to well-being. Many fishing villages are floating villages. Generally speaking, the rich and the medium live in 8 m by 10 m floating houses with zinc roofs and wooden walls. Floating houses of poor households are typically 5 m by 7 m with zinc roofs and walls of wood or thatch. The destitute live on 4 m by 5 m boats with thatch roofs and walls.

*“We live on a small floating hut and we have one rowing boat. Other households have one small old motor boat. Some destitute households have neither.” (Mixed open FGD, Pou village, Kompong Thom)*

*“We have a small floating house in the village. We repair it three times a year depending on the water level.” (Female-headed household FGD, Kompong Thkoul village, Pursat)*

*“Living in a floating house, we have to spend three times more than living on land.” (Fishermen FGD, Treay village, Siem Reap)*



**Table 4.5: Housing Conditions According to Well-Being Ranking and Livelihoods**

| Resource Base and Livelihood | Well-Being  |  |  |   |
|------------------------------|---|--|--|---|
|                              | Rich  | Medium   | Poor   | Destitute   |
| <b>A. Land Based</b>         |   |  |  |   |
| Agriculture                  | Big concrete/ wooden house with tiles or zinc or fibrous roofing. | Medium-sized wooden house with tile or zinc or thatch roof.  | Small house with thatch or palm leaf roof.   | Very small house with old zinc or thatch roof.  |
| Agriculture/ Forestry        | Wooden floor and walls.   | Walls covered by palm leaves or thatch or wood.  | Floor and walls are made of bamboo or thatch.  | Walls are made of thatch or palm leaves.  |
| Agriculture/ Fishery         | House is elevated from the ground.                                | Floor is made of plank. House is elevated from the ground.   | Some houses elevated off ground, others built on ground without wooden or concrete floor.  | House is built on the ground without any wooden or concrete floor.  |
| <b>B. Water Based</b>        |   |  |  |   |
| Fishery                      | Big floating house with zinc roof, built on a raft.               | Medium-sized floating house with zinc or thatch roof.  | Small floating house with old zinc or palm leaf or thatch roof.  | Very small floating house with old zinc or palm leaf roof.  |
| Fishery/ Agriculture         | Walls and floor are made of deluxe wood.                          | Walls are made of wood or thatch. Floor is made of wood.   | Floor is made of wood.   | Bamboo floor.   |
| <b>C. Urban</b>              |   |  |  |   |
|                              | No household identified itself as rich.                           | House with zinc or tile roof. Walls and floor are made of wood. House is elevated from the ground. | Usual size of house is 4 m x 5 m, with zinc roof and bamboo or palm leaf walls. Wooden floor. House is elevated from the ground. | Usual size of hut is 3 m x 4 m, with thatch or tent roof and thatch walls. Built on ground with no wooden or concrete floor. Some stay in old train cars or wagons. |

Most of poor households living in the urban village in the PPA sample stay in slum areas, where their houses are constructed of scrap materials.

*"Sitting in my house (4 m by 3 m), we can see the sky. At night, I enjoy watching the stars. When the rain comes, I just take a big piece of plastic to cover my house. Many households just live inside old abandoned train carriages." (Individual interview with a destitute widow, Toul Ta Ek village, Battambang)*

#### **4.4.2. Access to Clean Drinking Water and Sanitation**

Besides having a house, having affordable sources of energy and drinking water is vital to well-being of the people. The poor usually do not have enough money to pay for electricity and water services, and are burdened with the expense of buying bottled drinking water. Rich and medium households drink boiled or bottled water, while the poor and the destitute drink water treated with copper sulphate or alum. Some of them drink untreated lake water.

*“We live in the centre of the city, but our cottages are dark at night because we have no money to connect to the electricity line. We have no running water from the pipe; we just buy from someone who has piped water for 1,500 to 2,000 riels per jar.”* (Poor and destitute female FGD, Toul Ta Ek village, Battambang)

Most people in villages around the Tonle Sap drink water from the lake. In the dry season the water becomes shallow and muddy, and most drink the muddy water untreated, which causes many kinds of diseases, especially diarrhoea.

*“Villagers drink contaminated water which causes women to fall sick with leucorrhoea [vaginal discharge] and uterus problems... The male villagers are usually sick with diarrhoea, stomach-aches and typhoid.”* (Mixed open FGD, Preaek Sramaoch village, Siem Reap)

In 2005, many children in Koah Ta Pov village, Kompong Thom, had serious diarrhoea. In the same year, an estimated 70 percent of medium households started buying pure drinking water for everyday use, while poor and destitute households now buy copper sulphate to purify the water before drinking. However, some of destitute households still drink water from the lake without boiling it or using copper sulphate. Boiling water is inexpensive since villagers can collect firewood for free, but they do not make the effort to do so, or they lack knowledge of sanitation. As a result, when their children get sick from drinking unboiled water, they must spend a great deal of money on medical treatment. Some do not even understand that their children get sick from drinking unclean water.

*“Clean water is the main concern of the people. We have been using water collected from the pond. We have no well because there would be no water even if they dig one. The water is scarce or muddy, except for rain water. We face many difficulties in finding clean water ... we have had this problem for a long time.”* (Elderly mixed open FGD, Tomprong village, Kompong Cham)

*“The problem for now is a shortage of water. The water in the village is not clean, so the people have to go to another village, such as Phnom Touch, to collect water. It is the women who often go to collect water. Using unclean water has bad effects on people’s health. Women usually suffer from stomach-aches and vaginal irritation. Some of the young women who have health problems go to buy medicine at the hospital in the village. Some go to treat their illnesses in other hospitals, such as in Sandaek commune. They are not shy to tell the doctors about their symptoms. Some do not go to have their illnesses treated because they cannot afford to pay the medical costs.”* (Young female FGD, Tomprong village, Kompong Cham)

In land resource-based villages, people do not take drinking water along when they go to the forest but drink water from forest ponds. This forest water flows down from the mountains, and when someone drinks it they can catch diseases. In some villages, there are man-made wells. However, the water from wells is not clean either, and some wells dry up in the dry season.

*“There is only one well in the village, so villagers have difficulties using water. There are 50 families who collect water from the well.”* (Destitute female FGD, Balang village, Kompong Cham)

*“There is a shortage of water in the dry season because there is only one public well in the village. Those who have money can afford to buy a water pump. Those who don’t have one don’t want to ask permission from pump owners to collect water very often because they think that the owners will not be pleased. Now, they buy water for consumption. They find it very hard to earn money to buy water.”* (Young female FGD, Balang village, Kompong Cham)

#### **4.4.3. Physical Infrastructure**

Physical infrastructure consists of roads, bridges, irrigation facilities, information and communication facilities and other related facilities. Roads and bridges are essential in linking people to markets where they can purchase agricultural inputs and sell their products. Irrigation facilities in particular are crucial in increasing agricultural productivity. Information and communication facilities are important in providing the technical information needed to improve livelihoods.

Over the past five years, villagers have observed some improvements in infrastructure. For example, in Tomprong village of Kompong Cham, three new roads were built recently. One was built by an NGO, another by the government Seila programme and the other using money raised in the village. Similarly, in Kompong Our, Kompong Chhnang, villagers raised money to dig a 1,200 m canal to supply water to their dry season rice fields, for better transportation and to have a place to fish. Generally, better roads result in better access to education, health care, markets and other businesses for the villagers.

*"In the past, the village only one road used by oxcarts, and transportation was very difficult. During the rainy season, people had to walk through the mud every day. In any case, no trading was conducted in the village except by some Chinese who sold a few things which they carried here on yokes. But now the village has a good road, which enables the villagers to transport rice to Ph'av market more easily, and a lot of dealers come in and out of the village to sell fish and to transport rice and cattle every day."* (Elderly FGD, Balang village, Kompong Cham)

*"Five roads were made in the village by providing labour, rice and nine water pipes, and a wooden bridge was constructed 6 m long and 3 m wide. These make it easier for local people to travel, send patients to hospital and do business selling and buying products, such as rice, fish etc. It is also easy to contact other institutions for donations. The pipes carry water so that it does not flood on one side of the road. When there were no pipes, water flooded rice fields on the one side, which destroyed the rice, whereas the rice fields on the other side of road were dry. Now, with pipes and a bridge, water can flow anywhere."* (Mixed open FGD, Srei Ronguet village, Kompong Thom)

Water is indispensable to farming, especially to dry season farming when there is no rain. Lack of water can result in total crop failure.

*"We have flat lands located in the nearby forest, which are flooded during the rainy season. During the dry season, the water recedes and we are unable to get high rice yields because there is no canal system to supply water."* (Mixed FGD, Nikom Knong village, Battambang)

*"When there is a shortage of water for dry rice cultivation, they cannot do anything immediately to deal with the problem. And they cannot get any help from the commune chief because he has no right to intervene. He needs an agreement by community members in order help in such a problem. Sometimes their dry rice is spoiled because water delivery was too late."* (Male fishermen FGD, Balang village, Kompong Cham)

*"There is a shortage of clean water for people and cattle. With wells, farmers have water to grow crops, but there is no irrigation canal, which is necessary to prevent rice from being spoiled. So rice spoils when there is drought and as a result farmers harvest no rice."* (Female-headed household FGD, Balang village, Kompong Cham)

As part of the three-year commune development programme proposed by Treay village of Siem Reap and funded by the Seila programme, two canals were dug: a 1,230 m canal between 2003 and 2004 and a 900 m canal between 2004 and 2005. These provide more places for fishing and also facilitate transportation. Villagers now have easier and faster

access to the market, and they pay less for transportation, which means more profit from their products. Other villages are still waiting for essential infrastructure that could improve their lives, such as in Pou village in Kompong Thom, where villagers complain that they lack a bridge that would facilitate access to the market.

In most of the 24 villages studied, infrastructure appears to be improving, although it is still not sufficient. The changes in infrastructure, however, also have negative effects for some people. In Tomprong village, Kompong Cham, for example, a rich family lost a large part of its land, and some poor and destitute families lost parts of their land to the above-mentioned road projects. Those who were affected complained to the village and commune chiefs, but no solutions were found for them or they were ignored.

*“The well-being of some households stagnated while some became better off because of the new road project that boosted the sales of their crops, fish and fish paste. However, some families that used to have big houses now live in small cottages because their houses were destroyed by the road project.” (Young female FGD, Preaek Sramaoch village, Siem Reap)*

*“After the roads were built, people could travel easily. They spent less time travelling and saved money. However, the roads caused problems for some people. There were, for example, more and more vehicles travelling through the village, leaving the roads so dusty that people’s health was affected. Cattle were also being killed on the roads.” (Mixed open FGD, Tomprong village, Kompong Cham)*

Improvements of physical assets, such as roads can increase the value of natural assets like land and lead to a related increase in land sales.

*“Now that we have a new road, tourist cars come to our village; in previous years only a few trucks carrying fish products went in and out of the village. Most important of all, land in our village has a higher value because of the new road, although we cannot tell the exact price of the land. There are people coming to our village wanting to buy our land.” (Young female FGD, Preaek Sramaoch village, Siem Reap)*

**Table 4.6: Accessibility of the Poor to Markets, Centres of Commerce and Paved Roads**

| Resource Base and Livelihood | Average distance from nearest market (km) | Average distance from commune centre | Average distance from district centre | Average distance from provincial centre | Average distance from nearest paved road |
|------------------------------|---|--------------------------------------|---------------------------------------|---|--|
| <b>LAND-BASED</b>            |   |                                      |                                       |   |  |
| Agriculture                  | 7   | 3                                    | 9                                     | 48                                      | 5  |
| Agriculture and Forestry     | 16  | 6                                    | 18                                    | 72                                      | 39                                       |
| Agriculture/Fishery          | 11  | 3                                    | 11                                    | 26                                      | 10                                       |
| <b>Average</b>               | <b>11</b>                                 | <b>4</b>                             | <b>13</b>                             | <b>49</b>                               | <b>18</b>                                |
| <b>WATER-BASED</b>           |   |                                      |                                       |   |  |
| Fishery                      | 11  | 7                                    | 48                                    | 73                                      | 21                                       |
| Fishery/Agriculture          | 9   | 5                                    | 11                                    | 40                                      | 5  |
| <b>Average</b>               | <b>10</b>                                 | <b>6</b>                             | <b>29</b>                             | <b>56</b>                               | <b>13</b>                                |
| <b>URBAN</b>                 | <b>0</b>                                  | <b>0</b>                             | <b>0</b>                              | <b>0</b>                                | <b>0</b>                                 |

Table 4.6 summarises the accessibility of the PPA village sites. It shows that among the livelihood groups, households in villages with combined agriculture and forestry livelihoods have to travel the furthest to market. On average, these villages are about 11 km from the nearest market where agricultural inputs, such as fertilisers can be purchased and where farm or forest products can be sold. They are also located furthest from a paved road, at 18 km on average. Villages with water-based livelihoods, such as fishing and fishing combined with agriculture, are on average 29 km from the district centre and 56 km from the provincial centre. The long distances make it difficult for villagers to transport their agricultural or

fishing products to market and make their products more expensive. They also have to pay more for transporting agricultural inputs and fishing equipment.

#### **4.4.4. Physical Mobility and Means of Transportation**

Physical mobility facilitates access to markets and to social services, such as health and education. In land resource-based livelihoods, walking and land vehicles, such as motorbikes, bike cycles and ox carts are used. In water resource-based livelihoods, a boat is a basic necessity.

*"Motorbikes and bicycles are rarely seen in our village, and we walk since we cannot afford to buy them. Only one poor household owns an old motorbike. So we always stay inside the village. A few people from medium households use a pick-up taxi to travel to the market in Kompong Kdei, about 62 km from the village." (Mixed open FGD, Kombaar village, Siem Reap)*

Physical mobility is important, especially in emergencies, such as taking an ill person for medical treatment. However, the provision of a vehicle to the poor does not necessarily mean that the mobility problem has been solved.

*"We received a motorboat from the health department. It has a very big motor and uses a lot of fuel. We can't afford to pay for the fuel and we don't know how to drive it, so it's of no use to us. People who are ill don't want to use the boat since they cannot afford it. We have asked that the boat be changed, but the health department said that they could not do that and that it was our responsibility to take care of the boat." (Representative of the commune council, Po Treay commune workshop, Siem Reap)*

In land resource-based villages, a destitute household generally has an old bicycle or nothing at all; poor households have a bicycle; medium households have a bicycle, an old motor bike and an oxcart; rich households have modern motor bikes, bicycles and oxcarts.

It is important to consider that improvements in physical infrastructure not only support existing livelihoods but also contribute to the creation of alternative livelihoods and pave the way for greater employment opportunities.

*"After the road in the village was improved, several traders came to purchase our products, such as paddy rice, poultry, cattle and clay pots. Movie companies used the village as a film site. Some villagers were selected to join the filming and they received a daily wage of 10,000 riels." (Female-headed household FGD, Banh Chkoul village, Kompong Chhnang)*

#### **4.5. Human Assets**

Human assets are defined as the skills, knowledge and good health that together enable people to work and earn a living. Improving human assets is widely accepted as the most effective way to improve the overall assets base. For example, having good health and proper education would enhance one's ability to accumulate other assets, such as economic and financial ones. Having enough food, good health, good education and opportunities for one's further development are basic human assets that determine the well-being of individuals and households.

##### **4.5.1. Food**

Food security means that all people have both physical and economic access to basic food.<sup>33</sup> It requires that they have ready access and that they have an "entitlement" to food, by growing it

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<sup>33</sup> The food people eat is varied. However, rice is the most important component of food in Cambodia, and basic food in this article refers solely to rice.

for themselves, by buying it or by taking advantage of public food distribution systems.<sup>34</sup> Food shortages are commonplace among the poor and the destitute in the 24 PPA villages, where relative food security differentiates the rich from the poor.

In all 16 land resource-based PPA villages, the rich produce sufficient rice to support the family the whole year, and in some villages they have a rice surplus of two to five tonnes for sale after consumption. The rich have enough food and usually eat three meals every day, and they can afford to buy fish and meat from the market. Most of medium families also have enough rice for the whole year, with one to three tonnes surplus in some cases. They sometimes can afford to buy fish and meat from the market, but not every day. Their counterparts in the fishing villages are able to buy enough rice for a year, but they do not sell rice.

In contrast, the poor usually have enough food for only seven to eight months a year and they have to buy rice on credit from two to four months each year. Some households even have to mix rice with cassava to alleviate their food shortage. Serious food shortages generally occur from October to December. The situation is much worse for the destitute, most of whom produce rice enough for only four months consumption and have to borrow or buy rice the rest of the year. Some mix rice with cassava and some eat corn instead of rice. Their counterparts in the fishing villages are even worse off since they cannot afford to buy rice for an entire year, even on credit. The destitute live a life of hand-to-mouth subsistence. The poor and the destitute in the urban village of Toul Ta Ek in Battambang eat salt and fermented fish paste as viand.

*“The poor purchase rice in kilograms while the rich purchase rice in sacks.” (Poor and destitute female FGD, Dey Roneat village, Pursat)*

*“Some households do not have enough food for a day. They eat rice porridge instead of boiled rice. Other households have no money to buy rice, so they purchase it using credit.” (Mixed open FGD, Koah Ta Pov village, Kompong Thom)*

*“The continual drought and floods for several years created serious problems for people in the village. Poor households have to buy rice for about four months per year and the destitute households have to buy rice for the whole year.” (Mixed open FGD, Toul Ta Thon village, Battambang)*

*“During the previous 15 years, when her family had no food and could not borrow some money from other villagers, they would enter the forest and dig up cassava to mix with rice to reduce their hunger. Sometimes, they would borrow milled rice from other villagers instead.” (Individual interview, Samraong village, Kompong Chhnang)*

Similarly to the situation in land resource-based villages, the rich in water resource-based villages (fishing and fishing/agriculture villages) have sufficient food because they can afford to buy rice for the whole year. The rich and the medium can also do dry season farming when the water recedes. If the rice they produce is not enough for consumption, they can buy rice by the sack with direct cash payment. In addition to having enough rice, they also have enough fish to eat (the main source of protein) and eat three meals a day. In contrast, the poor and the destitute in water resource-based villages have to buy or borrow rice the entire year since they have none or very little farmland for dry season farming. Even though they are living in water resource-based villages, some are unable to catch enough fish for their own consumption, which can generally be attributed to problems over access, the decrease of fish stocks and/or inadequate fishing gear. As a result, they are not always able to eat when they are hungry, and some people have to eat rice porridge instead of boiled rice.

<sup>34</sup> United Nations Development Programme (1994), *Human Development Report 1994* (Oxford: Oxford University Press) p.27.

*"In general, they all face hardship for five months of the year, from June to October, because they are not able to catch fish and have to buy food and utensils on credit, to be repaid in 10 to 15 days' time. The period of greatest hardship for them is from August to September, which results in severely inadequate living conditions. Only in October, when fishing goes well, can they earn enough to repay their debts gradually." (Mixed Vietnamese FGD, Pechacrei village, Kompong Thom)*

**Box 1: Coping Strategies of the Poor in Times of Hardship**

"When they face hardships, they use the following strategies:

- They take pre-payments of 5,000 to 100,000 riels from the fish buyers, and when they have caught some fish, they sell the fish to the buyers at 500 riels per kilogram below the market price.
- They dig up manioc or cassava in the forest to mix with cooked rice or rice soup.
- They beg for food from their neighbours or from monks in the pagoda.
- They have their children go to live temporarily with relatives.
- They borrow 1 to 2 milk cans of milled rice from anyone in the village; if the first person refuses to give it to them, they go to the second.
- They take pre-payment for their labour. Usually, the poor take five to 10 days while the destitute take from 10 to 30 days of wages. For work, such as transplanting that will take four to five days to finish, they take the wage one day before the work starts, which will be 1,000 to 1,500 riels, but if they take payment in rice or corn, they get 1 kg of milled rice or corn.
- They sell their labour breaking stones at Karngrey Mountain. People can take pre-payments of 5000 riels to 10,000 riels to buy milled rice. In a period of 10 days, they break about 1 cubic metre of stone, which earns 40,000 riels. They are usually the poor and the destitute, which is 30 to 40 percent of the population of Samraong village."

*(Poor and destitute female FGD, Samraong village, Kompong Chhnang province)*

#### **4.5.2. Health**

The poor are generally in poor health and are often sick. Access to health services is vital in ensuring their health and well-being, but remains severely limited because they simply cannot afford travel expenses to distant health centres or the costs of medical treatment. Sickness and the costs of medical treatment are among the major factors that cause the poor to become indebted, to lose land and to move further down in well-being. Women, who are most affected by the inaccessibility of health services, are forthright in speaking about these issues.

*"Most of the poor and destitute have sore arms and legs, tuberculosis, haemorrhoids, typhoid, stomach-ache, malaria or syphilis. About 10 to 20 families in our village have tuberculosis, all of whom are poor. Typhoid was common with children 10 years ago, but now they have dengue fever... Ten percent of people in the village have syphilis. This disease is common with people of all living standards, but it is most common among the poor and the destitute." (Poor and destitute male FGD, Tomprong village, Kompong Cham)*

*"The poor have to bring along with them money to show the nurse or doctor so that they will give us medical treatment; otherwise, they will not take care of us." (Female FGD, Kompong Thkoul village, Pursat)*

*“When we are sick we buy medicine from the shop in the village. When the situation gets worse we go to a private health service in Chnok Trou even though the fee is more expensive, since we spend less for transportation — just 2,000 to 3,000 riels. We would rather not go to the public health centre because it is too far from the village and we have to spend more for transportation. Sometimes when we are seriously sick, we have to take out a loan at very high interest. If we borrow 10,000 riels, we must pay 1,000 riels interest every month.” (Poor female FGD, Kompong Our village, Kompong Chhnang)*

Accessibility of health services means that people have both the financial and the social means to obtain proper medical treatment: they are able to pay for medical treatment, medicines and related travel costs, and the social means are present, i.e. medical centres, medicines, proper treatment and qualified doctors. Most of the time, rich or medium households can invite private doctors to their homes or go to a hospital if the illness is serious. Financially they are well prepared for medical shocks, because they have sufficient savings to pay for these expenses. They also live in more hygienic conditions, which leaves them less prone to diseases. In contrast, the poor and the destitute have no way to prepare for sudden health shocks and often live in very unhygienic conditions that leave them vulnerable to various kinds of diseases that are otherwise preventable. Malnutrition as a result of food shortage is also a serious health issue. As a result, the poor have to sell animals or land to pay for medical costs, leaving them landless and without any means of livelihood. Those who have nothing to sell must try to borrow money at extremely high interest rates, putting them deep into debt and reducing their chances of moving out of the poverty trap.

*“Mr. Im and his eldest child are suffering from typhoid that cannot be completely cured. His wife suffers from leucorrhoea. When they were ill, they went to the Krokhar district health centre, but because the hospital could not cure them and because they had no money, they use Khmer traditional medicines. The staff at the health centre did take care of them when they stayed there, and they had to go back home because they did not recover from the illness: they had to earn income to support their family and there was no one to look after the children at home.” (Individual interview, Khla Kropu village, Pursat)*

Some give up on going to hospital altogether because they know that they would not get treatment without money. Private doctors and medical staff are usually friendly and pay special attention to the better off, whereas most of poor and destitute patients are largely ignored even if they manage to get to a medical centre. In the saddest cases, a sick person will simply wait at home for his or her death.

*“Widows also face serious problems over sickness; if we catch a disease, we can do nothing and the only thing to do is to wait for death because nobody helps to cure us since we are seen as not having enough money to pay the cost of treatment.” (Widow FGD, Koah Ta Pov village, Kompong Thom)*

*“When the destitute are ill, they first go to buy medicine at grocery stalls. If they have money, they will visit the private doctor who works at the health centre. Those who have no money visit traditional healers or buy traditional medicine for treatment. If the condition does not improve, they only have to wait to die.” (Destitute men FGD, Balang Village, Sambo Commune, Ba Theay District, Kompong Cham).*



**Box 2: Poor Services in Public Hospitals but Good Services in Private Hospitals**

"Her son died of dengue fever because she had no money to send him for treatment at the hospital. At that time her husband didn't live with them... He was away from home. At first, she didn't take her son to the hospital until he was seriously ill, and then she took him to her parents in-law's house to borrow money from them; unfortunately they did not lend her anything and then she left her son with the parents-in-law for two nights. Her son became worse and worse, so she rushed to get him two injections from the private healer. The healer told her that her son was seriously sick and had to be sent to the state hospital. However, she had no money to pay for the taxi to take her to the state hospital in Thmar Kaul (5,000 riels) and she took her son back home; soon after, he died."

"When faced with malaria and typhoid, we go to get treatment in a private hospital in Thmar Kaul in Battambang province. In order to pay for the treatment, we have to borrow money from a rich household, or sometimes our relatives support us with some money to deal with a health crisis. We always go to get treatment in the private hospital even though it costs more than the state hospital, because the private hospital offers better service than the state hospital. Doctors in private hospitals provide good medicines and the hospitals are open to treat patients at any time and for any length of time; doctors in state hospitals don't provide good medicines and work for a limited time. For instance, once our son got dengue fever and we sent him to the state hospital; the doctor gave him some medicines, but after he took all the medicines, he was still seriously sick. Then we sent him to the doctor in the private hospital, after which he was gradually cured. Since then, we no longer go to the state hospital when we get sick."

"The members of the household get several diseases; the children catch dengue fever, the husband has had chronic tetanus, and the wife always has lumbago. When we get sick, we rarely go to the state hospital, because staff in the state hospital are often absent and don't pay much attention to the patients. In order to get treatment, we have to pay registration fee of 500 riels and after we have been examined, they just offer us paracetamol and vitamin C. Some medium households went to be treated once and saw that the staff didn't take care of them, and they never went back; they go to the private hospital instead. They said the private hospital provides good service and takes a lot of care of the patients; moreover, some patients are allowed to get treatment and medicines on credit. The medium households can call doctors from the private hospital to treat them at home."

*(Destitute household, Nikom Knong village, Battambang)*

Due to the expense of modern medicines, most of the poorest are forced to use traditional medicines, such as herbs instead.

*"When the destitute are ill, they first go to buy medicines at grocery stalls. If they have money, they will visit the private doctor who works at the health centre. Those who have no money visit traditional healers or buy traditional medicine for treatment. If the condition does not improve, they can only wait for death."*  
*(Destitute male FGD, Balang village, Kompong Cham)*

The poor and the destitute also have to rent, borrow or pay for transportation to the medical centre, which they can rarely afford, whereas rich and medium income households enjoy the advantage of having their own vehicles.

Some common diseases, such as malaria, typhoid and dengue fever are closely associated with the poor and the destitute who have to stay in the forest to find wood and food; some return infected with malaria or with dengue because they have no money to buy mosquito nets.

*“Landless villagers of both sexes and all ages suffer from malaria. They get this disease because they work in the forest, drink unboiled water that flows down from the mountain and are bitten by malaria-transmitting mosquitoes because they sleep without mosquito nets. They generally go to cure their malaria at Krokhar health centre, where they pay 5,000 riels for blood tests and another 5,000 riels for a bed. This centre also treats patients who have no money to pay the fees, although the doctor pays less attention to those patients.” (Mixed FGD, Khla Kropou village, Pursat)*

Women from rich and medium income households give birth with the help of traditional midwives, and in difficult cases they go to a hospital, whereas those from poor and destitute households can afford only the services of a traditional midwife and have to risk death if they have any difficulties. Women’s health issues are discussed in more detail in Chapter 5 concerning the gender dimensions of poverty.

*“My wife has never given birth at the health centre, but only in the village. The midwife who helped my wife deliver the baby never received any training, but just learned from experience.” (Individual interview, Kompong Our village, Kompong Chhnang)*

While the overall situation is grave, some positive developments do stand out. For example, in villages, such as Basaet in Battambang, Nikom Knong in Battambang, Dey Roneat in Pursat, Kompong Our and Banh Chkoul in Kompong Chhnang, villagers get proper health education, and some children and pregnant women receive vaccinations. In Nikom Knong, the NGO RHAC has been active over the last five years in promoting HIV/AIDS awareness, and in providing training about health, such as ways to prevent common diseases and birth spacing by using condoms and contraceptive pills. The same organisation has also been active in Basaet, where most children benefit from vaccination campaigns twice a year and parents’ health awareness has improved. Although the number of children receiving vaccinations has increased over the last five years, some children and pregnant women from poor and destitute households are unable to take advantage of these services if they are away in the forest looking for wood. Most people in Kompong Our, and especially the young men and women, have some understanding about HIV/AIDS through mass media, such as TV, radio and newspapers. They also have knowledge about natural birth spacing methods and the use of the contraceptive pill and condoms for family planning and are willing to use these methods.

*“People in the village have had health education about sanitation and clean drinking water. Moreover, children under 5 years of age have received immunisation against diseases, and pregnant women have also been given injections and have been educated about how to take care of their babies. These services are provided by the health centre personnel every month, and they have also educated local midwives to immediately send women to hospital when they have problems during delivery. The local midwives have also been trained by medical personnel from hospitals in Skun and Cheung Prey districts on delivery.” (Female headed household, Balang village, Kompong Cham)*

#### **4.5.3. Education**

*“My mother asked me, ‘What is the use of your going to school, if we don’t have anything to eat and life is so difficult?’” (Poor and destitute female FGD, Nikom Knong village, Battambang)*

The data from the 24 villages suggest that four main factors decide the level of education received by children: family financial status, the educational background of parents, the distance from home to school and their gender. In land resource-based villages, all of the children from the rich category go to school, and most of them finish at least junior high

school, some going on to high school and in a few exceptional cases to college. Most children from medium households finish at least primary school, and some are able to go to junior high school. By contrast, children from poor families are sent to school for up to a few years, but most have to drop out before finishing primary school. In the worst cases, children from poor and destitute families are not sent to school at all. School attendance is especially low when children can contribute to the family income and hence improve the well-being of the household.

*"In Kompong Our, there is a primary school from first to sixth grade. All children can attend the school and study. Unfortunately, girls drop out of the school easily, and the sixth grade is the highest they have achieved. Some young men from rich families can pursue their studies in lower secondary and high school, but the young men from poor families still have to give up their studies at grade 6. In fact, most of them can only finish grades 4 or 5. There are only four or five families that can afford to have their children continue to study at higher levels because they have relatives living outside the village who support their children." (Young female FGD, Kompong Our village, Kompong Chhnang)*

*"Anyway, children from destitute households finish their schooling by grade 2 or 3 because they have no money to buy study materials. In addition, they are busy finding firewood with their parents, and as a result they cannot keep up with the lessons at school. In the end, the children are willing to give up schooling and have the support of their parents to do so. These are the main reasons that cause children to give up their schooling. Some children from destitute households stopped their schooling before completing their first class because of their poor living conditions and because they need to go with their parents to find firewood and spiders." (Mixed FGD, Khla Kropeu village, Pursat)*

The number of years of education increases dramatically in Toul Ta Ek in Battambang, the only urban village in the study, with all children being enrolled in school, including children from destitute families. In this village, most children from medium families are able to finish senior high school and in a few cases go on to study in college. Most children from poor category can finish junior high school, and a few of them study as high as senior high school, while even students from destitute families can finish primary school. This can be attributed to relatively greater wealth than in rural villages and shorter distances to schools.

Overall, the significance of getting an education is viewed differently according to well-being ranking. While rich and medium families see education as the means for children to have a better future, some parents from poor and destitute families do not see that investing in education will provide opportunities to move out of poverty. Significantly, most parents from poor and destitute families are themselves illiterate.

*"All children in Khla Kropeu are able to have schooling because there is a primary school with five grades in the village. In the first class, each child is required to pay a 200 riels admission fee. The education of children varies according to the standard of living of their family. Children from medium households can attend school until grade 5 or 6, after which they give up their schooling because there is no junior high school available in the village. In addition, they do not have the proper uniforms and bicycles for travelling to the high school, which is located in Krokhar district. In any case, their parents have no money to support further schooling of their children." (Mixed FGD, Khla Kropeu village, Pursat)*

In most of the 24 villages studied, there are only primary schools, and those who want to study at junior high school must commute a long way from home. In most cases, attending senior high school means living away from home in a provincial town. The number of school years for children in water resource-based villages is lower than for children in land resource-based villages owing mainly to difficulties in commuting to and from school.

Another problem is that low salaries discourage people from becoming teachers in public schools, and there is a shortage of teachers even if there is a school building.

*“The highest grade of school in the village is grade 4 ... Teachers are sent from the district town but they don’t come regularly. They teach for one week and then they are absent for another week. The students are losing interest in learning and just quit school. If we have a relative living in town, it is better for us to send our children to study there.” (Female FGD, Treay village, Siem Reap)*

*“How can those teachers help us when their salaries are insufficient for them? They don’t even have enough to eat, so we cannot blame them.” (Representative of commune council, Po Treay commune, Siem Reap)*

#### **4.5.4. Human Resource Development and Employment Opportunities**

Interventions to enable people to gain livelihood skills, often conducted by NGOs, have been observed in some of the PPA villages. While these usually target the poor, there are many obstacles to successful implementation. For example, a day of attending a class means a day of potential work and income lost for the poor.

*“The commune could not conduct the tailor training programme, so it made a request to the organisation that used to hold that kind of training. The organisation announced the programme in order to encourage people to join as trainees. At first, no one applied for the programme, but later on, the organisation found some trainees. Those trainees learned for a few days and then they stopped, so they could not understand the lesson at all.” (Commune council, Toul Ta Ek village, Battambang)*

Besides farming and fishing, migration offers villagers employment opportunities and another source of livelihood. People migrate in search of better livelihood opportunities. Those who do not or own little agricultural land migrate to other places to work as labourers. Villages with combined agriculture and fishery livelihoods experience the greatest percentage of out-migration with 52 percent of the households with at least one member migrating out. This is followed by villages with agricultural livelihoods (46 percent) and by combined agriculture and forestry (26 percent). Domestic and cross-border migration is discussed in greater detail in Chapter 7 on domestic and cross-border migration from the Tonle Sap.

*“There are two kinds of migration: in-migration and out-migration. Out-migration is when they go out to sell labour in all kinds of jobs. To get a job, they have to pay a commission to the labour contractor. With in-migration, even if there are no jobs in the village, there are some people who come to look for jobs here because they know the village or they have relatives here. They come here for a week or 15 days and then they return home. The villagers don’t get angry with in-migrants who come to compete for jobs because the villagers also go to other villages to look for jobs. Also, the villagers don’t like the jobs in this village.” (Commune workshop, Toul Ta Ek village, Battambang)*

Migration to other villages and countries, e.g. Thailand or Malaysia, to work as labourers, including migration of relatives who send remittances, is one of the few factors that can enable some of the poor to move up the well-being ranking.

*“Since they left this village to sell their labour in other places, they experienced a change in their living standards. The families that have several members working as labourers are able to earn more money for their families to use in buying food, cows, and houses. Their living standards got better because of selling their labour. Today selling labour has become a primary occupation for the poor and the destitute in our village.” (Labour seller FGD, Santre village, Pursat)*

*"One of the major reasons why households moved up is that they have relatives working overseas who provide them with money." (Mixed FGD, Nikom Knong village, Battambang)*

Migrant labour, both domestic and cross-border, has emerged as the most significant alternative employment opportunity, and is now the third main source of income after farming and fishing. It relies largely upon informal networks. In most of the 24 PPA villages studied, young people are migrating for work outside their villages. In Srei Ronguet village of Kompong Thom, for example, up to 80 families earn their living from this occupation. This situation has changed rapidly: 10 years ago, there were only 25 families earning a living from migration in this village.

*"About 70 percent of us in the village migrate to sell labour in transplanting and harvesting and crop plantations in Banteay Meanchey province near the Khmer-Thai border, and 30 percent have also migrated to sell labour in the construction and garment sectors in Phnom Penh." (Migrant FGD, Pou village, Kompong Thom)*

In domestic migration, poor villagers move to another village which has more labour opportunities, and some migrate to provincial towns and cities. Those who migrate to neighbouring villages are usually engaged in selling labour, such as in transplanting or harvesting rice, whereas most of the people who travel to provincial towns work at construction sites. Those who seek work in Phnom Penh are mostly young women from poor and medium families who go to work in garment factories; the destitute lack the education and capital needed to get such jobs. Poipet, the main crossing point along the Cambodia-Thailand border, also absorbs many migrant workers, who work as home servants, restaurant waiters, fish sellers, casino workers or cart pullers. Cross-border migration focuses on Thailand and Malaysia, with Thailand the destination of choice for rice and sugar cane harvesting, picking beans, gardening and construction work.

*"After floods and droughts occurred for three consecutive years, we could not harvest enough rice to feed ourselves. Because the village road has been improved and connected to the national road, most of us now migrate from the village in order to work as agricultural labourers." (Informal FGD, Pou village, Kompong Thom)*

*"We migrated to Thailand in order to work as agricultural labourers in transplanting and harvesting. After we returned back home, we could buy a black and white TV; this is an advantage of migration." (Mixed open FGD, Srei Ronguet village, Kompong Thom)*

While migration can lift some households to a better living standard, it carries risks and security concerns. In most cases, migrants rely upon a network of relatives or labour contractors to provide them with necessary information and contacts. The money required for travel expenses, bribes for jobs and other fees might be raised by selling cattle or other assets, and those who are cheated become poorer and unable to repay their debts. The danger in cross-border migration, in addition to being cheated by labour contractors, is that most labourers work illegally and are open to abuses by their employers as well as to the threat of arrest. Male migrant labourers may return home infected with HIV/AIDS.

*"Apart from migration to Sandann district, we also started to sell labour in Thailand during the dry season in early 2005. We went there with a guide through a network in a nearby village that collected 40,000 riels per person. Actually the guide cheated after collecting the money from us. We were arrested by the Thai military in Bangkok." (Young male FGD, Sralau village, Kompong Thom)*

#### **4.6. Social Assets**

Household size, the number and gender of bread winners, governance and relationships in the community are all important factors that influence the extent of these resources. Social assets

are developed through networks and connections, and membership of groups and organisations. In this respect, the rich and the medium generally have more extensive networks compared to the poor and the destitute. Relationships of trust, reciprocity and exchange that facilitate cooperation also provide informal safety nets for the poor during vulnerable periods.

#### **4.6.1. Household Size**

The poor are characterised as having large households with only one or two breadwinners. They have many young children who are still unable to earn income for the family, leaving the breadwinner with a large social and financial burden if there are many household members to support.

*“Poor households have one to 10 family members, from one to five of whom are able to work. Destitute households have two to seven members, including one to three who can work. Most of the poor and destitute have lots of small children.” (Mixed open FGD, Kombaar village, Siem Reap)*

*“We in the poor and destitute category have many small children. We have from three to 12 members in the household. Most of them cannot work yet, so they all depend on the head of the household to support them.” (Mixed open FGD, Sante village, Pursat)*

#### **4.6.2. Number and Gender of Breadwinners**

The poor see the gender and marital status of the breadwinner as an indicator of the extent of poverty and vulnerability of a household. Many female-headed households and widows are relegated to livelihoods where they can earn very little. On average, 17 percent of households with land resource-based livelihoods are headed by females, while this figure is 10 percent for water resource-based livelihoods. In the urban village of Toul Ta Ek in Battambang, 45 percent of households are headed by females.

*“Women without husbands find it hard to make a living since they don’t have any knowledge of fishing or they cannot use fishing gear the way men do. Therefore, they just earn their living by finding fresh water clams or picking water lilies.” (Soth Nikum District Governor, Siem Reap)*

Although some widows believe that they would be better off financially if they had husbands, most are reluctant to remarry because they enjoy more freedom being single and they are afraid they or their children would be beaten by a stepfather.

*“As widows, we face many difficulties in our lives, unlike a married couple, because we have to do both male and female jobs. We want to remarry but we are afraid that our new husband will not understand our feelings and this will make us suffer.” (Female-headed household FGD, Tomprong village, Kompong Cham)*

Some wives are the breadwinners for their households even when their husbands are still alive and able to work. At the same time as they support their families, they still suffer from domestic violence when they ask their husbands to help earn a living.

*“Poverty is also caused by... husbands who just hang around and don’t help their wives earn money for their families. This leads to arguments or domestic violence. Family responsibilities and suggestions made by the wives should be conveyed clearly to the husbands so that they will understand and help improve the living standards of their families.” (Representative of provincial Department of Women’s Affairs, Pursat provincial workshop)*

Some children from poor and destitute families are forced to work while they are still very young. In some cases, children take the role of breadwinners for their families,

such as the 12-year-old boy who scavenges trash to support his sick widow mother and younger sister.

**Box 3: 12 Year-Old Boy as the Breadwinner**

"Life is very hard here, but I have no place to go. There are lots of widows with many small children, and I am a widow and was the only breadwinner in the family. I did everything, such as making cakes, doing laundry and coining [scratching the body with a coin to cure illness] in order to feed my small children. In 2003, the Women's Development Organisation tested my blood and found I was HIV-positive, which was transmitted by my husband. I was horrified, but an AIDS consultant encouraged me. I had to stop selling cakes and doing laundry. My 12-year-old son started to collect used things from rubbish piles after coming from school. He earns between 1,000 and 1,500 riels per day, and now he is the breadwinner for me and for his younger sister, who is eight years old. Since the end of 2004, I have received some support from the Women's Development Organisation: 10 kg of rice, 10 packs of instant noodles, one can of sweetened milk, two pieces of soap, two bottles of soy sauce every three months and medicine to maintain my life. (Individual interview with widow, Toul Ta Ek village, Battambang)

#### **4.6.3. Governance and Relationships in the Community**

Good governance, as a communal social asset, consists of the elements of participation, transparency, accountability and predictability (UNDP1997; World Bank 1995; ADB 2001). The condition of the poor can be alleviated or worsened by the ways in which people from rich, medium, poor and destitute households interact with and trust each other. In some PPA villages, the poor said that they had good relations with the rich; in others not.

*"In our village, all categories of households have good relations. They attend ceremonies and weddings together. The rich have helped the poor and destitute by offering rice and money whenever we face sickness or death of a family member."* (Female FGD, Plov Loung village, Pursat)

*"The poor households in the village are afraid to talk to the rich. Sometimes when the poor meet the rich, they have to lower their eyes. When the rich meet the poor, they rarely talk to them because they are afraid that the poor might ask them for a loan."* (Individual interview, Kouk Trach village, Siem Reap)

Some rich households know how they are treating the poor, as one rich man confessed.

*"The fishing lot trespassed into the community zone. The house of the rich man has a fence; the house of the poor man has no fence. So the rich man could move his fence into the poor man's area."* (Individual interview with rich household, Dey Roneat village, Pursat)

Participation, transparency, accountability and predictability, as elements of good governance, are rarely experienced by the poor. On the whole, they are denied access to participation in decisions that affect their lives, and are seldom given any voice or representation in community organisations and activities.

*"We try to share ideas at meetings to discuss a project in the village (road construction, for example), but the leaders and the rich rarely listen to us. When medium households give comments, they listen and accept their ideas. They never pay any attention to the impact of these projects on our living conditions. They just look after medium households."* (Male poor and destitute FGD, Tomprong village, Kompong Cham)

The poor have little access to information that may help them to improve their lives, even from within their own communities.

*“The community leaders do not inform us what they are doing, so we don’t know much about what is happening.” (Fishermen FGD, Treay village, Siem Reap)*

Community leaders also have a role in facilitating conflict resolution, although the provision of such services is often dependent upon informal fees and bribes. However, the villagers themselves also have a central part in maintaining peace and order in the community.

*“From 1993 until 2005, whenever there was a conflict in the village, it was not be resolved if there was no money to give to the authorities. The demand for money by the authorities is good because it makes the villagers have fewer conflicts.” (Mixed FGD, Sralau village, Kompong Thom)*

*“Some people accepted our advice regarding their drinking habits, but others could not give up their bad attitudes and habit of drinking wine. They let their feelings fly. They forget about their responsibilities. Therefore, it’s difficult for the commune council as well. But now, we have seen a decrease in conflicts caused by too much drinking.” (Representative of Po Treay commune council, Siem Reap)*

Many conflicts in and between communities are over access to common property resources, mostly in fishing and collecting firewood from the forest. Another major source of conflict is water resources. For example, farmers in Kouk Trach village in Siem Reap rely heavily upon a river that flows from a reservoir and dam for their dry season farming, but the village is downstream from several other villages: Om Pil Peam, Kok Reusey, Kay, Chet and Prek Dongheum. One after another of the upstream villages closes the water gate to get water for farming, and when water reaches the dry season rice fields in Kouk Trach, it is too little and too late to be of use. This causes serious conflicts between people in Kouk Trach village and those in the other villages, especially Prek Dongheum.

#### **4.6.4. Social Networks and Changes in the Family**

Social networks ideally provide the setting for trust among community members. Inherent in this is the acceptance of people as members of the community, who are therefore eligible for services offered by the government and other agencies. Minority groups, such as the Vietnamese find it difficult to secure these basic rights.

*“We are not allowed to register or to be issued birth certificates even though we have lived in this village since 1979. Only our wives and children are allowed to get birth certificates.” (Vietnamese FGD, Plov Loung village, Pursat)*

A variety of both government and non-government institutions provide assistance to villagers. On the government side, these include the local authorities, village, commune, district and provincial agriculture departments, and the fishery, veterinary and agronomy departments. Non-government organisations also contribute to rural development, mostly through providing technical support and infrastructure projects. In Pou village in Kompong Thom, for example, non-government activities include:

- helping villagers find markets for corn production (WFP);
- digging wells (UNICEF);
- providing ideas and technical and financial support to start self-help groups (CWS);
- helping to build sanitary toilets and educating villagers about hygiene (ADRA);
- educating villagers about drinking water and providing them with clean water (Hagar);
- educating villagers about domestic violence (TRIP and TPO).



Marriage is often seen as one of the fastest means to improve well-being, although weddings and other ceremonies entail social and financial obligations that are difficult for the poor to meet. Sometimes, they have to borrow money in order to meet these obligations. Khmer traditional weddings are often very grandiose—the bride and her entourage have to change clothes at least four times—which makes them unfeasible for the poor or causes them to take on serious debts.

*"The well-off families will not allow their children to get married to those from worse-off families because they think our children will be unable to feed their children after they get married." (Male poor and destitute FGD, Tomprong village, Kompong Cham)*

*"We have 50 percent right to choose our partner and 50 percent comes from our parents' decision. Our partner must come from the same household category as ours in the village. We do not discriminate between Khmer and Vietnamese. We are poor, so we cannot follow the Khmer traditional wedding because we do not have money. So we go to the village chief to get married and obtain a marriage certificate." (Youth FGD, Pechacrei village, Kompong Thom)*

#### **4.6.5. Concerns over Risks, Vulnerability and Violence**

Living with the risk of routine shocks and largely without any safety nets has an impact on the mental well-being of the poor, especially for vulnerable groups, such as women, children, disabled persons and ethnic minorities. Many are constantly worried about illnesses or their inability to pay debts that pulls their families deeper into poverty.

*"My family is miserable because I sold agricultural land and cows in 2002 when my wife became disabled. We have four small children to support. I decided to send two of my sons to work as labourers for a medium household in the village, and I collect their monthly wages in advance." (Interview with destitute individual, Pou village, Kompong Thom)*

Women are especially prone to such concerns, because they are the ones who approach the creditor to take out loans. They also worry about their husbands, especially when they go fishing, and husbands worry about their wives and families who are left alone.

*"We are worried about our husbands: they face danger, storms, and catch no fish. We have taken some loans, so we're afraid that our husbands might not be able to catch fish and so we cannot pay back our loans." (Fisherwomen FGD, Treay Village, Siem Reap)*

*"When we go fishing, we worry about our families left at home. We wonder whether they are sick and whether they have food to eat. We also worry about ourselves—we are afraid of storms. And we are afraid of illness. We don't want to borrow money from others. The interest rate is very high, 10 percent per day. Even though it's high, sometimes the creditors still don't want to help us, so we offer them 15 percent daily interest." (Fishermen FGD, Treay village, Siem Reap)*

Households living in the urban village of Toul Ta Ek in Battambang have their own type of concerns. The young men and women in the village are especially affected by the bad reputation of the village.

*"'One bad fish can spoil all the fish in the basket.' Our village has been slandered—it has been said that all girls in the village of Ra [part of Toul Ta Ek] are taxi girls. This is not true! Actually many outsiders come to this village to engage in prostitution. In school or at work, we are ashamed to mention where we are from because when people know that we are from Ra, they stop associating with us ... We don't want to live in this village any more." (Young female, Toul Ta Ek village, Battambang)*

*“People in town always talk badly about Ra village. They say that all young adults in this village are involved in drugs and stealing, and the women are prostitutes. Even school teachers say the same thing. We feel so sad that the older generation left us with this ugly reputation. The younger generation does not follow them. There have been a lot of outsiders coming into our place to use drugs. We would like to appeal to the authorities to arrest them in order to save our reputation.” (Young male, Toul Ta Ek village, Battambang)*

The poor and the destitute are more prone to domestic violence and drink more alcohol than rich and medium income households in the PPA villages. The main causes of domestic violence are alcohol abuse and gambling. In most cases of domestic violence, women are badly and repeatedly beaten by their husbands, and sometimes children are also victims of domestic violence. Some husbands also destroy property in the house when they get violent. Usually the victims do not report to the police because they are afraid that their husbands might hurt them again. Domestic violence is commonly attributed to poverty in the PPA data, as well as to the consumption of alcohol. Chapter 5 on the gender dimensions of poverty examines the dynamics of domestic violence in relation to poverty.

*“Domestic violence occurs in four or five families in the village. Frequently domestic violence occurs in the households that are insufficient in their standard of living, have no money to spend and whose members gamble or drink alcohol. When at home, the ones who drink alcohol talk and complain a lot, and they beat their wives and children. On the other hand, the ones who gamble take their property to sell, while some purchase on credit... and their wives try to pay what is owed so as not to be ashamed. When the husbands go to drink alcohol, the wives do not want their husbands to be near, and if they drink alcohol and do not go home or go far away from their wives and children, it is good. When they go to drink at a faraway place, their wives are not worried about their husbands having sex with other women, but they are worried that their husbands may fight other people, which cause problems.” (Vulnerable female FGD, Kouk Trach village, Siem Reap)*

#### **4.7. Conclusion**

Changes in tangible assets over the past five years reveal an emerging rural village class structure, increasingly differentiated according to who owns and controls the factors of production. Most notably, land is being consolidated in the hands of the rich as a result of various types of transfers from the poor and the destitute, who then become landless. The evidence suggests that this is a result of distress sales due to routine shocks and debt crises as well as inequitable management of resources. There is a related increase in rural wage and migrant labour, since the poor can no longer produce enough food on their own because of a lack of land and productive resources. Similar dynamics are occurring in fishing villages, where differences in the technology of production available to the poor and to the better off are also most pronounced. Lack of technology to improve yields from fishing and agriculture, the high capital or rental costs of farm machinery or motorboats and the loss of technological inputs, such as gill nets, mostly by theft and sometimes by confiscation, are all factors that cause households to stagnate or to move down in well-being.

The lives and livelihoods of the poorest are also greatly threatened by the depletion of natural resources, which is largely due to increased commercial exploitation made possible by new technologies and improved access to markets. In particular, fish stocks have decreased dramatically over the last five years. The data from most villages show that rural people, especially the poor and the destitute, rely more and more on common property resources for their livelihoods, which have traditionally provided a safety net in times of crisis. There is, however, little sign that changes in natural resource management are having a positive impact on the lives of the poorest.

Improvements in access to clean drinking water and in physical infrastructure, such as roads and irrigation have certainly benefited the poor. At the same time, there is also evidence that improved communications and road access, which benefit the poor in terms of access to markets and social services, also lead to increased exploitation of local resources by larger traders and pressure to sell land as it gains value.

The availability and accessibility of credit can contribute to raising the well-being of households. However, many of the poor (especially in fishing villages) are chronically indebted, and the inability to repay loans is a common factor that pushes households down. Where possible, savings create capital that can be used for productive investments, enabling a household to move up the well-being ranking. The poor acknowledge that reducing expenditures on leisure activities, such as gambling and drinking, is one way to improve their living conditions. Pensions, remittances and bequests are external sources of income which have improved the well-being of households, especially those with relatives working overseas.

Changes in intangible assets are very closely related to those for tangible assets, such as loss of land and the depletion of natural resources. Within this context, human assets, such as the skills, knowledge and good health that together allow people to earn a living remain severely compromised for the poor. Food shortages are commonplace among the poor and the destitute in all the 24 PPA villages, even in land-based villages, and those who own very little or no land must sell labour or pledge labour in advance for rice. Some have to borrow money at extremely high interest rates, which sends them deeper into the poverty trap. The poor are often sick, and generally in poor health, and sickness is one of the main factors that cause the poor to become indebted, to lose land and to move further down in well-being. Accessibility to health services is a serious issue for the poor in all the PPA villages, and in the worst cases a sick person will simply wait at home to die. Some positive developments are noted in health education, especially in awareness of HIV/AIDS and in vaccinations for children and pregnant women. Despite the promotion of family planning methods, the poor are characterised as having large households with only one or two breadwinners. Some children from poor and destitute families are forced to work while they are still very young, and in some cases children take the role of breadwinners for their families.

Access to education also remains limited, with children from poor families attending school for only a few years, and in some cases not at all. School attendance is especially low when working children can contribute to the family income and hence improve the well-being of a household. It is striking that some poor and destitute parents do not see that investing in education will provide opportunities to move out of poverty. Interventions to enable people to gain livelihood skills, often conducted by NGOs, do occur in the PPA sites, but their impact appears limited.

Migrant labour, both domestic and cross-border, has rapidly emerged as the most significant alternative employment opportunity, and in most of the villages studied, young people are migrating for work outside their villages. While migration can lift some households to a better living standard, there are significant risks: in many cases the money required for travel expenses, bribes for jobs and other fees is raised by selling cattle or other assets. Those who are cheated by contractors become poorer and struggle to repay their debts, and male migrant labourers may return home infected with HIV/AIDS.

Participation, transparency, accountability and predictability, as elements of good governance, are rarely experienced by the poor. On the whole, they are denied access to participation in decisions that affect their lives, and are seldom given any voice or representation in community organisations and activities.

In general, the majority of rural households face similar high risk profiles. The distinguishing feature is that richer households are able to cope with shocks without resorting

to the sale of key productive assets or other measures that increase vulnerability. The voices of the poor are characterised by resignation to hardship and vulnerability. Living with the risk of routine shocks and largely without any safety nets has an impact on their mental well-being, especially for vulnerable groups, such as women, children, disabled persons and ethnic minorities. They are reportedly more prone to domestic violence and alcohol abuse than better-off households, and many are constantly worried about illnesses or their inability to pay debts that pull their family deeper into poverty.

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# Chapter 5: Gender Dimensions of Poverty

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## Chapter 5: Gender Dimensions of Poverty

This chapter discusses the gender dimensions of poverty and vulnerability in the Tonle Sap region. Section 5.1 briefly outlines current research on gender relations in Cambodia and the relationship between gender inequality and vulnerability to moving into or staying in poverty. Section 5.2 explores the relationship between gender and livelihood strategies, while Section 5.3 discusses women's access to and control over land and financial assets, and their ability to access social services, such as health and education. The situation of female headed households, in particular the vulnerability of widows and divorced women, is discussed in Section 5.4. Section 5.5 examines the relationship between violence against women and poverty. While the chapter largely focuses on women, a gender perspective on male risk-taking, including that of young men, is also included in Section 5.6. Young men and women's aspirations for the future are discussed in Section 5.7. The chapter closes with a summary of key findings and policy implications in Section 5.8.

### 5.1. Gender, Poverty and Vulnerability: An Overview

#### *Gender roles in Cambodia are complex and changing*

Relations between men and women in Cambodian society have been described as “relatively equal”, as demonstrated by the flexibility of gender roles in agricultural production, women's substantial contribution to family income and their important role in decision-making within the family (Ledgerwood 1992, 1996). At the same time, traditional gender roles, embodied in the *Chbap Srey*,<sup>35</sup> exhort women to show obedience and respect to their husbands at all times regardless of their behaviour. As Ledgerwood points out, traditional expectations of women as shy, demure and compliant (in particular when unmarried), and also competent, assertive and shrewd (when married and responsible for the family finances) were inherently contradictory (1996: 3). While women experienced considerable autonomy within their own sphere, for example in control of household resources, their participation in public life, including decision-making at the community and national level, was limited.

Significant gender inequalities, for example in participation in education and in decision-making, continue to be a feature of Cambodian society. At the same time, new opportunities are opening up for women in paid employment and in migration for work overseas, although these are not without risks, as discussed in Section 5.2.4 and Chapter 7 below.

#### *Women make a substantial contribution to household income*

Women continue to make a substantial contribution to household income. In a sizeable proportion of households, women act as the main breadwinner, including female headed households, but also in some couple households where women run small businesses. In agriculture, there is evidence that roles are increasingly flexible, with very few tasks performed solely by women or men (Ledgerwood 1992: 94-9, 1996: 10; World Bank 2006: 42). Women are, however, still predominately responsible for transplanting, weeding, harvesting, and caring for chickens and pigs, while men have primary responsibility for

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<sup>35</sup> The *Chbap Srey* or “treatise on women” is one of a series of moral texts that combine popular custom with Buddhist principles. In the form of advice from a mother to her daughter, the *Chbap Srey* describes women's duties, proper behaviour towards their family and husband, and the consequences of straying from the code (Luco 2002: 21-22).



ploughing and irrigation, as well as caring for cattle and other large livestock (Urashima 2005: 6; UNIFEM et al 2004: 58).

Paid employment is characterised by gender segregation, with limited opportunities available to women outside the garment sector. In addition, women consistently earn less than men, even for the same tasks, but more often because they undertake work that is perceived to be less "heavy" and physically demanding (UNIFEM et al 2004: 46). Women are responsible for domestic work, including housework and child-care, often assisted by older children in the household. As a result of this dual responsibility for productive and domestic work, women generally work longer hours than men (NIS 2004).

Women's economic role is expanding to include new opportunities to sell labour and migrate for work within Cambodia and overseas. Rates of migration within Cambodia are higher for young unmarried women than for other age groups and most of these young women migrate to urban areas for work (UNIFEM et al 2004: 46). The participation of young women in Cambodia's garment sector has changed the demographic profile of many communities, altered the marriage prospects of both young men and women, and increased the income of an estimated nine percent of Cambodian households (World Bank 2006: 67). Women also migrate to work in domestic work, tourism, and the sex industry; travel across the border to work in Thailand in construction, domestic work, agricultural production and the garment sector; and migrate to countries such as Malaysia and Korea, mostly as domestic workers. Migration offers significant benefits, in the form of remittances, which can substantially increase household income. There are however significant risks attached to migration, given the low skill levels of many workers and lack of social and legal protection, including the risk of exploitation, abuse and trafficking (Lee, C. 2006).

#### ***Women's control over land and other assets is constrained by gender relations***

Women have traditionally held "the purse strings" in Cambodian society, with responsibility for money management (Ledgerwood 1992: 98). According to the 2005 *Cambodian Demographic Health Survey*, 63 percent of women controlled money for at least one household item, and 66 percent for at least one personal item. While women do have a say in household decision making; they are only entitled to make independent decisions about their own health care and day to day spending, whereas decisions about large household purchases are usually made jointly (NIPH and NIS 2006: 269).

While 82 percent of women own or co-own at least one asset, most assets, apart from jewellery, are owned jointly by husband and wife, and only a quarter of women own at least one asset they can sell without permission. Sixty percent of women in the 2005 CDHS either owned or co-owned land – 46 percent owned land jointly. Only 15 percent of women had ever applied for or taken a loan to start or support a business (NIPH and NIS 2006: 277-278). While the 2001 Land Law provides that women are entitled to hold land title jointly with their husbands, and despite ongoing efforts to register land ownership, in practice only men hold title in many households. A recent survey of 20,000 titles estimated that only 78 percent of new titles have been issued in the names of both women and men in the household (LMAP 2003). Even where women hold joint title with their husbands this does not guarantee their rights, as these rights are often not fully recognized by communities and families (UNIFEM et al 2004: 62). As a result, when women are divorced or widowed, they may become landless. In addition, it is usually sons who inherit rather than daughters (Ballard and So 2004: 35).

#### ***Access to health and education is constrained by poor provision and gender inequality***

Access to education and adequate health care are important factors for moving out of poverty, and are particularly important for women and their children. Women's participation in education is correlated not only with higher incomes, but also with higher adoption of practices such as birth spacing, and with improved nutrition for children (World Bank 2006:

107, 117). While there have been some successes in increasing girls' enrolment rates at the primary school level, overage enrolment is still low, and drop-out rates are high. At the lower secondary level, the gap between boys and girls is still significant; the ratio of girls to boys was 77 percent in 2005 (Ministry of Planning 2005: 8). Only 60.3 percent of adult women are literate compared to 80.3 percent of men (World Bank 2006: 98).

Access to birth spacing and good reproductive health care continues to be limited. Many births are still attended by a traditional midwife (NIPS and NIS 2006),<sup>36</sup> and the poorest women are the least likely to get proper care in the event of complications during pregnancy and childbirth and the most likely to wait until the last minute to seek help. Despite long-term investment in encouraging birth spacing, many women do not take advantage of available contraception to reduce the number of children they have. In the *2005 Cambodia Demographic Health Survey*, 79 percent of women said they want to delay having children or have no more children, but only 30.6 percent of urban women and just over a quarter of rural women were using a modern contraceptive method (NIPS and NIS 2006: 13).

### ***Husband to wife transmission of HIV/AIDS is increasing***

Condom use in marriage relationships is very limited, only 2.8 percent of women report using a condom with their spouse (NIPS and NIS 2006: 13). While Cambodia has been very successful in reducing overall prevalence rates of HIV/AIDS, transmission between husband and wife, and mother and child is increasing (NAA 2005). According to some studies, while condoms are often used with sex workers, more and more men are forming "second marriages" and so-called sweetheart relationships where condoms are unlikely to be used (NAA 2005, PSI 2003). While most women think that a woman should be able to refuse to have sex with her husband if she knows he has a sexually transmitted disease or has sex with other partners (NIPH and NIS 2006: 275), in practice, women often say they are unable to negotiate safe sex in their relationship, as they cannot deny their husband sex when he wants it. In addition, some studies show that requesting condom use can result in conflict and even violence (Duvvury and Knoess 2005, MOWA 2005).

### ***Female headed households appear to be more vulnerable to moving into poverty***

According to 2004 *Cambodian Socio-Economic Survey* (CSES) data, as reported in the 2006 World Bank *Poverty Assessment*, female headed households are no more vulnerable to poverty than are other households (World Bank 2006: 41). The *2004 Cambodian Intercensal Population Survey* (CIPS), together with the *CDRI Moving Out of Poverty Study*, however, do suggest that some female headed households experience greater vulnerability to poverty, due to lack of male labour, greater vulnerability to shocks such as illness, and social stigma (NIS and MOP 2004, CDRI 2007). Widows and divorced women, in particular those with young children, are more likely to be poor and destitute than women heading households with adult children or other adult family members, or with husbands working away from home (Lee, S. 2006, ADB 2001: 40). Female headed households also have smaller landholdings and are overrepresented among the landless (UNIFEM et al 2004, Ballard and So 2004: 35).

### ***Prevalence and acceptance of domestic violence is high***

Prevalence studies on domestic violence in Cambodia have shown remarkable consistency over the past decade, with around a quarter of women reporting experiencing domestic violence (Zimmerman 1996, MOWA 2005, NIPH and NIS 2006). The 2005 baseline survey on violence against women found high levels of acceptance of violence among both women

<sup>36</sup> In the most recent CDHS (2005), only 39.5 percent of rural women were attended by a trained health professional: National Institute of Public Health, National Institute of Statistics 2006 *Cambodia Demographic and Health Survey 2005*, Phnom Penh

and men. While a woman's failure to fulfil her role as wife and mother was seen to justify verbal abuse and less severe physical violence by many respondents, a wife arguing with her husband or questioning his behaviour, was seen by a substantial proportion of both men and women as justifying extreme violence, including murder (MOWA 2005: 19). Alcohol use and witnessing violence between one's parents are correlated with increased incidence of violence. Poorer people are more likely to report knowing someone who experienced violence, although it occurs in all social classes irrespective of income or status (MOWA 2005).

The impact of domestic violence, in particular on the poorest households, is severe, and includes loss of income due to injury, the costs of health care, destruction of family property, and loss of labour resources available to the household when families separate. Children affected by domestic violence experience stress and trauma, and often miss out on schooling (MOWA 2005: 37). Village chiefs and commune councillors report that domestic violence is the second most common conflict after land disputes, and requests for projects targeting domestic violence at the local level are increasing (Ninh and Henke 2005, Brereton 2005).

### ***Men's destructive and risky behaviour is impacting on families and communities***

High-risk behaviours, such as gambling, sex outside marriage, and drinking, appear to be increasingly acceptable and normal for men. Lack of disposable income, limited availability of sex workers and drinking places, as well as the constant presence of wives in rural communities may have constrained some men's behaviour in the past (Ledgerwood 1992). While previously largely confined to urban areas, karaoke bars and brothels are spreading to rural communities. Many men migrate for work in provincial centres, Phnom Penh and overseas, where they are out of the sight of their families and drinking, gambling and paid sex are easily available. Both young and older men report considerable pressure from their peers to visit sex-workers, especially when away from home, as part of male bonding and an attribute of masculinity (GADC 2003).

The phenomenon of youth gangs is widely reported in recent research as a cause of concern for families and communities (Ninh and Henke 2005, GADC 2003, CDRI 2006: 84). Research also shows a high level of tolerance and acceptance of violence and rape, including gang rape, among young men, as well as widespread use of pornography (GADC 2003, Fordham 2005). International research suggests that the combination of large youth cohorts and lack of employment opportunities for young people that meet their expectations, can be explosive leading to conflict and violence (Urbal 2004). This may account for the rise in youth violence and gang activity in both urban and rural communities in Cambodia.

### ***5.1.1. Profile of women in the PPA study***

#### ***Cambodia's population is skewed towards young people, with women over-represented in the adult population***

Cambodia's unique demographic profile is the result of thirty years of civil war, violence and significant displacement and migration, which has left many households without men (UNIFEM et al 2004). After the Khmer Rouge regime ended in 1979, Cambodia experienced a baby boom. As a result, Cambodia is characterized by a young population, with women over-represented in the adult population, in particular among those over 50. Sixty-one percent of Cambodians are under the age of 24. Fifty-four percent of those over 20 years old, and around 51 percent of the total population, are women (NIS and MOP 2004). An estimated 29 percent of households are headed by women (Ministry of Planning and NIS 2005).

In the 2004 *Cambodian Inter-Censal Population Survey*, 10.1 percent of women were widowed, and 4 percent divorced or separated (0.7 percent of men and 3.1 percent of women) (NIS and MOP 2004: 16). It is likely that a substantial proportion of female headed

households include women who are still “married” but whose husbands are working away from home, have abandoned their wives or have a second family, together with single women supporting their parents and other family members.

**Table 5.1: Female headed households by village**

| <b>Livelihood type</b>          | <b>Village</b>  | <b>Female-headed households (%)</b> |
|---------------------------------|-----------------|-------------------------------------|
| <b>Agriculture</b>              | Balang          | 15                                  |
|                                 | Tomprong        | 18                                  |
|                                 | Banh Chkoul     | 10                                  |
|                                 | Pou             | 28                                  |
|                                 | Srei Ronguet    | 11                                  |
|                                 | Kouk Trach      | 18                                  |
|                                 | Roka            | 12                                  |
| <b>Agriculture and Forestry</b> | Sralau          | 26                                  |
|                                 | Khla Kroupeu    | 11                                  |
|                                 | Santre          | 23                                  |
|                                 | Kombaar         | 11                                  |
| <b>Agriculture and Fishing</b>  | Basaet          | 23                                  |
|                                 | Nikom Knong     | 16                                  |
|                                 | Toul Ta Thon    | 24                                  |
|                                 | Samraong        | 15                                  |
|                                 | Plov Loung      | 18                                  |
| <b>Fishing and agriculture</b>  | Kompong Our     | 2                                   |
|                                 | Kompong Thkoul  | 16                                  |
| <b>Fishing</b>                  | Pechacrei       | 14                                  |
|                                 | Dey Roneat      | 10                                  |
|                                 | Treay           | 8                                   |
|                                 | Koah Ta Pov     | 6                                   |
|                                 | Preaek Sramaoch | 15                                  |
|                                 | Toul Ta Ek      | 23                                  |
| <b>Urban</b>                    |                 |                                     |
| <b>TOTAL</b>                    |                 | 21                                  |

In the 24 villages included in the PPA study, women made up 52 percent of the total population, and of those under 18 years of age, 51 percent were women.

Four types of female headed households were identified in the PPA study: widows and divorcees; single women who support their parents and siblings; married women with non-working husbands; and married women whose husbands are away for long periods of time. Twenty-one percent of households (519 households) were headed by women, which is lower than the national average, as female-headed households were under-represented in some locations. Table 5.01 gives the percentage of households headed by women in each of the PPA villages, by livelihood type.

## 5.2. Gender and Livelihood Strategies

Livelihood strategies are discussed in detail in Chapter 4. This section focuses on gender roles in livelihood generation in agriculture, fishing, and forestry communities, as well as emerging opportunities for women in urban centres and for women migrant workers. In all the villages in the PPA study, women were engaged in a wide variety of income generating activities in addition to domestic work. The range of tasks women undertake is increasing, and includes labour selling and migration to work in some non-traditional occupations such as garment manufacturing. Despite the variety of activities women undertake and their importance to household income, their economic contribution continues to be valued less than that of men.

***Gender roles are more flexible in agriculture than in fishing and forestry***

Gender roles in agriculture appear to be more flexible, with men and women performing complementary tasks, than in fishing and forestry, where there is a more marked gender division of labour. While no activity is off-limits to either sex, most agricultural work is divided into "male" and "female" tasks, with some activities also performed by children. Men usually perform heavier tasks, such as ploughing and threshing rice, while women sow and transplant rice seedlings, and harvest mature rice. In addition, men are generally responsible for irrigation. There is however considerable variation between villages and households. For example, in many villages men transplant and harvest rice and female heads of households undertake predominantly male tasks, such as ploughing, when there are no men in the household or men are working away from home.

*"In farming, women, men, and youths go to cultivate rice equally. Women usually are responsible for transplanting and harvesting. Women who are heads of their households are responsible for ploughing and carrying the rice seedlings if they have no son or if their children are still young. Men are responsible for ploughing, harrowing, and carrying of seedlings. For the households who have no animal labour force, women and men are responsible for transplanting the rice seedlings together."* (Mixed women FGD, Toul Ta Thon village, Battambang)

*"Both men and women are engaged in cultivation. More women than men are engaged in transplanting (80 percent are women and 20 percent are men). More men than women are engaged in building bunds, threshing and transporting rice (80 percent are men and 20 percent are women)." (Women FGD, Kompong Thkoul village, Pursat)*

Women are usually responsible for cultivation of other crops including grains, fruit and vegetables, while men will usually prepare the ground, and may also help with harvesting and transport when this work is considered to be too heavy for women.

*"The husband climbs the tree and picks the coconuts, and the wife transports and sells the coconuts in the market. Women who are the household heads pay 1,000 riels per tree to have other people climb and pick coconuts....."* (Kouk Trach Village Report, Siem Reap)

Cutting and transporting trees is men's work, while foraging for vegetables, roots and insects is usually done by women. Collection of firewood varies in different communities, in some villages this task is undertaken by men, while in others it is primarily women and children who collect firewood: where both men and women are involved men usually cut the wood and women carry it. Across all villages where forests are an important resource, villagers report the loss of the forest as a natural asset.

*"Most of the time women and their sons go to collect firewood. They collect firewood for domestic consumption and for sale. They sell it to the rich for 5,000 riels per boatload."* (Kompong Thkoul Village Report, Pursat)

Men who generally undertake "heavy" work are primarily responsible for fishing, in particular when diving or use of large equipment is involved, as standing for long periods of time in water, or diving, is seen as unhealthy for women. Women in some villages do catch fish using smaller nets, and also clean and sell fish, as well as preparing fish products, such as fermented fish paste. Poor women often fish alongside their men.

*"Men have more responsibilities than women in fishing. Men have to go out to catch fish. Sometimes, both the husbands and wives go to catch fish together. The husbands deploy gill nets and cast nets, while the wives row the boats. In the case of widow headed families, women have to catch fish by themselves because they have no husbands. But they cannot go far from the village when they catch fish. They simply fish near their homes."* (Women FGD, Kompong Thkoul village, Pursat)

*“Most fishermen from medium households use bamboo horizontal cylinders to catch fish, while the fisherwomen can't use these instruments because they are so heavy and these require them to dive into the deep water in order to lift up the instrument, this work doesn't fit the women at all.” (Koah Ta Pov Village Report, Kompong Thom)*

In villages with combined fishing and agricultural livelihoods, women tend to be responsible for agricultural production, while men are responsible for fishing.

*“In this village, 60 percent of women are engaged in dry rice cultivation, compared to 40 percent of men. Eighty percent of men are engaged in fishing compared to just 20 percent of the women.” (Women group FGD, Kompong Thkoul Village, Pursat)*

### ***Women typically engage in a wide range of activities that contribute to household income***

In addition to their role in primary production, women typically undertake a wide range of activities that contribute to household income. These include foraging for plants and insects, collecting firewood for household use or sale, raising livestock and running small businesses, such as retail selling and micro-credit. Some of these activities are done on a seasonal basis, while others are undertaken regularly.

Traditional crafts practiced by women include weaving thatch and pandanus and producing ceramics. Often these skills are passed down from generation to generation, and women are the custodians of this knowledge.

*“Only women weave thatches. We go to cut thatches about 9 km away from the village, spending 5 nights there. We normally go as a group and stay in the houses of the Chan Hean villagers until the cut thatches are dry. We bring the dry thatches home by oxcarts for free, with the help of other people. Then, back home, we go to find sticks to which we weave the thatches. This work is not done annually, but in the interval of 1 to 2 years. Thatches are woven for roofs. This skill has been passed down from generation to generation.” (Young women FGD, Kombaar village, Siem Reap)*

While some crafts, such as weaving thatch, are practiced only by poor and destitute women, others are practiced by women from all income groups.

*“Producing clay jars, pots and ceramics is the main occupation for Banh Chkoul villagers from the medium, poor and destitute families, those that have both husband and wife and female-headed households. We learned to make the clay pots from our mothers... Poor families usually go to borrow money from the dealer to serve as capital in producing clay pots.... Medium families use their own capital for making clay pots. They never borrow money from the dealer. (Female-headed household FGD, Banh Chkoul village, Kompong Cham)*

Women have primary responsibility for care of animals such as pigs and chickens, while men are responsible for raising larger animals such as cattle and buffalo. Raising pigs and chickens is seen as less skilled work, and easy for women to do because they are often at home.

*“In the households, women are responsible for feeding the pigs because they stay at home and have more free time.” (Koah Ta Pov Village Report, Kompong Thom)*

Indeed, women's domestic work, including housework and childcare, was largely taken for granted, as women were described as “just” looking after children and taking care of the house, and as having more free time. In practice, the dual responsibility for productive and domestic work often means that women have less leisure time than men. This also explains women's preference for home based income generation opportunities, and locally available training.

*"The women in the medium households are responsible for more work than the men are. For example, when they return home, the husband gets relaxed, while the wife has to cook rice and food for the household members to eat." (Kombaar Village Report, Siem Reap)*

### **Women are often responsible for running small businesses**

Women are often the ones who run small businesses, or who sell crops or fish produced by the household. Indeed, women's role in small business appears to be expanding.

*"Men and women are not equally engaged in the business. Women buy and sell groceries. Men only help buy things for sale. Eighty percent of women compared to just 20 percent of men are engaged in grocery selling." (Women group FGD, Kompong Thkoul village, Pursat)*

*"She has many businesses such as selling sweet and fish porridge and scraped ice, thus, earning 40,000 riels and profiting 5,000 to 6,000 riels. Furthermore, she buys goods at Puok market and processes them by herself. Before, she had a low living standard, because she had no stall for selling. She only carried her goods with a bar over her shoulders and her children were still small. Then, she decided to find land opposite the silk artisanship shop to build her stall." (FGD with small business owner group, Kouk Trach village, Siem Reap)*

Women are perceived to possess good business skills and in some households, for example in the urban village of Toul Ta Ek, they play a central role in generating household income.

*"Mostly women or daughters are the sellers; men occasionally help or arrange the stuff for sale in their proper places." (Toul Ta Ek Village Report, Battambang)*

### **Gender roles vary according to the income level of the household**

Gender roles vary according to income level, with greater opportunities open to women from rich and medium households. For example, while it is often daughters of better-off households who go to work in garment factories, some rich households choose not to send their daughters to work in the sector due to the stigma attached to garment work. This work is also inaccessible to the very poorest households, as it requires basic education and sufficient resources to pay a broker to get a job.

*"Most of the garment workers are single women. Many of the poor households borrowed money in order to send their children to work as garment workers in Phnom Penh. Women from medium households did not borrow money because their parents gave them money to go to Phnom Penh." (Mixed women FGD, Toul Ta Thon village, Battambang)*

Similarly, women in medium income and rich households have more opportunities to run small businesses. For example, those businesses that require capital and specialized skills, such as silk weaving, are usually run by women in medium income and rich families. These families have the resources for transportation and distribution as well as production.

*"There are 22 people weaving silk, most of which are women. There were only 6 silk weavers in the past five years and the increase of 16 weavers is due to the new recruitment in 2004. All 22 people are only from the medium level families." (Women FGD, Kouk Trach village, Siem Reap)*

In addition, some women earn extra income from money-lending by providing credit to other households.

*"Presently, three households take up the livelihood of providing small daily loans. One more family provides loans which require daily payments because that family has money from the savings group ('Tong Tin'), together with the money earned by both the husband and wife. The wife acts as the head of the savings group and collects money from the members." (Women with Mixed Occupation FGD, Toul Ta Ek village, Battambang)*

### ***The poorest women earn a living any way they can***

In contrast to women from medium income and rich households, poor and destitute women must earn an income any way they can, including by undertaking traditional male activities. For example, in fishing communities, women in medium income households are primarily responsible for selling fish and caring for the household and children, while poor and destitute women are often found catching fish alongside their husbands.

*"In the division of household labor, the medium household is characterized as: the husband catches fish, the wife sells fish, their daughter stays at home to raise pigs and their son helps catch fish or works as a laborer. Many of the poor work as laborers. The men catch fish and the women raise pigs; some of them go fishing with their husbands. For the destitute, both husband and wife catch fish together. Sometimes, the husband works as a laborer in order to earn more income." (Women including some Vietnamese FGD, Koah Ta Pov village, Kompong Thom)*

Poor and destitute women commonly engage in labour selling in their own and neighbouring villages, sometimes regularly, and sometimes on a seasonal basis once their own rice crop has been harvested, or when food supplies are running low. Labour is often sold in advance and payment is made prior to the work being undertaken. Work paid in advance is worth less. Chapter 8 presents a more detailed discussion of such types of credit arrangements.

Women's involvement in labour selling varies between villages. In agricultural villages, women predominate in labour selling in some communities, for example in transplanting and harvesting rice, while in other villages both men and women sell their labour, and both sexes undertake a range of activities.

*"Local villagers do not sell labour in cultivation on a regular basis. They just do this job in the dry season for some income. Most of them are poor. Most of the labourers are women. Seventy percent of women compared to 30 percent of men are engaged in this occupation." (Women FGD, Kompong Thkoul village, Pursat)*

Men and women earn the same income for the same work, although men are paid more when they do "men's work". Men and women can earn 2500-4000 riels a day for transplanting, although the amount varies depending on the village, and up to 5000 riels a day for harvesting, while men earn 6000 riels a day for threshing.

When women in fishing communities sell their labour, they usually clean fish and repair or weave fishing equipment, while men go fishing and carry fish. Once again, men's work is perceived to be more demanding and is better paid. Men can earn 10,000 riels a day and 100,000-120,000 riels a month for fishing and carrying fish, while women can earn 5000 - 10,000 riels a day and up to 80,000 riels a month for cleaning and cutting fish and repairing nets.

*"Some women and widows assist in the catching of fish for the owner of the lake in exchange for small fishes for making salt fish, fish paste, Pha Ork (fermented fish with yeast and rice). Sometimes they can sell labour for the owner of the lake in cleaning fish when they catch fish in great quantities because the owner lacks fish cleaners. They get a wage of 5,000 Riels to 10,000 Riels per day based on the distance between the lake and the village." (Mixed women FGD, Toul Ta Thon village, Battambang)*



***In poor households, children of both sexes work from a young age***

Across villages and livelihood types, children in poor and destitute households are more often working alongside their parents rather than attending school (see Section 5.3.2 below). Child labour includes both domestic work, generally performed by girls, and productive labour, including labour selling, which is sometimes undertaken by very young children. In some cases this includes indebted labour when children are sent to work to repay their parents' loans. For example, in the agricultural village of Pou, in Kompong Thom, children as young as nine are employed grazing cattle for creditors.

*"Some parents of the destitute have sent their children, 9 to 13 years of age, to live with other people (usually, the creditors) to graze the cattle. These children can earn from 40,000 riels to 150,000 riels per year. Some children have to continue their work until 5 years because their parents have already taken 5-year wages from those creditors. Therefore, these children don't have opportunity to settle such debts on their own or they cannot go out to work and earn; they have just to work as cowboys until 5 years. As a result the destitute families use child labour to support their living." (Pou Village Report, Kompong Thom)*

In most PPA villages, girls were more likely than boys to be working to support the household, while boys were able to stay in school for longer. Girls are expected to contribute their labour regardless of the household's income level, while in destitute households all family members, including children as young as eight or nine must work to earn a living.

*"Daughters are considered the important household laborers because they help their mother manage the work in the house or the work on the farm." (Balang Village Report, Kompong Cham)*

*"In the poor and destitute households both daughters and sons drop out of school at the same time. They all stop school on their own since they see their parents face hardship. Sons go to work as porters or construction workers in the province, while daughters stop to help the parents with selling." (Toul Ta Ek Village Report, Battambang)*

As discussed in Section 5.3.2 below, fishing villages are the exception. As boys' labour is more valued in these communities, girls have the opportunity to stay in school for longer.

***New employment opportunities are opening up for women, but these are not without risks***

New employment opportunities are available to women in the one urban village included in the study, and for those who migrate to work. Paid employment is, however, more gender segregated than primary production, and women's work is less well paid than that of men.

In Toul Ta Ek village in Battambang province, women were involved in a wide range of occupations in both the formal and informal sector. Women were working in retail businesses at home, in the market, and in mobile vending, services, tourism, domestic work and construction.

*"Some of us women run small retailing businesses like selling nearly hatched duck egg, porridge, packed cooked rice, and cakes. ... We used a capital of only 20,000 riels to 40,000 riels to run these businesses and make a profit of 3,000 riels to 10,000 riels per day. We run these businesses ourselves because our children are still young and of school age.... In construction work, some women carry mixed cement or brick. Some of them worked in the provincial capital making 5,000 riels per day. Some women picked water convolvulus to sell in the market, earning 3,000 riels to 5,000 riels per day." (Poor and destitute women FGD, Toul Ta Ek village, Battambang)*

*"My daughter worked as a dish cleaner in a restaurant since April 2004, earning 60,000 riels per month. Her working hours are from 6 a.m. to 10 p.m." (Individual interview with a female-headed household, Toul Ta Ek village, Battambang)*

Substantial numbers of women migrate for work in other villages, in urban centres such as Siem Reap and Phnom Penh, across the border in Thailand and overseas in countries like Malaysia. Migration is increasingly common as a result of limited opportunities in rural communities, loss of land and natural resources, and young people's desire for a higher standard of living. Women migrants are employed in agricultural production, plantation work, domestic service, construction, tourism and services. While labour migration is an important source of income and is a factor in moving out of poverty for some households, women experience greater vulnerability to abuse including sexual abuse and trafficking, are often paid less than men, and encounter social stigma due to working away from home. Labour migration is explored in more detail in Chapter 7.

*"Most of the young women in the village work as construction workers, gardeners, textile workers and home servants in Siem Reap. Their wages are about 4,000 to 5,000 riels per day. Young women apply for these occupations via information from other people who have worked there before. The factors that make young women leave the village to find work somewhere else are (a) no occupation other than farming and crop growing in their village; (b) poor standard of living and (c) no money. There are no young women in the village who want to work in Phnom Penh because they are afraid that they might be captured and sold by bad people (human trafficking). However, there was one girl from the village who went to work in a factory in Phnom Penh because she has relatives living there." (FGDs of the young and old Women, Kouk Trach village, Siem Reap)*

The garment sector has provided employment opportunities for thousands of young Cambodian women, many of whom migrate to urban centres to secure employment in the industry. According to PPA participants, garment workers can earn between \$40-50 USD a month and most send a significant proportion of their income home to their families, from \$20-30 according to some respondents. While garment work is relatively well paid, it comes at a cost, as living expenses in urban centres are high and working conditions are often poor. In addition, young women who go to work in garment factories often forego the opportunity to marry within their own community.

*"In 2002, due to the shortage of fishing resources, some young ladies from five or six households left home to work as garment workers in Kompong Chhnang, Sihanoukville, and Phnom Penh. ... Most of them were from the medium households. Some of them quit their jobs and returned home since they encountered some problems such as heavy and stressful work, blameful employers and expensive food. When they returned home, the villagers spoke ill of them. This was because some old villagers in the village saw some of the girls, do "bad" things. However, the young ladies who returned to the village didn't care about what the old villagers said about them. They believed that it was not wrong and embarrassing for them to leave the village to work in the city in order for them to earn income to support their families." (Young Female FGD, Koah Ta Pov village, Kompong Thom)*

Migration to work in agricultural production, including on plantations, is also common both within Cambodia and in Thailand. This work is often poorly paid, and in the case of cross-border work, both men and women run the risk of imprisonment if they work illegally. Employers often force workers to work long hours and do not pay them what they are owed for their labour.

*"In 2005, five young women sold their labour at the Thai border. There, they grew sesame, beans and corn. They earn from 50 to 70 baht per day, starting at seven till ten in the morning and one to five o'clock in the afternoon. They experienced labour*

*exploitation. Their watches told them that it was 5 pm, while in their employers' watches, it was only 4 pm. ...Moreover, they faced unemployment. Some stayed unemployed for a whole month, and as a result, their mothers had to borrow money in order to take them home. Some used their savings until they were able to get another job. Some went home sick with malaria. Some families became destitute because they had to sell their land in order to pay for the cost of the medical treatment for malaria." (Young women FGD, Toul Ta Thon village, Battambang)*

The number of women working in construction appears to be increasing. At least seven villages in the PPA reported that more women were migrating to work in construction in Siem Reap, Phnom Penh, Battambang, along the Cambodia-Thailand border, and in Thailand. This work tends to be unskilled and receives low pay. For example, women working in construction can earn 4000-5000 riels a day for carrying sand and bricks, whereas men earn up to 12,000 riels a day for skilled work such as plastering.

*"Both men and women joined to work in the construction job but most of them were men. The women just did some light work on the ground such as carrying sands and bricks, attaching iron bars with wire, etc. while the men did heavy work above and inside the building. They are paid unequal wages; man received 150,000 riels per month and woman obtained 120,000 riels per month." (Migrants group FGD, Plov Loung village, Pursat)*

Domestic work is commonly undertaken by women and children, and involves long hours, limited rest and holidays, and low pay. Women in the PPA reported earning 50,000-70,000 riels a month for this work. Domestic work is also 'hidden', and workers can be very isolated from family and the outside world, in particular when working overseas.

### **5.3. Livelihood Assets of Women**

This section discusses women's access to and control over resources, including land and financial assets and social services, such as education and health. Women's role in decision-making in the family is also briefly discussed, as intra-household dynamics, such as control over spending, are an important indicator of women's role and economic status. Intra-household decision making and control over how resources are used was not explored in any depth in the PPA study and requires further research. For this reason, most of the data gathered relates to female headed households, discussed in section 5.4.

#### **5.3.1. Land and other assets**

##### ***Women's access to and control over land and other assets is limited***

As discussed above in Chapter 4, access to land and financial assets is a determining factor in the well-being of the household, but also in the ability of individual household members to control household spending and income generation.

The PPA study did not specifically investigate whether households held land title, or whether both women and men held title jointly. It appears likely, however, that women in the PPA villages, including married women, did not have equal access to land. In some communities, families held evidence of title, such as land certificates. It is likely, however, that ownership was registered in men's names rather than that of both women and men, as this is traditionally the case. In other villages, no households held title, as in some fishing communities such as Koah Ta Pov village.

Women are vulnerable to losing their land rights, as in the case of death or divorce where the husband's family repossesses land and other assets, or when they default on loans or experience shocks.

*“I have been widow with three children since 1983. When my husband was alive, my family had enough milled rice and some left for sale from farming on a 1.5 hectare of farmland. ...However, after my husband died, I farmed only on 1 hectare of land because my husband's siblings took away 0.5 hectare from me. As a result, I could not produce enough food from my farm.” (Individual Interview with Mrs. BE, a widow from Sralau village, Kompong Thom)*

In the urban village of Toul Ta Ek, conflict over land rights is particularly acute. People occupy land but do not own it, and while they pass land on to their children, they have no secure rights.

*“I own a piece of land of 6m in width and 7m in length, which my parents gave me. I do not have the right of ownership over the land, for it belongs to the railway station.” (Individual interview with a woman from a household that moved down from poor to destitute, Toul Ta Ek village, Battambang)*

### ***While couples “discuss equally”, men have a final say in household decisions and spending***

Decision-making about the sale of land is reported to be undertaken jointly. In many of the villages in the PPA study, participants said that husbands and wives would “discuss equally” about whether to sell land, as the decision affects both parties. Some participants, however, also stressed the husband’s right to make the final decision as the head of the household.

*“...husband and wife mostly have a prior discussion to sell their farmland. However, the woman is the person involved in the selling process because she is good at negotiation, whereas the husband is mostly ashamed to negotiate.” (Landless FGD, Banh Chkoul village, Kompong Chhnang)*

Decisions about whether to take a loan are also discussed jointly in many cases, although in the case of accessing credit it is usually women who borrow money, while all family members can contribute to repayment of the debt. Men are said to be “ashamed” to seek credit, while women are perceived to be better negotiators and more trustworthy. Both creditors and women say they fear that men will spend the money on gambling or alcohol.

*“In the Khmer household, the wife and the husband have to discuss with each other before going to borrow money from the creditors. The wife’s responsibility is to borrow money and the husband is responsible for earning money to repay the loan. The husband doesn’t want to do the borrowing at all because he is “shy”.” (Koah Ta Pov Village Report, Kompong Thom)*

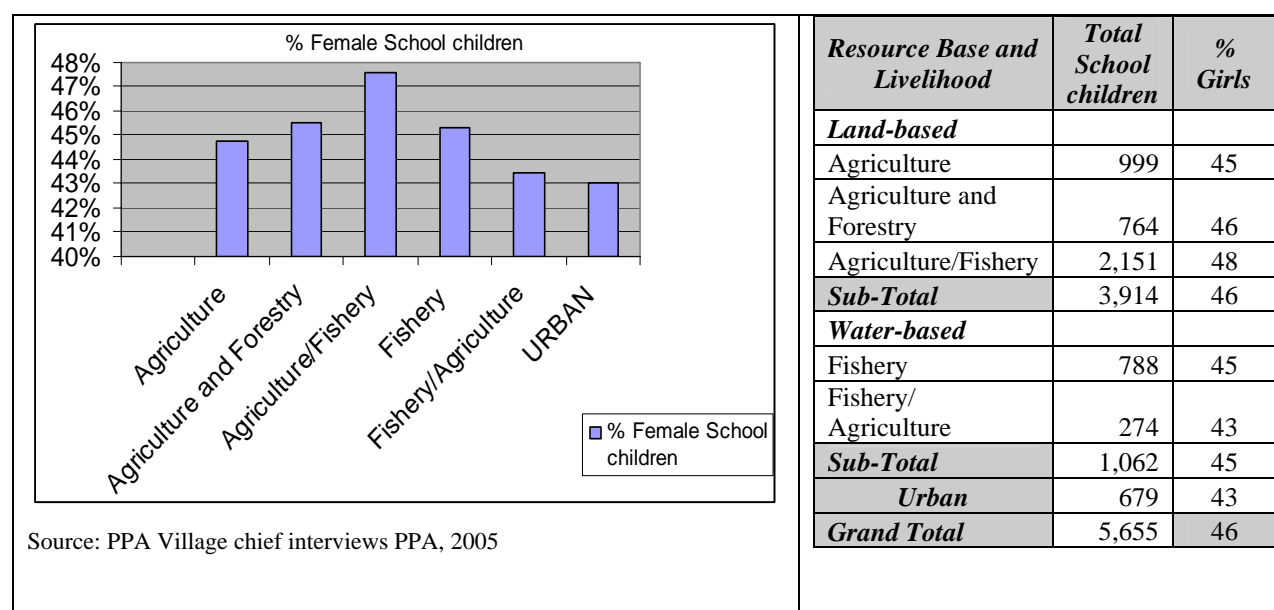
While women traditionally have controlled household spending, in a number of villages participants raised the issue of men’s use of family income for non-productive purposes, such as alcohol, gambling, karaoke, and in some cases sex workers. In some cases, women were also said to spend money on gambling. This was often cited as a source of conflict and a cause for households moving downwards, as discussed in Section 5.6 below.

### ***5.3.2. Education***

#### ***Girls get less schooling than boys, but those from better off families stay in school longer***

Forty-six percent of primary school children in the PPA villages are girls, about 10 girls for every 12 boys in school (see Figure 5.1). This does not tell us about retention or completion rates, however. As schools are often at some distance from the village and often only teach up to Grade Three, it is likely that completion rates are much lower.

**Figure 5.1: Girls attending primary school, PPA Villages**



While girls from medium income and rich families are more likely to attend school in all villages studied, participation rates also vary across livelihood types, with girls more likely to stay in school in some fishing communities than in other villages included in the PPA study.

Often girls are over-age for the grades they are enrolled in due to safety concerns and their involvement in domestic work and other activities to support the household. This is the case not only in poor households but also in rich and medium income households. Another factor in over-age enrolment in fishing villages is safety, as only children who can swim can attend school in floating villages.

*"We will send our children to school only when they are able to swim. Teachers are not responsible for any pupils who drown into the water." (Female head of households FGD, Treay village, Siem Reap)*

In agricultural villages included in the PPA study, it was common for girls to drop out of school to earn a living to subsidize their brother's education and provide labour for the household.

*"The parents forced their daughters to sell labour in order to subsidize their sons' education because they thought that their sons could do everything. Their sons can work in far away places and they are able to have higher job positions than their daughters." (Women and girls FGD, Pou village, Kompong Thom)*

Girls from medium and rich-income families also tend not to complete their education, although they do drop out later than those from poorer families.

*"For girls of medium living standard, grade 7 is their highest level of education. For girls of destitute living standard, they quit after finishing their primary education. However, most girls quit school after grades 3 to 5 because they help their parents work, such as selling labour by transplanting (girls from destitute households) and farming and housework (girls from medium households)." (Young female FGD, Balang village, Kompong Cham)*

The cost and distance of travel, as well as safety, were often cited as reasons for dropping out of school, as many girls and their families spoke about safety issues, including fear of rape.

*"No girl in the village has completed high school. ... Sometimes, they are not able to attend the class because the school is located far away from home and the road is bad. ... More girls give up their schooling than boys because the school is far away from home and they are concerned about their security." (Kompong Thkoul Village Report, Pursat)*

### ***Livelihood strategies influence participation in education by girls and boys***

In some villages, such as Basaet, where agriculture is the main activity supplemented by fishing during the rainy season, parents have their sons rather than their daughters drop out of school in order to help them earn a living.

*"All the children have enrolled in Ta Bonn Primary school. Some have gone as high as grade 11 or 12, while the poor children have attained only until grade 3. If they had two children in school, one boy and one girl, and could only support one of them, the parents would have their boy quit school because they think that sons can help them do work such as tending cattle and fishing." (Special Khmer FGD, Basaet village, Battambang)*

In many of the fishing and combined agriculture-fishing villages included in the PPA study, there are more girls than boys attending school, and more boys drop out of school than girls. This reflects the importance of male labour in these communities, as boys are viewed as making a greater contribution to the household. Girls have more free time to study, which is not the case in agricultural communities.

*"The school director in Kompong Khhlaing said that most of the students who come from Preaek Sramaoch Village to study at Kompong Khhlaing secondary school are girls because boys catch fish with their fathers. Girls have more free time. Therefore, they can go to school." (Informal interview with a health center personnel and the school director in Preaek Sramaoch village, Siem Reap)*

Even in fishing communities, however, the very poorest families pull both boys and girls out of schools to contribute to the household.

*"The educational level of the villagers is very low. Most children finished only grade 2 or 3, while half of the children in the village are not enrolled in school. This is because some children cannot swim, and therefore are not allowed to go to school, their parents being concerned for their safety. Others do not have boats to go to school, because their families have only one boat, which their parents use in fishing. Still, some others, because of their parents' poverty, are sent to work for others (in fishing or as housemaids)." (Fishing FGD with mostly women, Dey Roneat village, Pursat)*

In the one urban community included in the study, households are better off than rural villages and the school is nearby, but some parents would still choose to educate their boys, while others said they would educate children of both sexes.

*"Some women said that if they could afford to support only one child to go to school, they would send their son, not their daughter, to school since they want their son to have a higher educational level. The girls could engage in small retailing businesses and do household chores, but they boys could not do these because these are women's work. Other women said that they did not prefer a girl to boy or a boy to girl. They will support whoever is willing to study." (Women with mixed occupation FGD, Toul Ta Ek village, Battambang)*

Interestingly, some female heads of households also said they would not discriminate against their daughters if they wanted to pursue an education.

*"Other widows do not discriminate between a son and a daughter, but they would vest the decision of studying on their children. If their daughters want to pursue further education, the widows would not mind to send them to school even if it is located far from home."*(Female-headed households FGD, Preaek Sramaoch village, Siem Reap)

As this discussion shows, access to education for both boys and girls in rural communities continue to be limited. Ironically, in fishing communities where the gender division of labour is more marked, girls benefit because their labour is less valued. In all other villages, families will usually choose to educate boys over girls. Boys also have the opportunity to access education through study at the pagoda.

*"If we are able to financially help our children to study, we would like our sons to have more education than our daughters since boys are more intelligent than girls."* (Poor/destitute women FGD, Nikom Knong village, Battambang).

*"A family who has a son and wants him to study can allow him to stay with the monks. However, daughters are considered weak. According to the pagoda's rules, girls are not allowed to study there."*(Poor/destitute female FGD, Kombaar village, Siem Reap)

***While gender relations are a factor, return on investment is the key to participation and retention***

Parents continue to view investment in boys' education more worthwhile. Boys are perceived to have greater earning potential than girls, and education is also seen as risky for girls, as it may give them the opportunity to form romantic (or sexual) relationships.

*"In case the parents could afford to send only one person to school and they have to choose between their son and daughter, they would send their son because they think their son will be the main breadwinner in family and he could travel far from the village."*(Female youth FGD, Banh Chkoul village, Kompong Chhnang)

*"Some parents said that it didn't matter that daughters didn't go to school because they were more sensible than sons. They added that if daughters knew how to read and write, they would write love letters to the men."* (Youth male FGD, Balang village, Kompong Cham)

Young women themselves recognize the importance of education, and lament their lost opportunities.

*"We don't expect to get good jobs in the factory, aside from farming and animal husbandry, the occupation of our parents, because we have been educated only at a low level. We have no labour contacts, relatives and friends to help us find jobs. Because of our low educational level, we are not able to find jobs. We regret quitting school."*(Young female FGD, Pou village, Kompong Thom)

*"We feel sorry for ourselves that we could not continue studying to a higher level. With an education, we could easily get jobs, speak fluently and read magazines or newspapers, without having anyone else to read for us. Because of our ignorance, we cannot even numerically record the debts others owe us. We feel pity for ourselves; other people look down on us".* (Young female FGD, Pechacrei village, Kompong Thom)

***Access to learning opportunities for adult women is limited, but demand for training is high among younger women***

In most villages in the PPA study, opportunities for women to attend non-formal or vocational education or training were limited. In many villages, such training was not available or had never been offered. In those communities where training was offered, usually by NGOs, it was often inaccessible to women. Given their responsibility for domestic work and for income generation, it is rare for women to have the time to attend courses, especially if they are offered away from the village.

Some exceptions were noted, for example in Kouk Trach village in Siem Reap province where a variety of training opportunities were available, including literacy, animal husbandry and textile weaving, and women dominated in these courses. In general, however, training opportunities are more accessible to those with better education and some income. In addition, where training relates to small business development, women require financial capital to establish businesses where they can apply their new skills.

Demand for training is high, especially among younger women who are looking for a way to move out of agriculture and fishing and into services, such as beauty and hairdressing.

*“We really want to attend such training as tailoring and hairdressing and beauty because the work is easier than fishing.” (Young female FGD, Dey Roneat village, Pursat)*

When women are able to participate in training, it can have a transformative effect on their lives and their capacity to earn an independent income.

*“In 1992, an NGO invited me to attend a vocational training course on hair dressing and sewing. I could not attend the course because of my poor living conditions. I wanted to attend the training, but I was not able to because I have many children. I could not do rice farming if I attended the training.... Furthermore, the training was in Pursat province because the NGO office was over there. In 2003, the same NGO organized another vocational training on how to produce brooms from palm midrib. I joined this training. Afterwards, I taught my children this skill. I said to myself, if I am able to learn this skill, then, my children will also be able to learn this skill. Then, I worked with my daughter to produce products for sale.” (Individual Interview with a disabled woman, Khla Kropeu village, Pursat)*

### **5.3.3. Health**

***The poorest women experience chronic, untreated health problems***

In all villages included in the PPA study, women's use of and access to health services was dependent on household income. Poor and destitute women commonly experienced health problems that are relatively easy to treat, although in many cases treatment was not sought due to the costs of transportation and health care, was not continued, or was ineffective due to the poor living conditions of many families. Many of the conditions discussed in the PPA villages therefore became chronic and debilitating.

Common ailments experienced by women in the PPA villages included vaginal discharge and irregular menstrual periods brought about by lack of sanitation, insufficient food, heavy and continuous work, and lack of rest. Lack of access to clean water and food, and eating food contaminated by chemical fertilizers also contributed to ill health. Children experience most of these conditions and get sick for the same reasons, apart from heavy work.

*“Some destitute women often have the disease of vaginal discharge (gynecopathy). Women from medium households rarely have this disease. Lack of sanitation, insufficient food, backbreaking work and the lack of time to relax make the women*



*have irregular menstrual periods." (Female headed household FGD, Kombaar Village Report, Siem Reap)*

Women in fishing communities are particularly susceptible to menstrual and gynecological problems, due to standing in water every day. Those in agricultural and forest communities also suffer due to their heavy workload and lack of access to water for washing.

*"For the past five years, women in Santre village had vaginal discharge and fallopian tube inflammation. Before, about five percent of the women had fallopian tube inflammation but now up to seven percent of them have this because of insufficient food, heavy work, and delivering too many babies without sanitation. Today they encounter another new disease - uterine cancer. The poor and destitute women have this disease." (Women FGD, Santre Village, Pursat)*

One of the main causes of illness for women is returning to work almost immediately after giving birth. Heavy work in the post-partum period leads to poor weight gain, damage to the pelvic floor and uterus, and uterine haemorrhage. Due to poor living conditions and constant work, relapse is common.

*"Women in the village have been afflicted by diseases such as having a baby outside the uterus, vaginal discharge, bleeding, irregular menstrual periods, fallen uterus and so on. Heavy work and insufficient food are the main factors which cause these diseases. Some women start gathering fruits in the forest two or three days after their baby-delivery because they are poor. Because of this, they are afflicted with fallen (inverted) uterus disease. Almost all of the households are afflicted with this disease" (Khla Kropou Village Report, Pursat)*

Many women are not comfortable discussing or seeking help for these problems, and will usually put their husband's health and that of their children first.

*"Most women in the village were leucorrhoea patients (vaginal discharge), but they didn't cure this disease, as they didn't have enough money for the treatment. In contrast, they would sell some of their properties to cure their husband's diseases because he was considered as the head, who earns to support the whole family whereas they do not earn money" (Poor women FGD, Kompong Our village, Kompong Chhnang)*

Many villagers talked about the poor quality of treatment available through the public health system, and the need to pay for services that should be free or low cost, due to inadequate salaries for public health officials. For this reason, those who can afford it prefer to use private health clinics and doctors. Use of traditional Khmer medicine is also common. Poor and destitute women will often delay treatment until their condition is very severe, using traditional medicine first, and only seeking medical care as a last resort. This is one of the reasons illness is so costly for poor households, given they pay for several kinds of treatment, usually with escalating costs.

*"First, they use traditional medicines to treat this disease. If they cannot get cured they go to the referral health center where all the people are provided with care and treatment regardless of social class. However, in the past five years the referral health center did not offer good care and treatment to the poor and the destitute as they have no money to pay the center." (Women FGD, Santre village, Pursat)*

### ***Use of contraception is limited despite a preference for fewer children***

There was considerable variation in adoption of contraceptive methods among different villages. In some communities use is more common, in others, almost non-existent. Key factors appear to be access to information, availability of affordable contraception, and positive experiences with different methods. Most women are aware about contraceptive

methods, and many women say they want to use contraception, because they recognize that having too many children keeps them poor.

*“Having many children is not good for us. So now, we are still poor. We are aware of birth spacing. The methods that we used are pills and injections because they do not cost much. However, these methods had bad effects on our health. We had some side effects such as hemorrhage. IUD and condoms are costly. We are poor, so we cannot afford these. (Poor women FGD, Kompong Thkoul village, Pursat)”*

Abortion is also used as a “contraceptive”, however this method is only available to wealthier families.

*“Some households, especially newlyweds, control birth through abortion. They didn’t want the baby, but they knew that it was going to be born. Therefore, they decided to abort the baby. Only the medium well-being women can afford to use this method.” (Poor women FGD, Kompong Thkoul village, Pursat)”*

Information about contraception comes from outside the village, from media campaigns and NGOs, as well as from health workers. Information on its own is not enough, however, and for the poorest families, the cost of contraception and negative perceptions about the side-effects are barriers to use.

*“Even though they get knowledge from the television they are afraid to use the pill for birth spacing. They think that this will affect their health and some of them do not have money to buy it. Some men and women thought that they have no money to buy condoms. Moreover, if they use condom, they will not be comfortable.” (Pechacrei Village Report, Kompong Thom)”*

In a number of villages in the PPA study, some people had tried and rejected contraceptive methods, due to side effects, and in the case of condoms, perceived discomfort. Negative “word of mouth” information creates a disincentive for other people to try or use contraception.

*“...NGOs provided the campaigns of birth spacing and HIV/AIDS promotion; but most villagers in our village did not believe in or implement birth spacing since we have seen a few households using contraceptive pills and injections, and then getting side effects such as quickly losing weight, bleeding, and exhaustion. Therefore, they did not follow the birth-spacing methods suggested by the NGOs; otherwise, they would lose more money from following such methods. Whereas condoms, they did not want to use either since it was strange and not known to them and the husbands did not accept using condoms during sexual intercourse.” (Women FGD, Plov Loung village, Pursat)”*

Younger women are more likely to want to practice birth spacing than older women. Some older women appear to view birth spacing as contrary to traditional culture, and view having many children as a form of ‘social security’, as when children grow up they will care for their parents.

*“The older women say that they do not have any health problems, and that they never complained as young women, although they had 8 to 15 children.... Having many children is difficult only when they are still little. However, if one of the children is not generous to their parents when he or she grows up, there are still more of them who will be generous. Some women said that they do not want birth control because Cambodia has a small population. Therefore, they try to bear as many children as possible. They fear that other races will invade Cambodia. They do not control their births because they do not want to sin. As far as young women are concerned, birth spacing can protect women's health and prevent households from becoming poor. They want to control birth, but they don't have money and they*

*don't quite know how to use those methods." (Poor women FGD, Kompong Thkoul village, Pursat)*

Women are not able to make their own decisions about use of contraception. Women in the PPA villages stressed that they would need to discuss using birth spacing with their husbands, and that their husband might not always agree.

*"Relating to birth spacing decision-making, women have to discuss with their husbands before practicing contraception, and they dare to do so only when their husbands allow them to. However, if their husbands prohibit them and they do not listen, their husbands become violent." (Women FGD, Sralau village, Kompong Thom)*

### **Poor women cannot access skilled pre-natal and obstetric care**

Most poor and destitute women give birth with a traditional birth attendant in their home, or with a private doctor in the village, as they cannot afford the costs associated with giving birth in hospital, including transport. While pre-natal care appears to be more widely available than in the past, most poor and destitute women are not able to access pre-natal care unless it is provided in the village, and this is not the case in most communities. Many midwives adopt a sliding scale and charge less to poorer women. The poorest women may not even be able to access a trained midwife.

*"The pregnant women from the poor and destitute households ask the traditional midwife to help deliver their babies; but the ones from medium households give birth in the private hospital in Chhnok Trou." (Khmer and Vietnamese women FGD, Koah Ta Pov village, Kompong Thom)*

*"Most pregnant women have their babies delivered by traditional midwives. Few have their babies delivered at the public health center. They go to the health center only when they have difficulty during delivery (the rich, medium and poor). There are four traditional midwives in the village. One of them is about 50 years old. She had formal training and has an official certificate. She has been involved in this profession for many years. Most women have their babies delivered by her. She charges 23,500 riels per delivery. However, she charges only 10,000 riels or 5,000 riels from those who have little money. The other three are new traditional midwives. They have no formal training, and they are not very experienced. They can only help in delivering babies of women who have no difficulty in giving birth. Only the poor have their babies delivered by these new midwives." (Kompong Thkoul Village Report, Pursat)*

### **Awareness of HIV/AIDS does not translate into condom use or blood tests**

In some PPA villages, HIV/AIDS was a reality, with people in the village having contracted the virus and died from it. In other communities, while there was general awareness about HIV/AIDS generated by radio and television campaigns, there were no reported cases in the village.

*"HIV/AIDS infected some households in the village when the husbands were in the army. Most of them passed away - both husbands and wives. Their children became orphans. There was a woman who was infected with AIDS by her husband in 2002. So, she sold all her properties, including cows, buffaloes and her house in order to get medical treatment and to prepare for her death ceremony" (Mixed open women FGD, Santre village, Pursat)*

Awareness of condom use as a strategy for preventing HIV/AIDS was widespread, although some participants had misconceptions about the disease. For example, some thought that people with HIV/AIDS would be visibly marked by the disease. Hatred and

discrimination against people with HIV/AIDS was also reported in several villages, including Santre village in Pursat province.

*“Today three HIV/AIDS infected people are living in the village, and another three have died of the disease. The villagers were infected by HIV/AIDS because of UNTAC who entered the village in 1993. Moreover, at the time the villagers earned a lot of money from selling labor cutting down wood and prostitutes were present in Phnom Kravanh district’s town, so some villagers went to have sex with those girls. This has also contributed to the spread of the disease. Those infected people have destitute living standards, but before 1993 they were the rich. The villagers nowadays hate and discriminate against HIV/AIDS infected people.” (Santre Village Report, Pursat)*

Some women in the PPA villages had contracted HIV/AIDS from their husbands who had visited brothels or had sex with other partners outside the marriage. Women often reported concerns about their husbands travelling away from the village for work and the risk of contracting HIV/AIDS through unprotected sex. It is extremely difficult for women to negotiate safe sex as they cannot refuse to have sex with their husband.

*“The out-migration of our husbands made us feel uncomfortable to have sex with them because we were scared of getting HIV/AIDs. However, we could not reject them; otherwise they would beat us up and accuse us with bad words. When our husbands wanted to have sex with us, we had to give in even when we felt sick or tired from our work.” (Poor/destitute female FGD, Tomprong village, Kompong Cham)*

In some cases, women asked their husbands to have a blood test on their return to the village. Blood tests for HIV/AIDS were offered free of charge to pregnant women and their husbands in some of the PPA villages, to prevent mother to child transmission and at a charge to other villagers. Once a woman had three negative test results, she was unlikely to go for testing again. According to some participants, men sometimes refuse to have these tests when they suspect they may be HIV positive due to sexual contacts outside the marriage.

*“Pregnant women of 20 to 30 years old generally go to Krokhar health care centre to have a blood test for HIV/AIDS. ....Villagers got to know about this service through the public provincial hospital, health care center and the TV. All of the pregnant women in the village underwent these tests. After having the blood test three times when the test says that they are HIV/AIDS negative then they stop undergoing these tests. .... However, only about 80 to 90 percent of the husbands underwent the blood tests with their wives. Some husbands did not want to have blood tests because they had sexual relations with other partners and they were afraid that their blood contained the HIV/AIDS virus. When the women tried to persuade their husbands to undergo blood tests, some husbands answered their wives, “you go for blood test alone, if you are afraid of dying, but I will not have it”. (Women mixed open FGD, Khla Kropieu village, Pursat)*

Blood tests before marriage are becoming more common to ensure that both partners are HIV negative. Adoption of this practice varies, however, as participants in several villages in the PPA study said that they were unlikely to have a blood test before marriage. Young women say that they trust their parent’s decision-making, and the reputation of their intended husband, and do not require a blood test.

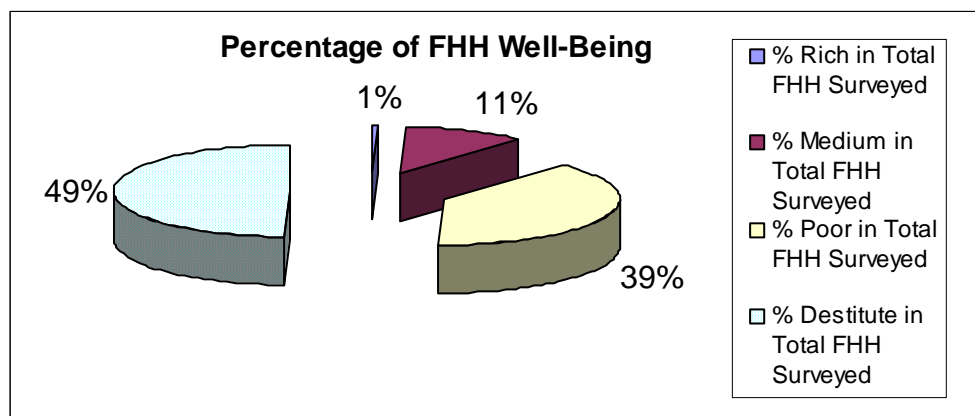
*“...Before marriage, no blood test is conducted to confirm HIV/AIDS. The reason is villagers trust one another very much. Usually marriages are between the locals. No one has sex before marriage.” (Women FGD, Kompong Thkoul village, Pursat)*

## 5.4. The Situation of Female-Headed Households

### *Most female headed households in the PPA are poor or destitute*

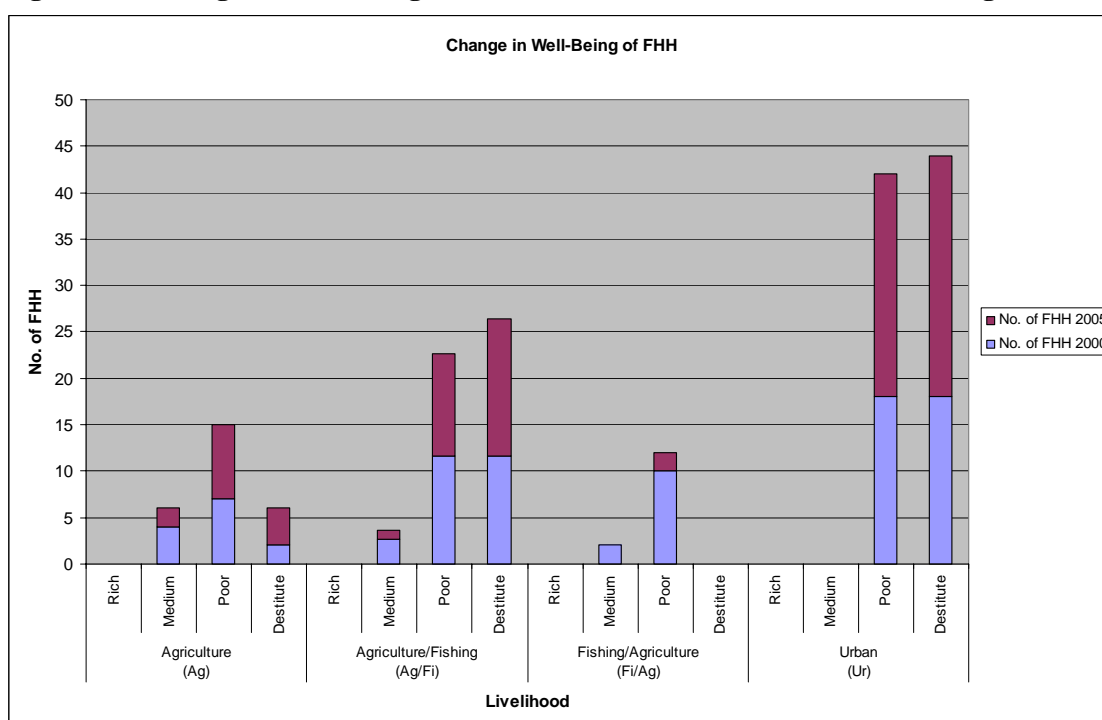
The Tonle Sap communities included in the PPA study are among the poorest in Cambodia, and most female headed-households in the PPA were among the poor and destitute. The number of female-headed households among the poor and destitute appears to have increased between 2000 and 2005; at least in some villages. Of the 519 female-headed households in the PPA study, the majority (88 percent) were poor or destitute. Only 1 percent of households were identified as rich (Figure 5.2).

**Figure 5.2: Well-being ranking of female headed-households**



*"We do not think that our living conditions will improve because we are getting weaker and we have no regular occupation besides farming and selling labour. We can hardly pay our debts from year to year. Our children, are growing-up, which means more expenses on food. We don't want to remarry, because we fear that our new husbands might be alcoholics who will abuse us and our children. " (Widows FGD, Toul Ta Thon village, Battambang)*

The majority of female-headed households were poor or destitute in all villages regardless of livelihood strategy. In addition, it appears that female-headed households were more likely to move into poverty than to move up or remain stagnant. Villagers were asked to compare the well-being of female-headed households in 2000 and 2005. In those villages where data is available, the villages of Banh Chkoul, Basaet, Toul Ta Thon, Samraong, Kompong Our and Toul Ta Ek, villagers reported that there were more poor and destitute female headed households in 2005 than in 2000 (Figure 5.3). This contrasts with the CDRI *Moving Out of Poverty Study*, which found that not all female headed households were poor or destitute, and some female headed households were able to harness resources to move out of poverty between 2001 and 2004 (2006).

**Figure 5.3: Change in Well-Being of Female-headed households (six PPA Villages)**

### ***Divorce and family breakdown were among the reasons for moving into poverty***

As with other households, a common reason for moving into poverty among female-headed households was the illness of a family member. With fewer resources to draw on than other poor households, female-headed households were even more likely to be trapped in the cycle of taking out loans for medical expenses, being unable to pay the loan and interest, selling land or other assets, and falling further into poverty, which leads in turn to greater vulnerability to ill health and other shocks. Other reasons for moving into poverty included loss of a male-breadwinner, many small children in the household, and old age and ill health of the main breadwinner. Divorce and sale of the household assets was also a cause of moving downwards for some households.

Divorce and family breakdown appears to be increasing, although it is difficult to quantify as many marriages are not formally registered due to the costs of holding a wedding ceremony. These informal marriages are often just as informally dissolved. In addition, an increasing number of young couples are reported to be “eloping” to marry without the consent of their parents. Informal marriages in particular those between young people which take place without parental approval are perceived to be more vulnerable to breakdown.

*“Most of the young men in this generation often do not follow the tradition by eloping with each other or living with each other as wife and husband without proper marriage. In the previous five years, as well as in the present, Dey Roneat villagers acted against marriage tradition because of poverty, lack of their parents' consent. Their parents do not approve the marriage, based on two factors, poverty and personality. Therefore, they decided to elope with each other. In the village, there are more spouses who have eloped than spouses who have proper wedding ceremony.” (Young Men FGD, Dey Roneat village, Pursat)*

*“If they get married without celebrate the ceremony, most of them always get separation”. (Pechacrei Village Report, Kompong Thom)*

In those female-headed households whose well-being had improved, additional income from adult children, inheritance and support from relatives, additional income sources and hard work and savings were factors in moving out of poverty.

***Households headed by widows or divorced women are particularly vulnerable***

Widows, divorced and separated women with small children are among those least able to absorb shocks and deal with stresses. The loss of male labour and income is felt acutely. In agricultural villages, female heads of households without husbands or adult children must either assume both male and female roles, pay for someone to undertake tasks usually handled by men, such as ploughing, or exchange labour, usually at twice the going rate.

*"A woman as a family head has two roles to play: a mother and a father; she not only gives birth to her baby but she is also responsible for supporting her baby. She has to plow and harvest the rice field, earn a living, educate and feed her children all by herself." (Female headed household FGD, Banh Chkoul village, Kompong Cham)*

In fishing communities where men tend to handle the heavy equipment, women struggle to earn a living alongside men. Because they are among the poorest, widows and divorced women often engage in labour selling.

*"All the widows make their living primarily by fishing. They have only one fishing gear, namely a gill net. But this occupation cannot feed their families all the time. Therefore, to support their families, they sometimes have to do other work, such as dry rice cultivation, selling labor by transplanting and harvesting rice, picking water convolvulus, water lilies and sno (kind of small plant which grows in swamps and has small leaves and light yellow edible flowers) and collecting clams and small snails. They catch fish near their home and in Krachap River, far from their homes." (Female headed household FGD, Kompong Thkoul village, Pursat).*

On the other hand, when children reach working age, their income assists female headed households to move out of poverty.

*"From 1997 until today, my family's living condition has gradually improved because my sons grew up and are now earning some income. ...Nowadays, I not only have enough food but also some money left. Neither am I in debt nor do I borrow money from other villagers." (Individual Interview with Mrs. BE, a widow from Sralau Village, Kompong Thom)*

***Female headed households are more likely to lose assets and less able to access credit***

Widows and divorced women experience difficulty accessing credit and employment opportunities due to the perception they do not have the financial resources to repay loans, or the capacity to care for their children while at work.

*"Every year from August to October, it is a very difficult period because my family doesn't have enough rice to eat. ...I don't borrow money from my neighbours or from the local fish dealer because I am afraid that I cannot pay back my debt. It is highly unlikely that villagers will lend me money because all the income earners of my family are women. Money lenders will think I cannot pay back the money I owe them." (Individual interview with a widow headed household, Kompong Thkoul village, Pursat)*

*"When they look for jobs, they are rarely hired because the employers think that the widows, who have noisy children, can't pay full attention to their work. ...If the widows have little literacy, they face difficulty in getting employed, even as labourers or garment factory workers." (Koah Ta Pov Village Report, Kompong Thom)*

Widows and divorced women are more likely to farm smaller land holdings, or to become landless. Death of a spouse results in loss of assets, such as when women sell assets to pay for medical treatment. Women also do not always inherit from their husbands, such as when land title is held in the husband's name. When women divorce their husband and his family may take land and other family assets, even when the woman is entitled to them.

*"A large number of female family heads have paddy land up to about 1.5 rai per household. Others do not have land because they sold the land for the medical treatment of their children or husbands and in other families, the husbands took their share of the land when they left their wives." (FGD with Muslim female family heads, Basaet village, Battambang)*

### **Widows and divorced women experience social stigma and discrimination**

Widows and divorced women report experiencing social stigma and hardship as a result of losing their husband. This leads to feelings of anxiety, vulnerability and social isolation:

*"When we were with our husbands, we felt like a house that had pillars that made it stand. Without our husbands, we feel like a house that is crumbling down or like a leaf that is easily blown away by the wind. Whenever we are far from home, we are always worried about our children. Moreover, we are responsible for all household and outside work—which we used to share with our husbands. Since we live alone, when we are sick, there is no one to support our children. .... Without husbands, we have to go out to earn income by ourselves when we have nothing to eat. Sometimes, we sleep crying because we face great hardships." (Female headed household FGD, Basaet Village, Battambang)*

Given men's important social role as the main breadwinner and protector of the family, being without a husband effectively marginalises a woman within the social system, leaving her without a "patron" (Ledgerwood n.d.). In some villages, widows and divorced women report discrimination and harassment due to their "unprotected" status. This includes the threat of sexual harassment and rape.

*"Some men would insult us by asking, 'Can I have sex with you, as you have become widow for a long time ... hungry or not?' That is why a widow is always stigmatized. When our husbands were still alive, our families' living conditions were better and no one looked down on us. Furthermore, we felt safe during the night time." (Widows FGD, Khla Kroupeu village, Pursat)*

While divorced and widowed women interviewed for this study spoke about the stigma and difficulty of living without a husband, many of those with children said that they would prefer not to marry again. In several villages these women said that they feared a new husband would drink, and be violent towards them and their children.

*"Childless widows want to have husbands so that there will be someone to support them and so that others will not look down on them. As for the widows who have children, they would rather face hardship than have new husbands because they are afraid that their husbands might treat their children badly." (Widow FGD, Pechacrei village, Kompong Thom)*



## 5.5. Violence against Women<sup>37</sup> and Poverty

Violence against women, including domestic violence, marital rape, and rape, was raised as an issue in all of the PPA villages studied. The PPA findings on violence, in particular domestic violence and marital rape, should be treated with caution as people commonly are not open about violence, in particular in their own family, in focus group discussions or one-on-one interviews where privacy and confidentiality cannot be guaranteed (WHO 2001). Given that one in four Cambodian women reports experiencing violence from her husband (MOWA 2005), it is likely that violence was under-reported in the PPA, and represented as a problem experienced by other people, including those from poor and destitute households and ethnic minorities.

### ***Domestic violence is attributed to poverty and alcohol use and is said to occur mostly in poor households***

Across all PPA villages, domestic violence was commonly attributed to poverty and to the consumption of alcohol. Other causes of violence cited in the PPA villages were lack of formal marriage, jealousy of the husband or wife, and gambling. While poverty and alcohol are contributing factors, international and Cambodian research has shown that gender inequality is a more significant causal factor and violence occurs in all socio-economic groups (MOWA 2005: 8, WHO 2002: 13). In the PPA, although violence was commonly reported to take place in poor and destitute families, several villages also reported violence in rich and medium income households where the pressures of poverty are presumably absent.

In general, villages reported that violence occurred only in a handful of households (often four-five, sometimes 10-15 households), and usually among the poorest and most destitute.

*"Domestic violence occurs in about four to five 5 families in the village – those households that are insufficient in their living conditions, those that have no money and those whose husbands gamble and drink alcohol. When the drunken husbands reach home, they complain a lot, and then beat their wives and children. Those who gamble sell their properties while others incur loans to pay their gambling debts. Their wives try to pay what their husbands owe so that their family will not be put to shame." (Vulnerable women group FGD, Kouk Trach village, Siem Reap)*

*"The disputes involved the exchange of words between husbands and wives. Occasionally, there were physical abuses within about two to three families. Disputes are common in families that are poor and illiterate. The common causes of disputes in families are: drunkenness, poor living conditions because they cannot earn enough money, taking sides with the children and loss of money. Women were the ones who kept the money. When the money got lost, their husbands were angry with them. When the men could not earn any money, their wives were angry at them." (Young women FGD, Kompong Thkoul village, Pursat)*

It is worth noting that some commune council authorities gave much higher estimates of violence in their communities than villagers themselves, for example in Plov Loung, while villagers said that only four to five households were experiencing violence, local authorities reported that violence was common.

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<sup>37</sup> The UN Declaration on the Elimination of Violence against Women (1993) defines violence against women as "any act of gender-based violence that results in, or is likely to result in, physical, sexual or mental harm or suffering to women, including threats of such acts, coercion or arbitrary deprivation of liberty, whether occurring in public or in private life." In Cambodia, *The Law on The Prevention of Domestic Violence and The Protection of Victims* defines domestic violence as violence "that happens and could happen towards husband or wife, dependent children and persons living under the roof of the house and who are dependent on the household", including homicidal acts, physical abuse, torture and cruelty, sexual aggression, threats which create fear or shock in the victim and acts which affect the property of those living in the household.

*“Violence appears in almost all the villages. Mostly, violence is provoked by men and especially when they are drunk. Other villages are similar to this village. The violence exists in all the well-being rankings.” (Commune Workshop Report, Plov Loung village, Kanho Commune, Pursat)*

In some villages, Vietnamese families were said to experience more violence. In at least one village with a high proportion of Muslim households, violence was reported to be less prevalent because alcohol is prohibited by Islam.

*“Most domestic violence is seen among the poor and drunkards in this village. When there is no rice to eat in the household, the husband goes to drink alcohol to get relief from his depression. When he arrives home, his wife scolds him. Then, he hits her. . . This occurs mostly in the Vietnamese households.” (Women FGD, including poor/destitute Vietnamese, Koah Ta Pov village, Kompong Thom)*

*“Rarely is domestic violence or violence in the family seen in this village. The reason is that most of the Khmer-Muslim people don’t drink alcohol at all since the Islamic religion considers such deed a sin.” (Basaet Village Report, Battambang)*

Verbal abuse and fighting was reported as more common, while physical violence was said to be less frequent. Where physical violence did occur, it was often severe, with frequent beatings, and in one case, the death of the wife just a few months after delivering a baby in Kompong Our village. In addition, husbands were often said to destroy household property, including crockery and furniture.

*“Some households just argued some bad words or cursed each other while they were anxious with alcoholic, and this sometimes annoyed their neighbours. Other households while getting drunk, break dishes or pans.” (Khla Kroupeu Village Report, Pursat)*

### ***Domestic violence is a contributing factor to moving into poverty, lost income and assets, and divorce***

As well as destroying household property, violence also has a direct impact on children and on household income, due to lost days of work and increased health care costs. In addition, families experiencing violence are more likely to divorce. Many women seek a divorce because in practice there are no other legal remedies, such as criminal prosecution, available to them, even though domestic violence is a crime under the law. Often cases of domestic violence are reconciled by local authorities, but this is rarely effective.

*“Under the influence of the family which suffers from the practice of domestic violence, most children will not be able to go to school or they will find it hard to decide whether to live with the mother or the father when their parents are about to divorce. In some households, first the fights happen between the mother and fathers, but then it leads to the mad parents and lead to the punishment or the beating on the children. Usually, such families will not only encounter the break ups of husbands and wives, but they also waste their time on the matter, having less time to earn their livings.” (Preaek Sramaoch Village Report, Siem Reap)*

Other research has shown that divorce is not easily obtained unless the husband agrees (Zimmerman 1998, Luco 2002: 93, UNDP 2005). One attempt at reconciliation is prescribed under Cambodian divorce law, but if reconciliation fails local authorities are required to refer the couple to the courts. In practice, this often does not occur and the parties may be reconciled repeatedly even when the woman actually wants a divorce (UNDP 2005). In the PPA villages, participants reported that local authorities and police will usually attempt to reconcile the couple rather than sending them to the courts. Reconciliation is often ineffective, while divorce can be costly due to official and unofficial payments.

*"I sought help from the village chief so that I could get a divorce legally, but my husband didn't agree. Then I made another attempt by asking the help of a policeman, to whom I gave 20,000 riels. This didn't work either because my husband didn't go to police station – he ran away to his farmland. Finally, I gave up seeking for a divorce. I no longer wanted a divorce because I pity my children. I also do not want to leave this place and go back to my hometown because I am an orphan and I have no relatives there." (Individual narrating her story during a female headed household FGD, Kombaar village, Siem Reap)*

Domestic violence was often cited as a cause of families moving into poverty, due to the impact on household livelihoods. While violence is not restricted to poor and destitute families, it is a cause of even rich and middle-income families moving into poverty.

*"Before, my family had good living conditions and we had good relations with other villagers. My husband was an educated and friendly person; he was easygoing and he would take care of the children. He prepared food for them and bathed them when he was not drunk. In contrast, when he was drunk, he was violent and this gave him a bad image in the village. As he is used to living a comfortable life, he is ashamed to work as a labourer. Today, we are living in terrible conditions; sometimes, we don't have enough food to eat. My three small children and I just depend entirely on my small plantation, my selling labour and producing wine while my husband would get drunk everyday." (Individual narrating her story during a female headed household FGD, Kombaar Village, Siem Reap)*

Women commonly spoke about fear of violence, and cited this fear as a reason for not questioning their husbands over sexual contacts or spending money, adopting practices such as birth spacing, or refusing to have sex even when they were unwell or had just given birth. Evidently, some men do resort to violence when their authority and dominance is questioned, and conflict resolution and negotiation skills are lacking in many marriages.

### ***Incidence of domestic violence appears to be decreasing in some communities***

In five villages, the incidence of domestic violence was reported to be decreasing due to education and intervention by village authorities. In three other villages, violence was said to be increasing as a result of drinking and gambling, while in others the situation was reported as static, with four to five households affected.

In those villages where domestic violence was said to be decreasing, the role of education and awareness raising programmes run by NGOs appears to be critical. In addition, community intervention in what was once considered to be a private matter also appears to have an impact on violence, as perpetrators experience shame and embarrassment when their behaviour is made public.

*"Domestic violence has decreased compared to the past five years because ADHOC came to educate the villagers regarding this matter." (Women FGD, Khla Kropou village, Pursat)*

*"Nowadays, the incidence of domestic violence in Khmer households decreased compared to five years ago, because there is a lot of information on domestic violence via mass media such as TV and radio. Furthermore, when there is an argument between a husband and a wife in a household, a day later, the neighbors or other villagers would ask them about the origin of their conflict. This causes them to change and to stop arguing or quarrelling with each other because they feel embarrassed when people in the village learn about their conflict." (Koah Ta Pov Village Report, Kompong Thom)*

Domestic violence was raised as an issue in six of the 24 commune council workshops in the study. Local authorities in four of these commune councils reported that active steps

were being taken to address domestic violence in their commune, with varying levels of success. In Santre village, where incidence was reported to be high by both villagers and local authorities, a violence trainer was actively targeting families experiencing violence. In Po Treay, an awareness raising programme was reported to have reduced violence from 70 percent to 30 percent of families, and villagers confirmed that violence was decreasing. In Plov Loung village, Kanho Commune, NGOs were reported to be providing education programmes about violence, although neither villagers nor local authorities said that violence had decreased as a result. These findings demonstrate the need for further investigation into prevalence rates and what is actually taking place in villages where interventions are occurring, as well as the factors which contribute to success (or failure) in reducing violence.

***Fear of rape was widespread, and cases of rape and marital rape were also reported***

Fear of rape and sexual assault was pervasive among women in the PPA study. Cases of rape were also reported in a number of villages. Those women considered most vulnerable, including widows and divorced women, Vietnamese women and young women travelling away from home for work or study were particularly frightened.

*“Vietnamese women worry more about their personal security than the Khmer women while they are catching fish in the far fishing places. People think that they are just a small ethnic group of a different nationality living in a new place and so, they are always treated badly. A Vietnamese woman dares not catch fish alone whether in far or near places. She always goes to catch fish with her relatives. Vietnamese women are afraid that they might be looked down upon, mocked, raped or killed.” (FGD with female participants, including Vietnamese women, “the poor and destitute”. (Koah Ta Pov village, Kompong Thom)*

Often when rape occurs there is no redress. Sometimes the perpetrator’s family will pay compensation, and sometimes the couple will be forced to marry. Unsurprisingly, such marriages often break down.

*“...one of my sons raped a villager's daughter. At that time, I paid 150 grams of gold for his informal wedding which acknowledged by old villagers. But, they got divorce lately because his wife did not want to live with him. However, in 2005 the son had again abducted another girl from outside the village for one week. At this time, he was not required to pay the money, but he was required to marry the abducted girl.” (Individual interview, moved down household, Kouk Trach village, Siem Reap)*

*“Most cases of rape have been easily judged; the offenders just agree to marry the victims and then the case is ended. However such marriage or family will lead to a divorce easily, while there is no support from the social legal action at all. Usually, the victims will not send the cases to court since it will disgrace them or their families...” (Pou Village Report, Kompong Thom)*

Where the perpetrator is a powerful man there is little hope of punishment or compensation. This reflects the culture of impunity and lack of access to justice, in particular for the poor and vulnerable, which is well documented in Cambodia.

*“X even raped villager's wife after he told the husband to patrol the village. Moreover, no one refused to bring him beer when he ordered them to do so for drinking. In addition, he raped many villagers. Sometimes, the husbands arrived at homes and saw their wives being raped by X; therefore, they made complaints with the commune authorities. The complaints were further sent to the district when the commune authorities could not settle the problems....Some victims gave birth to children and it provoke to divorce among couples.” (Informal interview, unknown person)*

While marital rape is usually considered a private matter, which police and officials are reluctant to take seriously or mediate, some women in the PPA study did talk about experiencing marital rape. Women do not feel entitled to refuse sex with their husbands, even when they are ill or have just given birth, and this contributes to health problems, as well as feelings of shame and isolation. As other studies have shown, there is no redress for women experiencing marital rape as it is considered to be a husband's right to have sex whenever he chooses (LICADHO 2004: 15-16, MOWA 2005).

*"Violence happens while my husband gets drunk and jealous of me; he always insults and shouts at [me]. Sometimes he threatens me to have sex with while I have menstruation, if I refuse, my husband will hit me, and then he kicks out, shouting that "you go to have sex with your love affair", therefore I agree to have sex with him." (Individual interview, Plov Loung village, Pursat)*

*"When we were pregnant our husbands had sex with us until we gave birth. Moreover, when our husbands wanted to have sex with us, we could not refuse for fear that they might hit us. Some of us got sick because our husbands continued to have sex with us seven to 10 days after we had given birth." (Open female FGD, Sralau village, Kompong Thom)*

## **5.6. Men's destructive and risky behaviour**

### ***Drinking, gambling, violence and sexual contacts outside marriage are perceived as normal for men***

Men's drinking, gambling and sexual contacts outside the marriage relationship are condoned and accepted by both sexes and viewed as a normal part of male identity. These activities are seen to demonstrate masculine power and prowess, and are an important part of male bonding.

*"...our friends persuaded us to hang around and play truant so that we could go to play video game, to ride motorbike for pleasure, to drink alcohol, to sing karaoke, and to be involved (for some young men) in addictive drugs (yama). At first we engaged ourselves in such activities just for pleasure. Some young men from other villages, studying at the same school with young men in the village and having motorbikes and a little money from their parents, persuaded us and other friends not to go to school but ride motorbikes for pleasure." (Young men FGD, Toul Ta Ek village, Battambang)*

### ***These activities come at a price, in particular for the poorest families***

These behaviours are also recognized as costly, in particular for the poorest families, who cannot afford to lose any of their meagre income. Drinking alcohol, violence, and spending money on gambling (by both women and men), as well as on sex workers were frequently cited as reasons for moving down or remaining poor and destitute.

*"...100 percent of the poor and the destitute (men) drink alcohol because they think that if they don't drink alcohol they are unable to work and the drinking can help to treat their malaria" (Male Poor/Destitute FGD, Santre village, Pursat)*

*"In addition to addictive drugs, there were also other social issues such as drunkenness and gambling. Once in a while, there was a fight. People cursed frequently. Concerning gambling, most of the people played card and bingo. They did not bet much money (but only 100 riels to 200 riels); however, such activities happened every day, and some also lost up to a thousand riels per day. Some villagers said that some people were seen more frequently gambling than working. More women than men gambled. In contrast, men were usually drunk, especially when they returned home from work." (Young men FGD, Toul Ta Ek village, Battambang)*

While it is usually men who engage in these behaviours, it is often women and children who suffer the consequences. Divorce is often a result of men's violence, drinking and infidelity. Participants in the PPA study also reported men abandoning their families for second wives or lovers. Divorce and abandonment has severe consequences for the original partner and any children of the relationship.

*"I divorced from my husband because he was an alcohol drinker, whenever he got drunk he always beat me, so sometimes I did not dare to sleep in my house, instead I slept in a neighbor's house, therefore I decided to divorce from my husband without witness or any proof documents from village and communal authorities."* (Individual interview, poor household, Plov Loung village, Pursat)

*"...unfortunately, I was a widow since 1999 because when my husband went fishing, he had a love affair and then he divorced me, and cohabited with a woman living in Kampongglor village. The divorce was not conducted by court, my husband moved out to cohabit with his second wife without payment of child support."* (Widow headed household, individual interview, Plov Loung village, Pursat)

As discussed earlier, men's sexual contacts outside the marriage, in particular those where a condom is not used, expose their wives and children to the risk of contracting HIV/AIDS. Several villages reported that entire families had died due to the husband contracting HIV/AIDS through unprotected sex.

Male risk-taking behaviours are perceived as a response to the stresses of poverty, as well as an expression of male "privilege". For example, both young and adult men who experience hopelessness and despair as a result of poverty talk about drinking as an escape. In addition, those who feel powerless may take out their frustrations on those with even less power, including their wives and children. Research has shown that many men from rich and middle-income families also engage in these behaviours. For example, the practice of taking second wives and sweethearts is common among men from all income groups including the Cambodian elite, as is destructive behaviour by young men from well-off families (PSI 2002, GADC 2003). As the PPA study demonstrates, the difference is that men from poor and destitute households cannot escape the consequences of their actions: there is no impunity from poverty.

### ***Young men's involvement in gangs is a concern in all villages***

The problem of youth gangs is discussed elsewhere in this report. Some young men are perceived as difficult to control, more prone to dropping out of school, and less likely to contribute to family income. They are also seen as disrespectful and their actions are viewed as contrary to traditional practices observed by previous generations.

*"...boys are difficult to be dealt with. They do not listen to their parents' advice. They only go out drinking. On the contrary, daughters help with household work and earn income. Daughter is as gold but son is like a piece of soil. ...in the future, I will rely on my daughter who is working at the factory; I do not have any expectation of my sons, because they are jobless."* (Individual interview, move down household, Banh Chkoul village, Kompong Chhnang)

*"...previous-generation-youths are not the same as current youths; the previous-generation-youths usually go out to play Khmer traditional games for fun while in contrast the current youths usually go dancing from one village to another, and they always have conflicts, in addition, they always imitate TV, for instance they saw Mr. Preap Sovath (Khmer popular singer) with a ring on one side of his ear. They imitate instantly, this totally differs from previous generations (no colour-TV, no Karaoke); and the previous-generation-youths at the age of 15 years old did not drink alcohol yet."* (Young men FGD, Santre village, Pursat)

***The media is often blamed for “modern” and destructive behaviour among young men***

Young men are said to imitate others and repeat their destructive behaviour, including behaviour observed on television and in films. Modern culture, including the influence of the West, was often blamed for “poor morality” and bad behaviour by parents and young people themselves.

*“The young men's attitudes were completely different from the old men's attitudes while they were at the same age. The young men smoked cigarettes, loved cheerful entertainments and spent a lot of time on leisure and vices. They learned a lot about vices from watching TV films and acted like the bad film stars; especially the fighting gangsters. They easily caught the bad characteristics of the film actors and considered such characteristics as their modern style.” (Young men FGD, Koah Ta Pov village, Kompong Thom)*

Young men's drinking and fighting was perceived as a threat to household and community well-being in many of the villages studied. In several villages some young men were fined for fighting and families reported paying compensation for damage caused by their sons.

*“In the village, the youths always beat each other while they are dancing in ceremonies or wedding parties even when the communal polices are patrolling. The beatings are by outside youths because they are rich. They beat each other for a while, and then they run away; when they see each other, they beat each other again. After beating, the police call them to be tried (the beater has to pay for damages based on the level of injury, the beater has to pay 100,000R if the injury is severe).” (Young men FGD, Santre village, Pursat)*

In addition, in the urban village of Toul Ta Ek, young men's drug use was raised as a concern by parents.

*“Most of the children, particularly sons, including his son, abuse addictive drugs when they become grown-up (18 to 25). They do not go to school, and they are very tricky. Not only do they lie, but they also steal and sell property. All the participants said that 80 to 90 percent of young men in the village are involved with addictive drugs. This information has been agreed with by other focus group and the village chief.” (Toul Ta Ek Village Report, Battambang)*

Unlike daughters, who must preserve their reputation or face social censure, as well as reduced marriage prospects, son's reputations are not permanently damaged by bad behaviour. Their actions are often accepted and condoned as merely ‘naughty’ as the following saying indicates:

*“Daughters are not like sons; sons dipped in and lifted out of mud will still gleam” (Commune Workshop Report, Toul Ta Thon village, Battambang)*

Sons can be rehabilitated. For example, participants in several villages, such as Pou village in Kompong Thom province, spoke about gang behaviour decreasing when gang members married and settled down. Parents and communities, however, appear to be reluctant to address some young men's destructive behaviours. For example, they may keep them in school as a way of controlling them, even though they are not interested in studying.

Young men themselves see these behaviours as a “stage” and resent being stigmatised by attitudes to youth among older villagers and people in neighbouring communities. Young men also talk about their frustration and sense of hopelessness, due to lack of education and limited employment prospects. These frustrations, together with tolerance of young men's behaviour, contribute to their involvement in risk-taking activities.

*“The dropping out has had a bad effect on young men and women, making them lose hope and think that they can only do rice farming, following in their parents' footsteps, and sell labour. They thought that they could not do other work beside*

*rice farming and the sale of labour. Due to low education of young men, they behave like gangsters during ceremonies with loud speaker by fighting those from the outside.” (Santre Village Report, Pursat)*

### 5.7. Aspirations for the Future

The hopes and aspirations of men and women are largely related to moving out of poverty and improving income generation opportunities. In those villages where men and women had different roles in livelihood generation, in particular fishing communities, their priorities also differed, with men’s priority needs relating to fishing and women’s to other income generating activities, such as small business and animal husbandry. There were no significant gender differences between men and women regarding their desire for basic services, such as health and education, infrastructure (e.g., irrigation, roads) and improved security and protection from gangsters.

#### *Young women and men have limited aspirations and little hope for the future*

Both young men and young women had limited aspirations and little sense of hope for the future. Young women spoke about wanting access education and training to enable them to change their lifestyle and earn an income outside agricultural production. They also talked about wanting employment opportunities for themselves, their younger siblings and their children. In general, their aspirations were consistent with gender roles and occupational segregation. Young women are not “reaching for the stars”, they aspire to role-appropriate careers, such as beauty and sewing, or work in the garment sector, and they would prefer to do this at home, rather than having to leave the village.

*“We would like to have some vocational training so that we can earn a living. The vocational training should cover the (1) techniques of rearing fish as this is easy for us to do at home; (2) sewing skills which are suitable for women to do and we don’t have to travel far from home; (3) English language, because many jobs require their staff to know English and (4) beauty skills. We think that having a beauty shop is very popular career but it costs a lot of capital.” (Young Female FGD, Koah Ta Pov village, Kompong Thom)*

Young men were generally more pessimistic than young women. Many young men spoke about wanting to leave their village due to diminishing natural resources and limited employment opportunities. They realize however that their opportunities outside the village are constrained due to low levels of education.

*“In the future, no young men wish to live in Koah Ta Pov village; they have planned to leave this village for the mainland because fishing resources in the village will be scarce, and if they still live in the village, they will have nothing to eat....they can change their jobs to work as taxi-drivers, businessmen, and cultivate paddy rice or plantation....Due to the miserable situation in Koah Ta Pov village, 100 percent of the young men have planned to leave.” (Young male FGD, Koah Ta Pov village, Kompong Thom)*

*“...literate is better than illiterate in term of finding work. Anyway, we could not continue our study for higher education. We think that in the future we will continue to do rice farming...because of our poor education. In the future, we will find labour work outside the village if rice farming produces less output..., we feel having no capacity to improve our village and families.” (Young male FGD, Khla Kroupeu village, Pursat)*

Young men say that if the employment opportunities were available in their own communities they would prefer to stay. Indeed, young people of both sexes stressed their desire to stay in their own community, rather than leave.



*"...the youth who have no knowledge, have followed their parents (their parents sell labor, their children also sell labor). And we (the medium, the poor, and the destitute) don't have confidence in our capacity and abilities, we are poor and destitute because we have been less educated, have a little bit of farmland, natural resources are gradually decreasing, and there is no money to buy calves, water buffalos, chickens, and ducks for raising. We don't want to move out from our homeland..." (Young male FGD, Santre village, Pursat)*

Young people and their parents worry about the future, in particular lack of education and employment prospects but also the impact of migration for work, and risks such as drug and alcohol abuse, trafficking, and HIV/AIDS.

*"I am very concerned about my children. ....when they grow up, they may be involved in illegal abuse, make friends with drug addicts or be infected with HIV/AIDs." (Individual interview, handicap household, Banh Chkoul village, Kompong Chhnang)*

*"Parents who have children working as garment workers are always worried and afraid that their daughters are lured into prostitution, worried about their children's safety when they are travelling back and forth by motor taxi, which might meet some accidents and cause deaths, worried about their sons who might have bad friends, use drugs or join gangs, be robbers, and to be infected by HIV/AIDS". (Labour FGD, Samraong village, Kompong Chhnang Province)*

### ***Both young men and women would prefer to choose their own marriage partner***

Although both young men and women spoke about their desire to marry and raise a family, young women were more likely to say they would obey their parents and respect their choice of marriage partner. Some young men said they wanted to marry outside the village, as marrying within the village would not improve their prospects. In addition, some young men said that they would defy tradition and choose their own partner. The incidence of informal marriage among young people, as well as those from poor households, appears to be increasing.

*"In the past, young men respected and followed Khmer tradition; especially wedding tradition. They believed that if they lived together without getting married, they would be eaten by tigers. While [in the] new era men do not care about the wedding ceremony at all. They are not afraid of tigers; they can live with each other without getting married. If the tiger came, they would shoot it down." (Khla Kropou Village Report, Pursat)*

*"The reason they ran away from home to live together was that after their parents consulted the astrology and found out that the potential couples could not live together (their birth signs do not match), the parents opposed the marriage proposal. So, the young men and women decided to run away and ask the village chief for certificate of their union. However, there were some cohabiting couples who did not consult astrology nor were opposed by anyone—they just simply lived together without marriage." (Informal interview, Roka village, Siem Reap)*

## **5.8. Summary and Policy Implications**

The PPA study affirms that women continue to undertake a wide variety of tasks and make a substantial contribution to income generation in their communities and households. The study also shows that the range of women's work continues to broaden as a result of the pressure households experience as access to resources – land, forests, and fishing stocks – is eroded. Women undertake a wide range of activities in agricultural communities, while roles in fishing and forestry villages are subject to greater gender segregation.

Gender segregation is also more marked in paid employment, although women do work in some non-traditional jobs, such as construction and in the garment sector. In agricultural villages in particular, the main limitation on women's participation appears to be physical strength. Across all villages, however, women's work is viewed as less valuable than that of men, and this is reflected in the lower wages women receive, in all of the occupations women perform, with the exception of garment work, they are paid less than men, including for the same tasks. While this is usually explained in terms of women's work being lighter than that of men, it is arguable that this is based on gender discrimination. Given the importance of the work that women do, it is evident that the work is less well paid because women do it rather than because it is necessarily less skilled.

Roles also vary according to household income. Work opportunities in the garment sector and in services require education and financial resources, which are usually available only to women from better-off households, unless the family takes a loan to pay for the entry costs. Women from these households are more able to access training opportunities and the capital to set up small businesses, which are usually run by women. Rich and middle income families can also better afford to preserve gender roles, for example choosing not to send their daughters to work in garment factories.

Poor and destitute families do not have this luxury and must earn income any way they can. Lack of employment opportunities and loss of traditional resources force many of the poorest women to sell their labour, not only within their own communities, but also as migrant workers in garments, agricultural production, construction, domestic work and services. Women who travel away from home for work experience social stigma and reduced marriage prospects and are vulnerable to exploitation and trafficking.

While women's role in domestic work was not specifically investigated in the PPA, it was evident that women's household labour, including housework and child-care was largely taken for granted, and not viewed as of any particular value to the household. Women are sometimes said to be "doing nothing" when they are at home, for example they are said to have "free time" to take care of livestock. In reality, they work longer hours and have less leisure time than men. That said, women's role in small business and selling, as well as managing the household resources, is clearly valued by both sexes.

Women's control over land and other financial assets is constrained by gender relations that grant men authority as head of the household. While men and women both have a say in the major financial decisions of the household, such as selling land and accessing credit, final decisions are often made by men. Women in the study were also vulnerable to losing their land rights due to lack of formal title. Ironically, women's important role in accessing credit is due to the perceived lack of trustworthiness of men and men's reluctance to ask for loans. The PPA study focused on household level assets and income, and did not investigate intra-household dynamics in any detail, so it is difficult to assess how much control women have over household spending and use and sale of household assets. In addition, the issue of women's participation in decision-making outside the household was not addressed in the study, and should be considered in future poverty assessments.

Despite the range of activities women perform, together with the number of female headed households where women undertake both male and female tasks, the concept of the man as breadwinner and head of the household is tenacious. As the discussion about widows and divorced women illustrates, women feel isolated and vulnerable without the protection offered by a husband, even when he does not contribute to household income.

A key finding of this PPA study is the relationship between livelihood strategies and participation in education. Although income is the major factor in participation and retention, with middle and rich income families more likely to keep both boys and girls in school, families of all income levels will pull their girls out of school rather than their boys to help

with domestic work and earn an income. The exception is some fishing communities where boys labour is seen as more valuable, and girls are able to stay in school.

While parents often talk about the risks involved in sending girls to school as a reason for their non-participation in education, they are clearly willing for older girls to travel away from home when there is an economic benefit, for example to earn an income in the garment sector. This demonstrates that, while gender attitudes are an important factor constraining girls' access to education, the economic situation of the household is of overriding importance. Any longer term benefits associated with girls' participation in education are simply not sufficient to outweigh the "opportunity cost" to the household of their lost income and labour. This is reinforced by the belief that educating boys is more worthwhile as they are able to eventually access better employment opportunities.

Women from poor and destitute households in all PPA villages continue to experience poor health, including common and easily treatable conditions such as vaginal discharge and uterine prolapse due to poor hygiene and living conditions, the costs of health care, and gender attitudes which make women reluctant to talk about or seek help for their own health problems. Limited use of contraception was noted in all PPA villages, despite widespread awareness of contraceptive methods, and desire for fewer children, particularly among younger women. Barriers to use of contraception include the cost of different methods, and worryingly, misperceptions about their effects. Women's experience of the side-effects of some methods leads to discontinued use and negative "word of mouth" that discourages others from trying contraception. In addition, men must agree to using contraception, and women say they have to consult their husband, or risk a violent reaction. Most poor and destitute women do not have access to skilled pre-natal and obstetric care, and must rely on the services of traditional midwives with varying levels of skill and experience. Some destitute families said they would "wait for the baby to die" when there are complications because they cannot afford to get treatment.

While there was general awareness of HIV/AIDS and condom-use as a preventative measure, many women were not able to negotiate safe sex, or refuse to have sex with their husband, even if they knew they might be at risk of contracting the disease. Although blood tests are becoming more common, in particular before couples marry, in many villages participants said they would not have a blood test as they "trust" their future partner.

The PPA study found that most female headed households were poor or destitute, and were also more likely to move into poverty than other households. In addition to shocks, such as illness of a family member that were common to all households, divorce and family breakdown was a cause of some households moving down. The extent of divorce and family breakdown is difficult to assess given the informal nature of many marriages and lack of reliable statistics at the national level. It seems likely, however, that break-ups are increasing due to domestic violence and men abandoning their families.

In contrast to other studies, the PPA identified that some female-headed households, for example those headed by widows or divorced women, are particularly vulnerable to moving into poverty. Lack of adult labour, many small children, responsibility for both male and female tasks, and limited opportunities to increase household income, place a considerable burden on these households. Female-headed households are more likely to lose assets, including land, less able to access credit and employment, and experience social stigma and discrimination, including fear of sexual harassment and rape.

While the PPA methodology (focus groups and one on one interviews in a community setting) does not lend itself to accurate reporting on sensitive issues such as violence against women that require privacy and confidentiality, the study identified that violence, including domestic violence, rape and marital rape, was an issue in all PPA villages.

Although domestic violence appears in all income groups and prevalence rates are high in Cambodia, PPA participants tended to attribute violence to poverty and alcohol use, reporting that violence occurred primarily in the poorest families and in only a handful of households. Verbal abuse and destruction of property was reported to be more frequent than physical violence resulting in injury. Domestic violence was identified as a contributing factor to moving into poverty in many villages due to lost income and assets, reduced ability to earn an income, and divorce. Rape and marital rape were also reported in many villages, with no redress available to victims in most cases.

Women's fear of violence, together with the unequal power balance common in many marriages, limits the ability of couples to communicate, negotiate, and resolve conflicts. Women do not feel that they are entitled to negotiate with their husbands or ask them to change destructive behaviours, and some men resort to threats or actual violence when their dominance is challenged.

Importantly, domestic violence was said to be decreasing in five of the villages studied due to the intervention of village authorities and education by NGOs. Factors which contribute to reducing violence in these communities appear to include an emerging perception that violence is a community problem rather than a private matter between husband and wife and greater willingness on the part of local authorities to intervene.

The PPA highlights the impact of men's destructive and risky behaviour on the well-being of families and communities. This includes young men's involvement in gangs, men's unprotected sexual contacts outside the marriage relationship, and drinking and gambling among men of all ages. These behaviours are associated with men's gender role, including pressure on men to be "powerful" and to bond with other men, as well as attitudes which view men as entitled to multiple sexual relationships. Men's position as the head of the family and the breadwinner are undermined by these behaviours, which can lead to women assuming the breadwinning and decision-making role. The risk of HIV/AIDS appears to be challenging widespread tolerance of male sexual activity outside the marriage relationship as women recognize the risk to themselves and their children.

In the PPA study, these activities were often described as normal and acceptable on the one hand, and as a problem for communities and households on the other. Young men are sometimes described as merely "naughty", while at the same time, the destructive impact of their actions, for example, on their families who have to pay for the damage they cause, is also acknowledged. Similarly, drinking by both men and women was seen as normal and a way of relieving the stresses associated with poverty, although this behaviour was also questioned by participants given its impact on household well-being. As noted above, domestic violence was also becoming less acceptable in some villages.

It is worth noting that television and radio campaigns, together with NGO programmes, were frequently cited as a source of information, and awareness raising, about domestic violence and a range of health issues, including birth spacing, condom use and drug abuse. While levels of awareness about domestic violence, birth spacing and condom use appear to be high in the PPA villages, actual behaviour change was much less commonly reported. As the media is commonly blamed for "modern" and destructive behaviour for example among young men, the role of the media as a potential change agent and a negative influence (in particular in the case of pornography) requires further investigation.

Aspirations for the future largely relate to improving livelihoods and increased access to resources and social services, with little difference between men and women; except in fishing communities where women and men's work is largely gender segregated. Young men and women's aspirations are constrained by their current situation, and young men are more pessimistic than young women, with little hope for the future. While many young people aspire to a different lifestyle and improved living standards, they also acknowledge that this

will be difficult to achieve given the declining natural resource base in many villages, as well as low education levels and limited employment prospects. The PPA study also identified changing aspirations in relation to marriage: while poor and destitute families tend not to form formal marriages due to limited income, young people are increasingly likely to choose their own partner, and to elope if their choice does not meet with parental approval.

Many of the issues discussed in this chapter are the subject of policy and programme interventions at the national and sub-national levels. Women's important role and status is recognized in the Royal Government of Cambodia's (RGC) Rectangular Strategy and in the National Strategic Development Plan (NSDP), which commits the government to tackling gender inequality and promoting women's equal status and access to resources and services. Specific goals for achieving gender equality are set out in the Cambodian Millennium Development Goals, and reflected in NSDP targets and indicators, including targets for reducing domestic violence, increasing girls' participation in education, and improving women's health. In addition, Cambodia has ratified international treaty agreements designed to promote women's rights and eliminate discrimination, including the Convention for the Elimination of all forms of Discrimination Against Women (CEDAW). Importantly, women's equality is also enshrined in the Cambodian Constitution.

The Ministry of Women's Affairs (MOWA) works in partnership with other Ministries and the Technical Working Group on Gender (TWGG) to set priorities for achieving gender equality at the national level. Through the TWGG, MOWA has been encouraging and assisting other Ministries to establish Gender Mainstreaming Action Plans and Advisory Groups to ensure gender issues are addressed within their portfolios. Currently, a majority of Ministries have taken this important step. Gender awareness training and gender mainstreaming have also been a focus at the sub-national level, through the Seila programme and capacity building for women commune councillors.

In 2005, the Royal Government of Cambodia passed a law on domestic violence and the MOWA is finalising a domestic violence prevention plan to be implemented from 2006. Individual Ministries, most notably the Ministry of Health and the Ministry of Education and Youth, have implemented strategies to promote gender equality and address women's health and education needs, including (i) targeting married women under the national HIV/AIDS strategy, (ii) reducing infant and maternal mortality, (iii) promotion of birth spacing, and (iv) building dormitories and offering scholarships for girls. The MOWA, in partnership with other Ministries, is supporting women's important role in small and medium enterprises (SMES), addressing social protection in the garment sector, and developing a national policy on women migrant workers.

As this brief discussion indicates, the RGC and its partners recognize key barriers to achieving gender equality and are taking steps to address these issues. Despite these efforts, the gap between the priority given to gender issues at the national level, and the reality of women's lives on the ground, in particular in the poorest rural communities, remains stark. The PPA study identifies that gender relations are complex and changing, with some positive trends including decreasing domestic violence in some villages, broadening employment opportunities and a relatively equal gender division of labour in many agricultural communities. Many of the problems women face, such as ill health, remain static, however, and the difficulties experienced by the poorest women appear to be worsening, with more female headed households moving into poverty between 2000 and 2005 in some villages. In addition, the changing aspirations and values of young people pose new challenges for communities and policy-makers. This includes the challenge of the "youth bulge"; a large cohort of young people unable to access employment or other opportunities appears to be a trigger for a range of social problems, including drug use and increased conflict in local communities.

Measures required to address the gender inequalities identified in the PPA study include increased recognition of women's important economic role, including their contribution to household income, and the value of their domestic role. Valuing women's work is most clearly achieved through fairer wages which recognize that women's work is skilled, and which enable female breadwinners to support their families. Social and legal protections for all workers, including women migrant workers, are also critical.

Efforts to register land titles and ensure that men and women hold equal title over this important asset need to be fast-tracked and implemented nationally. Credit arrangements need to promote women's access to affordable loans, and protect them from liability for their husband's debts. Alternatives to credit, such as health insurance, also need to be available to help cushion households from shocks that lead to indebtedness. In addition, women's rights to an equitable share of land and other assets in the event of death or family breakdown must be guaranteed in law and in practice, including through more detailed provisions in the Marriage and Family Law.

Financial incentives such as scholarships, as well as providing meals, books and other materials which poor families cannot afford are a pre-requisite to increase girls' participation in education and are likely to be more effective than building dormitories to ensure their safety. Scholarship programmes are already proven to increase retention and should be scaled up. The PPA identified that informal education for adult women is almost non-existent in the villages studied, and there are clearly opportunities for NGOs and other agencies to deliver tailored, locally available courses including agricultural extension (such as livestock care), literacy, and business skills to women, linked to credit start up programmes wherever possible. Training and employment opportunities which allow women to combine work with their domestic responsibilities are more likely to succeed.

Although there are effective programmes in place targeting reproductive health and delivering health education, including about contraception and HIV/AIDS, the challenge is to move beyond awareness raising, which has been largely successful, to create behaviour change and increase adoption of desirable practices. Promotion of behaviours which are already gaining acceptance, such as blood tests, is critical, as is correcting misconceptions about some contraceptive methods. Women in the PPA study appear to trust their peers more than health officials, as a result peer education programmes are likely to be effective and would also provide a source of income for rural women, as is already the case with some traditional birth attendants. Interventions which target men's attitudes and behaviour are also critical, as is access to health insurance and health equity funds. In addition, access to affordable health care, including specialist obstetric care, is required to properly address the health problems women experience, and this is a larger challenge for the Cambodian health system.

The situation of female headed households, in particular those headed by widows and divorced or separated women, deserves particular attention. Given that one fifth to a quarter of households are headed by women, the trend towards moving into poverty, loss of assets, and social marginalization among some female headed households in the PPA is of concern. Social protection for widows and divorced women, and enforcement of property rights in the case of death or divorce, are essential. Strategies to support families to resolve conflicts without recourse to violence, and to minimize the harm caused by separation, in particular to children, are also required.

Implementation of the new domestic violence law, which includes preventative measures designed to encourage local authorities to intervene, as well as stricter penalties and enforcement for perpetrators of domestic violence and rape are critical to address the prevalent problem of violence against women. Given that some villages in the PPA study, as well as in the *Moving Out of Poverty Study*, identified that domestic violence is decreasing in

their community, successful interventions by NGOs and local authorities need to be scaled up and replicated.

Measures aimed at women are unlikely to be effective unless men's attitudes and behaviour are also targeted. Addressing many of the most intractable problems identified in the PPA study, such as domestic violence, family breakdown and HIV/AIDS transmission between married couples, depends on men's adoption of new behaviours and acceptance of a more equal relationship between men and women. In addition, couples need to be supported to develop communication, negotiation and conflict resolution skills in order to reduce violence and family breakdown. Families and communities need to address young men's destructive behaviour rather than simply tolerating or enduring it.

The gender dimensions of poverty discussed in this chapter require broad policy solutions and interventions across different policy contexts and government institutions. It is critical that policy reforms and strategies are informed by an understanding of gender issues, take account of women's specific needs and interests, and address gender inequality. This includes poverty reduction strategies and monitoring arrangements. The PPA supports the importance of a continued focus on specific gender indicators under national poverty monitoring arrangements, and urges a stronger focus on the poorest women who appear to be outside the reach of current policy interventions.

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# Chapter 6: Natural Resource Management and Livelihood Strategies

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## Chapter 6:

# Natural Resource Management and Livelihood Strategies

### 6.1. Introduction

This chapter portrays how the livelihoods of the poor are oriented towards and dependent on natural resources, such as agricultural land, forests and fisheries as well as wildlife trade. This chapter will examine these linkages in the light of resource use, changes in resource endowments in terms of access, quantity and quality and access to markets for natural resource products and the demand for these products by end-users.

The overall focus of this chapter is on the dependency on natural resources of the poorest segments of the population in the Tonle Sap region. In order to organise the large amount of data (e.g., stories, interviews), the presentation of the village's experiences with natural resource management has been broken down into three categories: (i) agricultural land use, (ii) forest resources, and (iii) fishery resources. These three sections represent examples of what could be characterised as the main natural capital base (land, forests and water) that people depend on in their every day life. Forests and fishery resources are often categorised as Common Property Resources (CPR) in Cambodia. A defining characteristic of these resources in Cambodia is that *de facto* implementation and enforcement of the regulatory framework often is insufficient at the local level. This means that the rights and responsibilities over these resources are also unclear, and that conflicts and competition over them have a serious impact on their utilisation and management at local level. The effect of this open access feature of resources have particularly strong influence on the stability and security of the livelihoods of the poorest households, who are the most vulnerable in terms of ability to sustain shocks and fluctuations in income and production base.

In order to discuss and analyse issues relevant to the three different types of natural resources, this chapter divides the villages by their main livelihood strategies. Although almost households and villages engage in a diverse range of livelihood activities, the villages are defined as either mainly agricultural, forest dependent or fishery dependent. Most people practice some form of agriculture, while supplementing household livelihood with products from forests or fishery resources.

#### ***6.1.1. Recent findings concerning natural resources and poverty in Cambodia***

Recently a number of studies has analysed different aspects of natural resources and rural poverty in Cambodia. The 2006 Poverty Assessment (PA) found that in 2004 the highest poverty rates were observed in the Plains and Tonle Sap Provinces. Based on data from Cambodia Socio-economic Survey, the PA also showed that agriculture and access to natural resources is critical to the poor, who gain 30 percent of their total income from crops, 10 percent from livestock rearing and 25 percent from common pool resources (WB 2006).

This critical importance of natural resources for rural livelihoods is supported by a recent CDRI study targeted in sixteen communities adjacent to forests in Kompong Thom, Kratie, Mondulhiri and Pursat. This study found that forests on average contributed to 42 percent of poor<sup>38</sup> household's livelihood income (consumption and sale). The average total share from livestock rearing and farming was also 42 percent, whereas non-farm activities

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<sup>38</sup> Based on participatory wealth rankings grouping people into different well-being groups based on local indicators of wealth.

contributed with around 16 percent (Hansen and Top 2006). The current extraction of products, however, must be considered as uncontrolled from an open access management situation, and it was reported that the availability of forest products was declining. This observation points to an urgent need for implementation of sustainable forest management at the local level to secure future access to forest products, especially for the poor.

The recent Moving Out of Poverty Study (MOPS) by CDRI found that the average share of CPR income in nine villages ranged from one to 31 percent. It also found consistent reports of declining access to CPR products (CDRI forthcoming).

### **6.1.2. Agricultural Land and Water Resources**

This section focuses on the agricultural use of land and water resources. Although the livelihood strategies encountered in the villages included in this poverty assessment are varied and diverse, most Cambodian farmers principally rely on rice farming and livestock rearing, supplemented by a variety of other crops and fisheries. Many villagers also engage in migratory work other places in Cambodia and Thailand. This issue is addressed in more detail in chapter 7. This section analyses data from the following communities situated around the Tonle Sap Lake that mainly rely on agriculture for their livelihood:

- Srei Ronguet Village, Chamnar Krom Commune, Staung District, Kompong Thom Province;
- Kompong Our Village, Khon Rong Commune, Boribor District, Kompong Chhnang Province;
- Balang Village, Sambo Commune, Ba Theay District, Kompong Cham Province;
- Nikom Knong Village, Chroy Sdav Commune, Thmar Kaul District, Battambang Province;
- Plov Loung Village, Kanho Commune, Kondeang District, Pursat Province; and
- Roka Village, Lovea Commune, Puok District, Siem Reap Province.

### **6.2. Historical Trends and Changes in the Six Villages**

Like most other villages in Cambodia, these six villages were heavily affected by the Khmer Rouge regime from 1975 to 1979. During these four years of social unrest, all villagers were evacuated and forced to relocate to other parts of the country, and they were only able to return after the collapse of the Khmer Rouge regime in 1979.

The story of Srei Ronguet village is typical for many small rural communities in Cambodia, illustrating the hardship experienced during the prolonged civil war, the Khmer Rouge regime and the struggle to rebuild their lives and lands following the establishment of, at least relative, peace and security.

*"After the fall of Khmer Rouge, about 70 households returned to the village. Up to 1993 we were living in fear due to insecurity. The control of the village changed back and forth between the government and Khmer Rouge guerrilla. We were ordered to cut forest to make fences to surround the village to protect against the Khmer Rouge. The forest became completely destroyed. The World Food Programme came to the village in 1993 to help development, then Seila Programme showed up in 1996 and later on several NGOs came to assist in fields such as agriculture, education and health.....from 2000 the village started to have better security. We are happy!" (Open FGD, Roka village, Siem Reap)*

**Box 1: Historical developments in Srei Ronguet Village, Kompong Thom Province**

Srei Ronguet village is about 63 years of age. In the period of Khmer Issarak (1940s-50s), people moved from Top Sdech village (old location of the village) and other sub-villages to settle around the original pagoda, because the Khmer Issarak soldiers were harassing daughters of the villagers. Moreover, their former settlements were small, consisting of only a small number of households, which made it difficult for the local authority to govern.

In the Sangkum Reas Niyum era, land was occupied privately based on an inheritance system. However, they had to pay land tax to the government every year. In 1970, Lon Nol staged a successful coup against King Sihanouk. The villagers lived in the village for one year: 1970-71. The land occupation remained private; however, there was no land tax, because the country was in civil war and there was no one to collect tax. After 1971, the villagers were moved to Kompong Thom, because at that time the village became a war zone between the Lon Nol army and Khmer Rouge soldiers.

In 1975, during the Khmer Rouge regime, the villagers were moved from Kompong Thom to Sampor village. There was no private ownership of land because land was put into communal use and the villagers also had meals communally. In 1979, the end of Khmer Rouge era, the villagers left Sampor village and cleared land at Srei Ronguet for resettlement. From 1979 to 1981, the villagers were still farming collectively as communal groups. From 1981 to 1985, there was some practice of household-based farming, though the government had not allocated land to each family yet. In 1986, land was allocated to each family for private occupation. Although the Khmer Rouge era had ended, there were still attacks from the Khmer Rouge soldiers. Between 1997 and 1998, the World Food Programme (WFP) provided five roads to the village through labour-for-rice system. Recently Srei Ronguet has been affected by natural disasters for four consecutive years: from 2000 to 2002, it suffered from floods and in 2003, it encountered a drought.

*(Srei Ronguet Village Report, Kompong Thom)*

**6.3. Privatisation and Land Division: How the Poor Lose their Land**

An important factor in the characteristics of the present use of agricultural land and water has been the distribution of agricultural land. After the abandonment of communal farming systems in 1981, land was allocated in the villages to the households already residing in the village at that time. Land was divided according to the size of households. This distribution often included an expansion of the village's agricultural areas, as new land was needed to supply each family with appropriate resources. During this process of agricultural expansion, forests were often cleared to make room for farming. As land became scarcer, the traditional practice of rotational farming, as reported from several villages, where largely abandoned in favour of permanent agriculture. The consequence of this has been that unfertile land has now been farmed permanently and that the productivity thus has decreased over the years.

*“At the time of returning, we just grew rice on the field of our heritage without interference from the local authority. Every one just grasped as much land as they could farm. The households who had no possessions, had to clear new land for cultivation”. (Agriculture FGD, Roka village, Siem Reap)*

**Box 2: Land distribution in Toul Ta Thon Village, Battambang Province**

In 1979, after the end of the Khmer Rouge regime, the villagers farmed the land communally. Everyone, both those who had cattle for ploughing or those who did not, received an equal amount of the harvest. From 1981 to 1982, they were still farming communally by exchanging labour among themselves, sharing the harvest according to each person's contribution: anyone who worked using their own physical strength received one *tao* of rice; anyone who used animal power received an equal amount of rice of one *tao* as well. Therefore, if a person worked using both his or her own physical strength and that of the animals, the person received two *tao* of rice. At the time, they worked in groups, which were assigned in 1979-1980. There were nine groups in all. Although there were regulations for the distribution of rice, there still was inequality among them, with some receiving more than others in the group. Because of these problems they started considering changing to family-scale farming. Private small scale farming was a more equitable form of farming as one could not exploit another person's labour. As a result, in 1983, they started to farm by family on communal land, which none of them owned. Each member was free to farm the land as much as their family's work force enabled them to. However, they still practiced labour exchange. One person helped plough for another person, and in turn, got his or her fields planted with rice seedlings from the one he or she had helped. They kept what they grew, sharing none with others.

Between 1986 and 1987, the village chief allocated the land to the Toul Ta Thon villagers for private occupation. The village chief made the land title documents, which were signed by the villagers and subsequently sent to the commune for approval. Some households received land occupation receipts, while others did not, due to errors in their documents and because the commune staff were busy with other issues. Most of the villagers, however, did not keep the documents safely, losing them when they relocated their houses. As a result, they have to re-register today if they want to sell or mortgage their land, in order to have a recognized certificate from the village chief, identifying the area and boundary of their land. The certificate needs to be approved by the commune. In that way, the owner can obtain a legal land title.

The villagers did not receive an equal amount of land, because land was distributed within each of the nine groups. Those who were in the groups with bigger plots of land received larger amounts than others. Nevertheless, each family received land, at least one to two hectares per family. The three income categories, the poor, the destitute, and the medium households, received either the upper paddy land (nearby the village) or lower paddy land (far from the village and flooded). In addition to this land, the village chief offered each family a hectare of inundated forestland. Those who did not have pulling force (cattle) did not take the land because the land was covered with forest and was flooded annually. They had never gone to the forest to farm because they did not have the money to do so. Consequently, the land was taken over by those who had pulling force, either villagers or outsiders. However, there was no dispute over that land because they had not farmed it since they got it (they had farmed only the upper and the lower paddy land) and because at the time, they did not want it.

*(Toul Ta Thon Village Report, Battambang Province).*

In most villages, the traditional land titles over residential and farm land seems to be fairly well established and generally accepted as collateral for loans and for financial transactions, such as sale, lease or other. Many of the villages do not have official land titles, but this is rarely mentioned as an obstacle as such, rather it is mentioned that land sales and exchanges takes place within the village under traditional governance by the village chief and sometime with help from the commune leaders. In some villages the farm and residential land have been officially recognised, while plantation areas have not. People also seem to continue to include new land through conversion of forest to plantations into their holdings, but this is essentially carried out illegally by individuals.

*“The local authority requested villagers to apply for land registration for land used in 1986. Some of us did and got the receipt for that application but so far none of us received any title”. (Agriculture FGD, Roka village, Siem Reap)*

Disputes over land are normally dealt with in the village. In case of disputes, they first go to the village chief, with the presence of old people (witnesses) in the village who are knowledgeable about land issues, for resolution. Often the person who has violated traditional or official claims to land will lose the dispute.

*“In the years 1999 – 2002, several cases of small conflicts have occurred, concerning rice field boundaries (15 cases) and heritage from parents (3-5 cases). With intervention from the village chief the disputes have been solved”. (Agriculture FGD, Roka village, Siem Reap)*

An important consequence of the privatisation of land is reported to be the gradual selling of land by the poor to better off households or outsiders. There is a general trend in all villages that the poor, in increasing numbers, are selling off their land to raise money in order to cope with natural calamities, such as droughts, floods, disease, death or other severe stress situations within their household or their immediate environment. The process of losing land is complex, and often involves several different steps in a downwards spiral of debt, poverty and final collapse of the poor household's economy, resulting in the last resort of selling the last valuable asset left, which is often their land.

*“We are poor we have nothing to depend on besides our land so when we face to any serious problems such as disease we might be forced sell land in order to survive. Actually we don't want to do that, but we have no choice”. (Landless FGD, Tomprong village, Kompong Cham)*

In terms of the size of landholdings, there is a close relationship between the size of landholding and the income category that people are placed in. In general the households classified as rich or medium hold between 2-4 hectares of farmland, the medium 1-2 hectare, the poor 0.2 – 1 hectare and the destitute less than 0.2 hectare or no land at all. These numbers are naturally not a fixed measure, but often a good representation of the situation found in many of the villages included in this study. The size of land and income classification may vary a great deal throughout other parts of the country dependent on the specific area.

The process of losing land may involve several different routes, but the most common way reported in this study involves families not being able to pay back debt without having to sell of their land. The reasons for these families to take up loans in the first place are many, and may involve borrowing money for investment in livestock rearing, farming equipment, such as hand tractors or water pumps, fishing implements or in other cases for expenses for medical treatment or for seeking employment elsewhere. Testimonies of people being cheated when going to Thailand to work as labourers are frequent and people often return to their villages with little or nothing left. Chapters 7 and 8 provide a more detailed discussion of the issues associated with migration and credit.



**Box 3: Losing Land: The Story of a Landless Household in Basaet Village, Battambang Province**

Mr. and Mrs. EL have lived together without getting married. They have four children, the eldest of whom died when he was 7 years old. When they came to Basaet, they borrowed a small plot of land from their relative to build a house and they received 0.2 ha of paddy land from Mr. EL's father. Farming the land for about four years, the couple decided that the husband should serve as a district soldier protecting the border of the district, otherwise her husband would have been forced into military service and sent to far-away places, because at that time the security was not good and the communal and district authorities needed to conscript young men to serve the nation. While Mr. EL was in the war, their child suffered from fever and needed medical treatment. Mrs EL had no money to pay the private doctor, so she sold their land to pay for the treatment. When her husband returned home, he did not blame her for selling their land, as she had done it to save their child. Later on when the son was seven years old, he was bitten by a snake while he was playing in the backyard. Her husband tried to find traditional medical practitioners to cure him, but his condition only got worse; and in a period of two days and nights, their first son died

When the war was over, her husband left the military service and came back to live with her. Most of the time, he sells labour to carry soil but when he is ill, she lets him stay home to look after the children while she does the work of her husband.. In the dry season, her husband is hired to dig up small canals and remove rice field levees, anthills, and mounted ground. He is also hired by the medium households to raise their houses ground floor to protect against floods. He can earn 3,000 to 10,000 riels in a day.

In the dry season, in February and March, he goes to the inundated forests to catch *Kamplanh* fish in the drying-up ponds. He has no fishing gear, and so, has to catch fish with his bare hands. From this catch of small fish, he makes fermented fish paste for a month or so. He keeps this 20 to 30 kg of fermented fish paste for times of food shortage, which most often occur in the rainy season. In the rainy season, he only has to steam the fermented fish paste for food, because he had already borrowed rice for food. His wife does not go with him to fish, because she is occupied with housework and taking care of the children. They do not go into the forest to collect firewood like other households; his wife asks for tree branches from other villagers who went to the forest.

*(Individual interview, Basaet village, Battambang Province)*

An example of losing land due to illness within the household was found in Roka Village, Siem Reap.

*"My husband got seriously ill from malaria in 1990 and as we were in shortage of food I had to mortgage our rice field to get 1.5 chi of gold (about USD 60). I had no money to take my land back, 3 years later it has gone to the creditor". (Individual interview of landless household, Roka village, Siem Reap)*

Households in debt will usually sell of other valuables such as livestock or other assets in order to cover the debt, and only as a last resort are people forced to sell their land. When their land is gone these people often have nothing left in terms of livestock, farm or fishing implements, and are often forced to take poorly paid wage labour, hire their children out as servants for other families or collect forest and fishery products easily available to all.

*"Most returnees' lives are based on selling labour in harvesting as we have no agricultural land... now is harder compare to 5 years ago, people coming from all over the country looking for jobs during harvesting". (Agriculture landless FGD, Nikom Knong village, Battambang)*

It is unclear from the reports from these villages to what extent a better land title system would actually make a difference to poor people who are selling their land. The

underlying causes for poor people to have to sell their land in the first place seem to be related to the insecurity of agricultural production, as well as health issues under the very unstable environmental circumstances these people are living under. Furthermore, the absence of a reliable and affordable credit system have created a very insecure and extremely expensive market for credit. These factors contribute to tying the poorest villagers down in what could be characterised as “debt slavery”, where debtors have to work at below minimum wages to pay private creditors. Thus, it does not appear that land titles, or the lack of these, play any significant role to the poor, as they seem to be forced to sell their land to survive anyway.

In general, the selling or mortgaging of land by the poor seems to be a driving factor in keeping them locked in poverty, or even plunging them even deeper into deprivation. Without land, farmers have little chance of increasing their production beyond what they need for consumption, and thus there is little room for them to manoeuvre out of poverty on their own.

#### **6.4. Agricultural Use and Management of Land and Water Resources**

The main farming practice of those who have land to farm is rice production. Rice sufficiency also plays a decisive role in allocating households in different income categories. The rich households generally produce sufficient rice for their own consumption as well as for sale. The medium income households have enough for their own consumption, but not always for sale. The poor families are mostly in rice deficiency for up to six months of the year, while destitute households in most cases have no rice of their own (the landless) or only for one or two months a year. Rice deficiency is reported to play a major role in the perception of local household's livelihood security. Villagers report that if they could only have enough rice to eat for the whole year, they would be able to use their time to improve their farming and invest more money in other farming activities.

*“We never have full sack of rice in our house... we purchase rice day by day... anyone who is better off may have rice for a month, but most poor and destitute households do not. When we are in shortage of rice, we have no money at all. We go to the better off households to work for them such as carrying water to fill in their big jar or chop wood for them in exchange of rice. Sometimes we go to the village pagoda to beg rice from the monks”. (Poor/destitute male FGD, Nikom Knong village, Battambang)*

##### **6.4.1. Rice Farming Systems**

Rice farming takes place using different methods, depending on the availability of water. There are two main types of rice growing: irrigated (dry-season rice) and rain fed (wet-season farming). In these two systems, there is further choice of rice varieties, which have different characteristics. Some villagers prefer to plant early season rain-fed rice, as they want to minimise the risk of losing their harvest due to drought, while others use late season rice, which takes longer to mature than early season rice.

Apart from the actual size of paddy farm land owned by each individual household, the access to or ownership of pulling force (i.e., draught power), fertiliser and water plays a definitive role in the effectiveness and productivity of the rice farming systems. In general, the poor and destitute households have much lower productivity on their fields than better off households. The better off households often hire both pulling force, in the form of hand tractors or buffalos, and farm hands for transplanting rice seedling. The poor and destitute, on the other hand, are the ones selling their labour to the rich or medium, in exchange of rice, cash or access to pulling force for ploughing their own fields.

**Box 4: Farming Systems of Different Income Categories in Kompong Our Village, Siem Reap Province**

The medium households generally own or hire pulling force (cattle, buffalos or hand tractors). Men plough the fields and participate in transplanting rice seedlings with the women. The rental of a hand tractor is 80,000 riels per hectare and an ox-driven plough is 7,000 riels per day. Some households hire farmhands from the village to transplant their seedlings, paying them 3,500 riels per day. The medium income households can afford chemical fertilizers for their crops: 55,000 riels per sack of fertilizer. Households who cannot pay in cash right away will have to pay seven "thangs" of rice for one sack of fertilizer at the end of the harvest. Although the use of fertilizer does increase their yields, the fertilizer itself affects the quality of the land and the health of the villagers. For example, they become dizzy when they spread the fertilizer when wearing no mask. The fertilizer also affects animals. Fertilizer was introduced to the village in 2002 by outsiders, Kompong Kdey market people and via TV.

The poor households do not use fertilizer in farming since they cannot afford it. For those households that do not have their own pulling force, they exchange labour with those who have traction force by transplanting rice seedlings for them in return for their own fields being ploughed; one day of transplanting seedlings is exchanged for ploughing for one morning. Besides this, they also exchange labour in transplanting seedlings with others who also do not have pulling force. Both men and women share the work. For households that have pulling force, the men do the ploughing and help the women in transplanting rice seedlings.

Most of the destitute households sell labour to transplant rice seedlings and harvest for others. Some do slash and burn rice farming, because they have no pulling force to grow rice in paddy fields. If they transplant seedlings for others, they get 2,000 to 2,500 riels per day if they ask for the money up-front, but if they ask for the wage after they have completed all their work, they will receive 3,000 riels per day. Nevertheless, most of them ask for the money first or the equivalent amount of rice before they do the work.

*(Kompong Our Village Report, Siem Reap Province)*

Apart from rice farming, the villagers are generally involved in a variety of other agricultural, fishing or forest product collection activities that supplement their livelihood. Many of the villages are situated in or near flooded forest areas and therefore both fisheries and forest resources play an important role in their livelihoods, and particularly in the livelihood of the poorest people.

#### **6.4.2. Animal Husbandry**

Raising animals is an important part of the livelihood strategies of many households. Most villagers have a number of chickens used for meat and eggs. Some families, usually the better off, also raise pigs for sale and consumption. It is predominantly the better off households that are able to afford raising pigs, as it takes some investment to buy or access feed and veterinary services.

*"People in our village used to rear buffalos as draught animals, since lack of water we have changed to use oxen instead. Most of the poorest households are able to have them or even raising pigs or chickens, but the destitute households only have access to cows when they are able to share the benefits with the owner of the cow".*  
*(Farmer FGD, Roka village, Siem Reap)*

The same situation is found in relation to the ownership of cattle and buffalos, as poor and destitute households almost never own their own animals. As mentioned above, the poorest households exchange labour for pulling force to plough their fields. In one village,

Roka, a few destitute households have received a cow from the other villagers to raise and use for shared benefit among several households to use as pulling force.

#### 6.4.3. Plantations and Other Crops

Growing crops other than rice does not seem to be considered a very important occupation, but is found in most villages that have farm land not suitable for rice farming. These crops include pumpkin, watermelon, maize, beans, sugar cane, tobacco, spices, cassava etc. Most of these are grown for home consumption, while a fraction is bartered within the village, and smaller amounts brought to markets for sale. Generally up-land crops are not common in the plains around Tonle Sap, as most of the land cleared is used for rice farming and farmers prefer fishing as either main or supplementary occupation.

*“After harvesting wet season rice, some households who have land nearby the canal grow corn, sugar cane or vegetables.... the number of people who do this has increased as several NGOs came to train villagers and traders come to buy our products now.... at present there are 2 rich, 30 medium, 13 poor and 5 destitute household who do crop plantation.... most of the poor and destitute households have no land or their land is far from the canal so they are not able to plant”. (Farmer FGD, Kouk Trach village, Siem Reap)*

#### **Box 5: Small Crop Growing in Samraong Village, Kompong Chhnang Province**

Less than 30 percent of Samraong villagers have cropland, and usually they grow mung bean, maize, spices, and pumpkins. In December and January, during the low tide of the Tonle Sap, both men and women grow these small crops. Families from the medium income category will hire the poor as labourers for jobs like cutting down trees and removing small shrubs. Generally, women and their daughters whose ages are 12 years or above work in crop farming while the men go fishing.

The destitute do not plant spices and pumpkins because these plants need a lot of water and have high production costs. Four medium families grow them as they own hand tractors and have money to spend on fuel used for pumping water. When growing beans and maize, the destitute and poor families that do not have cash have to borrow seeds from seed creditors, who require them to pay 100 percent interest. Some poor and destitute households who used to cheat the seed creditors are not provided with corn seeds, pumpkin seeds, and insecticides any more. So, these people take loans from private creditors or from the PRASAC credit organization.

The most serious problem they encounter in growing beans is pests, which ruin the crops. Therefore, the medium families use insecticides that they buy from the Kompong Chhnang market. The poorer families are forced to obtain the chemicals on credit from the seed creditors, and they use private loans for investing in agro-chemicals. Based on their living standard, the amount of insecticide used varies from household to household, therefore, the productivity also differs. The medium households can get 300 kg of beans in 40 “a” of land (1 “a” = 0.01 ha) while the poor only produce 200 kg of bean grown on the same amount of land.

The medium families sell their beans at their house or at the Kompong Chhnang market. Usually they will store their beans and sell them when the price is at its highest. Poor people cannot choose the market for their bean products; they have to sell the beans to the seed creditors, who will come and collect the harvest from the field and will offer 100 riels to 200 riels below the market price. However, the price offered cannot be negotiated since the creditors have provided them with seeds and insecticides free of charge. In the village, people can sell the beans for 2,000 riel/kg and 2,200 riel/kg if the beans are sold at the Kompong Chhnang market. Thus, some medium and poor families rent or borrow a boat to transport their products to the market. The rent of a boat costs 15,000 riel. Samraong villagers have never been educated or trained about good agricultural practices, so people don't know growing techniques and how to use insecticides.

*(Samroang Village Report, Kompong Chhnang Province)*

#### 6.4.4. Other Income Generating Activities

Apart from rice and crop production many villagers engage in other activities for sustaining their livelihood. Most importantly for many villages living in the Tonle Sap plain area is fisheries, which will be described in more detail below.

Additionally many poor and destitute households from the agricultural villages carry out a number of small scale activities for supplementing their consumption such as collection of non timber forest products from the flooded forests, collection of snails and clam, picking up water plants and selling labour for different farm works at other farmers land.

*"My children go to collect water convolvulus all year round, dry and wet seasons to earn money when we face food shortage,... they carry water convolvulus on their heads far away to the village and sell 10 bunches for 500 riel... a few years ago each can earn 500 riels per day, but now just only half they hardly find any plants due to all farmers use chemicals to kill grass so water convolvulus also die". (Individual interview of destitute household, Nikom Knong village, Battambang)*

#### **Box 6: Alternative Livelihood Strategies in Plov Loung Village, Pursat Province: Collecting Water Convolvulus, Snails, Clams and Shells**

According to the female group discussion, almost all of the poor and destitute people in the village earned a living by picking water convolvuluses four km from the village. Even little boys and girls (aged 10 to 11 years) pick these up and sell these in the market to earn some extra money. Picking water convolvuluses is conducted from April to August. Usually they go pick up water convolvuluses as a group, from 4 to 5 people, so that they can help each other in case they face problems such as storms. They leave in the morning and return home in the evening. They can collect a maximum of 100 bundles and minimum of 40 bundles per day. Ten bundles can be sold at 2,000 riel. They sell them in the markets of other villages such as Roleang, Roluos, and Pursat. Only a few men join to pick up water convolvuluses because they are busy fishing or working as construction workers.

According to the male poor and destitute households, the amount of water convolvuluses has not decreased. However, the female group reported that, nowadays, water convolvuluses decreased because of the increase of poor and destitute households in and outside the village; they all go to pick up water convolvuluses.

According to the discussion groups, only poor and destitute households go to collect snails, clams and shells. They do this in March and April along Pursat River or areas in Tonle Sap Lake (10 km from the village) and other places such as Stung Chas and Boeng Chrab. They usually go there from July to October. However, they do not gain much profit from this because they do not collect large amounts. They sell the snails, clams and shells in their village. One can of these collected from Tonle Sap can be sold for 100 riel, while those collected from Pursat River can be sold at 200 riels per can. They also pick up eatable yellow flowers ("Snor"), water lilies and arums for home consumption and for sale.

*(Plov Loung Village Report, Pursat Province)*

#### 6.5. Marketing, Trade and Credit: Agricultural Products

As can be seen from the above reports of villagers on rice and crop production, the marketing and trade of agricultural products is closely linked to credit, especially for the poor and destitute households who have to borrow money or other resources in order to farm in the first place. In general, there seems to be relatively little market for agricultural products. Only the better off households who have the capacity to produce some surplus rice or livestock are marketing their products in any significant scale.

*“At the period of shifting cultivation, some poor and destitute households borrow rice from medium for eating and for rice seeding... the credit have to be paid in double. If borrowing money they have to pay 10 percent for interest per month”. (Poor/destitute female FGD, Kombaar village, Siem Reap)*

In terms of rice, the poor and destitute households practically never have enough even for their own consumption, and thus nothing for sale or marketing. On the other hand, the poorest households often buy or barter rice from better of households within the village for their daily consumption. Many of the destitute households actually depend on exchanging wild products, such as plants or small animals, with other villagers in return of milled rice.

#### **Box 7: Exchanging Wild Vegetables for Rice in Plov Lound Village, Pursat Province**

Only the poor and destitute households exchange vegetables for milled rice. They usually do this in May until July. They bring the vegetables to other villages to exchange with the people there. To do this, they have to get up early at four o'clock a.m. to prepare their products; they sell their products until 6 p.m. and return home. They can gain a profit of six to eight milk cans of milled rice per day. From August to October, they continue the exchange of vegetables in Kompong Lound. They transport the vegetables by boat. It takes them one day and one night to return home. After they finish selling their products, it is too late for them to return; so they have to stay in Damnak pagoda at night and wait there until the next morning. Apart from exchanging vegetables, some households sell groceries in the village. Among them there is only one medium household. They sell groceries in wholesale. Other medium households work as fish merchants. They buy fish from the fishermen and sell these to other villagers.

*(Plov Lound Village Report, Pursat Province)*

## **6.6. Forest Resources**

Despite consistent reports of decline and degradation of forest resources in all villages included in this study, forests continue to play a crucial role in supporting rural livelihoods in all of these communities. Not only do forests play an important role as a safety net for rural populations in cases of calamities, such as floods, droughts or decease in the family, they also supply a large part of the population with important products and services on a day to day basis.

*“Forests are very important in supporting our lives, we built our houses by using them and we make living by selling them. Now there is no more left and we hardly have enough wood for making our shelters because of the destruction of our forests. Since our forests have been destroyed, rain has fallen in shortage and created drought or turned into floods. We do not have enough water for supplying our rice fields, or even for drinking, during the dry season; we have to go very far from the village to collect water”. (Male FGD, Kombaar village, Siem Reap)*

Those most seriously affected by changes in forest resource quality, quantity or access are the people most dependent on them: the rural poor. This group of the Cambodian population uses a wide range of natural resource products and services for their daily livelihoods. Therefore, destruction of these resources also has serious implications for their welfare. The village reports uncover the complex relationship between the access to, quality and quantity of different forest resources and the dynamics of rural livelihoods.

The following section will focus on reports and testimonies from four villagers that are characterised as particularly dependent on forest resources. As almost all villagers included in the entire poverty assessment have a relatively diverse livelihood strategy, including forestry, fishery and a variety of agricultural activities, examples on forest use from other villagers will also be included as examples. The villages, on which most of this section is based, are:

- Santre Village of Santre Commune, Phnom Kravanh District, Pursat Province;
- Kombaar Village of Khvav Commune, Chikreng District, Siem Reap Province;
- Sralau Village of Ngoul Commune, Sandann District, Kompong Thom Province; and
- Khla Kropeu Village of Anlong Tnaut Commune, Krokarak District, Pursat Province.
- Bankorng Khmom Village, Thnot Chhum Commune, Krokarak District, Pursat Province (Community Forestry case study in collaboration with Concern Worldwide)

## **6.7. Historical Trends and Changes in the Four Forest Dependent Villages**

Although the four forest villages differ in some aspects of their history and present day structure, they all share a number of common traits in relation to the use and management of forest resources, and the way these resources have changed and developed over time. All four villages that are still considered to be partly forest dependent, report of rich forest resources before 1979.

*"Talking about forestry; up to the war (the Khmer Rouge regime ed.) there were no houses here, the village was settled pretty far from here. No one dared to walk across this area as it was dense forest and full of wildlife. Since the integration of the Khmer Rouge soldiers and the Royal Armed Forces, timbers have been cut badly. Powerful men sold timbers to wood traders and we also witnessed an invasion of outsiders". (Mixed FGD, Kombaar village, Siem Reap)*

Similarly, in Santre village in Pursat, people remember the time before the Khmer Rouge regime, when the forest was plentiful and wild life were abundant, including elephants, tigers, wild boars, musk deer and many others, now rarely found anywhere in Cambodia. Forest resources have become degraded or converted, and villagers are increasingly experiencing decreasing yields in their food production, forcing them to venture still further into remaining forest resources in search of food and other alternative sources of income.

After 1979 and the end of the Khmer Rouge regime, a number of political and social changes resulted in increased pressure on forest and wildlife resources and all villages experienced a rapid decline in the area and quality of forest resources. A primary source of this increased deforestation in the 1980s was reportedly logging carried out by Vietnamese and Khmer Rouge soldiers as part of gaining access to remote areas and probably also as a source of funding for the prolonged military actions. Villagers report how Vietnamese soldiers would clear the forest in order to gain access to strongholds of Khmer Rouge soldiers and to clear minefields.

*"During early 1980s Vietnamese troops, which was located near the village, chopped down lots of wood and transported to Vietnam". (Mixed open FGD, Khla Kropeu village, Pursat)*

Another important cause of deforestation was the introduction of private land management in the early 1980s when the communal farming system was abandoned. The resulting distribution of land resulted in clearing of forest land to supply agricultural land to villagers. This process generally continues today as villages expand their land or clear new land for sale. Additionally, the expansion of villages meant an increase in demand for firewood, houses and other construction work, which naturally have contributed to the pressure on forest resources.

*“The members of the households have increased and we need more agricultural land for our children when they get married, so we have converted forest into agriculture. Local authorities did not ban us”. (Commune workshop, Santre village, Pursat)*

After 1993 and the national elections, the deforestation activities apparently continued unabated, but the pressure from outsiders seems to have increased significantly through intervention of private companies, business men and high ranking officials, who seemingly profited by the lack of legal frameworks and governance in post-conflict Cambodia, in order to access forest resources:

*“In 1994 wood traders came in. They contacted Khmer Rouge and government soldiers. They paid both sides an equal amount of ten thousand riels per month, and then they would cut trees under protection of the soldiers”. (Wood cutters FGD, Kombaar village, Siem Reap)*

Today only remnants of the past forest resources of the villages remains, but villagers still rely on these resources for subsistence and cash income. But the poor and destitute report that it has become increasingly difficult to earn a living from forests.

*“Nowadays, everything is destroyed. The environment officials, the forestry controllers, the soldiers who were sent here to stop the activity of wood cutting and trading came with big pockets. They just collect bribes and close their eyes”. (Poor male FGD, Kombaar village, Siem Reap)*

Forest resources are mentioned to have been of particular importance in the years 2000-2004 when lack of rain and low rice yields forced many villagers to sustain their livelihood by alternative means. In this case, the forests proved an essential safety net especially for the poorest and most vulnerable segments of the villagers.

*“In the past few years, the droughts have been so bad that we have had no rice yield. We have faced hunger and had to start going into the forest for cutting wood for surviving”. (Wood cutters FGD, Kombaar village, Siem Reap).*

It is striking to witness the testimonies from villagers and the consistency with which the development of natural resources have taken place in different parts of the area around Tonle Sap Lake. It is clear that up until the end of the Khmer Rouge regime, Cambodia had very rich forest resources, and that all villagers had access to sufficient forest resources to supply most needs on a long term basis. The turmoil of war, including resettlement and the murder of hundred of thousands during the Khmer Rouge regime, destroyed traditional village structure and land use arrangements. This resulted in increased pressure on natural resources from the expansion of agricultural land, but more importantly, from outside commercial interests, often connected to military or powerful urban elites basically grabbing what was/is available in an open access environment, such as forests where little legal framework and law enforcement seems to be implemented at local level. This “grab what you can” attitude has resulted in severe and rapid degradation of natural resources, including forests, land and fisheries, now affecting the poorest of the poor directly as they struggle to survive in an ever more competitive society.

## **6.8. Use of Forest Resources by the Poor**

The testimonies from the present study only underline this observation. A striking feature of the data presented here is the emergence of a clear linkage between natural resources and poverty.

As will be outlined below, poor and destitute households relies, to a very significant extend, on natural resources for their day to day livelihood through a diversified range of commercial and subsistence related activities, such as logging, firewood collection and use and marketing of other forest products.



Another important function of forests relates to the dynamic characteristics of people moving in and out of different stages of poverty. Forests are often mentioned as an important safety net for people experiencing catastrophic changes in their lives, such as severe disease or death in the family, natural calamities such as droughts, floods, financial defaults such as severe debt or other issues that in serious ways inflict on the households ability to sustain their livelihood.

### **6.8.1. Firewood Collection**

Firewood collection has always been a natural part of rural life. In general, all villagers collect firewood for their own use, while some of the better off households seem to have turned to buying firewood from poorer people who earn a supplement by collecting wood in the forest.

Villagers of Khla Kropeu report that firewood collection for cash sales has become important only after the droughts experienced since 2000. In general, the poor or destitute earn less than better off households on firewood collection because they are forced to carry the wood on their heads as they do not own ox-carts. Poor villagers therefore only earn between 1,000 and 2,000 riels per day by collecting firewood, as opposed to 3,000 to 5,000 riels per day for better off households.

*"We collected firewood by borrowing an ox-cart or bicycle from other villagers in the better-off category, but we have to share around 50 percent of total profit with ox-cart/bicycle owner, otherwise, sometime we bring them stuff or pay by labour in transplanting/harvesting for them". (Wood cutting FGD, Khla Kropeu village, Pursat)*

Firewood collection and sales seems mostly to take place within the villages themselves, and only to a limited extent do people carry firewood for longer distances for selling at markets, as prices are relatively low and transport costs high.

### **6.8.2. Charcoal Production**

In some villages, charcoal production has been and still is an important source of income. An interesting report of the development and importance of charcoal production comes from the village of Khla Kropeu in Pursat Province. Charcoal production techniques were introduced by immigrating Muslim-Cambodians who moved from Kompong Chhnang's Sala Leik 5 district in the beginning of the 1980's.

Villagers report that charcoal kilns are produced in the forest close to where the trees are cut down. The kilns are usually 5 meters in diameter and 2.5 meters high. The cost of making a kiln is a total of 170,000 riels (50,000 riels for soil work, 70,000 riels for wood cutting, and 50,000 riels for transporting the wood). This size kiln can load up to 15 ox-carts of wood and produce 6 ox-carts of charcoal (equal to 3 tons). The trees used for charcoal production are species called Phchekn (*Shorea Obtusa*), Khlong (*Dipterocarpus tuberculatus*), Tbaing (*Dipterocarpus obtusifolius*), Pring (*Syzygium* ssp.), Islamicbok (unknown species) and the size of trees range from diameters of 20-50 cm. The kiln owners are usually in the better off income category and normally hire Khmer workers from poor or destitute households to do the earth work, cut firewood, load firewood into the kiln and bring the charcoal out of the kiln for them. The workers of charcoal kiln are paid 2,500 riels per day. The process of making charcoal requires 15 days for burning and another 15 days for cooling.

*"We have no money for making charcoal kiln; We just sell labour for the medium households in charcoal processing included charcoal kiln making and wood cutting". (Informal interview, Khla Kropeu village, Pursat)*

In the past, there were only 30 big kilns in operation in the village, but the number increased to approximately 40 units just before year 2000 because the process of making

charcoal kilns became known by all villagers. After 2000, the number of charcoal kilns decreased because some Muslims returned to live in Kompong Chhnang's Sala Leik 5 district. The main reason for returning was scarcity of big trees in the forest.

Charcoal production has generally decreased in recent years as forest resources have become more and more degraded, thus increasing the time and money needed to find wood. Apparently the price of charcoal has not risen by the same amount as the costs of production, thus making it less profitable for the kiln owners.

*“We could not process a good quality of charcoal as Cham ethnic group because we have no experience on charcoal processing, especially in the processing stages (burning)”.* (Khmer charcoal kiln owner, Khla Kroupeu village, Pursat)

### 6.8.3. Timber Logging

Logging of trees for timber production has been, and still is, an important source of income and timber for most villagers in all four forest villages.

An important factor in the ability of villagers to earn income from logging is their means and tools for logging, such as ox-charts, chainsaws and axes. Generally, only the medium income or rich household own chainsaws, while the poor and destitute use axes adzes or even knives to cut trees. Some destitute household do not even have enough food to allow them to leave the village for long enough to enable them to cut down trees, as this takes several days. This means that the possibilities of poor and destitute households to earn a living from logging are severely restricted and often dependent on working as day labourers for other, more wealthy, villagers or outside businessmen.

*“As per my observation, I have seen that the poor and destitute receive very small income from their work of forest cutting, but traders or powerful men who work less, earn much more from this resource. The poor and destitute can only sell their labour to do the work of cutting wood or moving wood out of the forest. They have no money to buy material and those who can afford to buy axes still have no money for transporting and official fees on the way. They just cut wood to sell on spot very cheap”.* (Kombaar village, Commune Workshop, Siem Reap)

The poor and destitute often log and process timber in the forest and then sell it directly from the forest to better off villagers because of lack of transportation. These subsequently transport the logs to either saw mills or other markets for re-sale. The better off households can cut larger trees sold in the forest to timber traders for approximately 300,000 - 350,000 riels per cubic meter of wood. If they transport the logs to the market (for example Dam Dei in Siem Reap Province) they receive 450,000 – 500,000 riels per cubic meter of wood. Poor or destitute households working as loggers earn around 40,000 – 50,000 riels per cubic meter of wood.

*“There have been many people arriving here since 2001, outside people with chainsaws and sawmills started to come into this village for timber business. Big trucks have transported logs non-stop all year round in 2002, hundreds of ox-carts were sent from various areas of the upper villages to move logs from this place to Domdek, Siem Reap. Now as you see, it is quiet as there is no more good wood for their furniture”.* (Poor male FGD, Kombaar village, Siem Reap)

In the recent past, when forest resources were a lot more abundant than today, many villagers worked as loggers for outsiders who carried out large scale and systematic timber extraction, using local labour to carry out the work. In Sralau, powerful outsiders came to the area and hired many of the villagers to work for them paying between 5,000 and 3,000 riels per day. The wood would be transported out of the forest by truck and send directly to Kompong Thom provincial capital. Today there is little timber left and the forest is protected as a wildlife sanctuary.

### **Box 8: Logging in Sralau Village, Kompong Thom Province**

In the past, Sralau Village had forests that were full of big trees, but the villagers did not cut down those trees for sale or for building houses. In the Sangkum Reas Niyum period, strict laws were enacted to prohibit the people from logging. However, at the end of that period (1968-1969), illegal logging of big trees to build houses started. From 1970 to 1979 there were no loggers in the village. After the Pol Pot regime (1979), the villagers cleared the forest to make land for farming, and they logged big trees to build houses. From 1980 to 1990, the villagers cut down trees to exchange for milled rice. After collective farming was dissolved in 1983, the villagers cleared the forest for farming, and the people from nearby villages came to cut down trees as well. As a result, the forest in the village was converted to plantations and paddy fields.

After the 1993 elections, the people of wealth and authority (the villagers did not know where they were from) cut down Om Por forest. This is 30 km from the village and forms the border between Preah Vihear province and Kompong Thom province. These people hired men and women, aged 30 to 40, from Sralau Village to cut down the trees. Men, who were hired as loggers, earned 5,000 riels for one tree, while women who cleared the way for trucks to transport the logged wood, earned 3,000 riels per day. The people that sold their labour were from the medium, poor and destitute households. The medium and the poor households returned home every five days in order to take milled rice to eat. However the destitute did not return home because they got rice from the wood owners (their employers), which was deducted from their wages (the milled rice of the wood owner was very expensive). The villagers used axes to fell the trees and cutters to chop the branches off. The "wood owners" transported hundreds of trucks of logs to Kompong Thom province. The logging operations continued for one year. At present, the logging of that forest is prohibited. The forest was proclaimed as a wildlife sanctuary. Between 1997 and 1998 there remained only two to three loggers in the village who cut down the trees to get money to buy milled rice to eat.

In 2001, Sralau villagers changed their logging location to Prey Kompong Cham (Kompong Cham forest) which is 20 km away from the village. Now, about 20 percent of the villagers are loggers. Only the men cut down trees. The medium households log the trees on their own, while the poor work as labourers for the medium households. However, the destitute can not cut down trees because they have no pulling forces (cows and buffaloes) and no money for their food. There was much logging in Prey Kompong Cham since 2002, because the people in Ta Ork factory backed by high ranking or powerful people cut down trees and transported hundreds of carts of logs out of the forest. The villagers said that there was no ban on the logging activities of Ta Ork factory. The forest rangers seized the villagers' carts and charged them 10,000 riels per cart even if the villagers have permits. When the villagers did not pay, the forest rangers would keep the carts and the wood and threaten to slaughter the cows for meat and burn down the carts.

To log the forest, the villagers form a group of four to five members. They form a group because it is easy to lift the logged wood onto the carts, and they could help each other solve problems that may arise. The villagers could not sell the logs that they cut down to outside dealers from because the villagers could not transport their logs out of the forest since these are seized by the forest rangers. The remaining wood is given to the same villagers to build houses and to sell to the pagoda.

*(Sralau Village Report, Kompong Thom Province)*

In general, there are relatively large price differences between wood sold in the forest compared to the price that can be obtained in the markets. Timber cut into planks or boards for plywood and furniture is usually collected in the village by traders from larger towns such as Siem Reap town where there has been a substantial increase in hotel construction and demand for furniture. Usually, the poor and destitute gain a marginal benefit from these logging activities, because of the number of fees and bribes along the trade chain from the

forest gate to consumers in Siem Reap. The traders pass these costs onto the producers/villagers.

The logging of large trees is mainly done by men, while women are often responsible for firewood and other NTFP collection in the forest.

*“We earned only about less than 10,000 riels from a couple of days work by cutting wood. We have to look for wood, cut it, peel the bark and cut it in pieces as per client request, and then the buyer will move the logs from the forest by themselves. We could make money only when clients requested for wood and when we could find the right species for them. Life is hard as we don’t have equipments such as animals and ox-carts for transporting so we can make more money”. (Poor male FGD, Kombaar village, Siem Reap)*

#### **6.8.4. Collection of Non-Timber Forest Products**

Different kinds of non-timber forest products are used and marketed by most villagers. In Khla Kropeu village in Pursat, around 70 percent of all households collect vines used as rope or string. When vines are sold in the market villagers can earn 2,000-3,000 riels per day. Collection of other forest products such as bamboo shoots, fruits and vegetables and catching turtles, snakes and lizards are mostly carried out by poor and destitute households.

*“After the droughts damaged rice cultivation, we have started to collect wild vegetable, wildlife and firewood for household daily consumption. NTFPs can be earned as small amount of income for our livelihood activities”. (Poor women FGD, Khla Kropeu village, Pursat)*

In areas where special products, such as edible spiders, are found the better off households also involved in this form of NTFP collection, such as the case in Kombaar village in Siem Reap. In Santre village in Pursat, only the destitute collect wild vegetables in the forest, while medium income households also collect resin and Aloes wood<sup>39</sup> from the forest. Both of these resources are reported to have become increasingly rare due to logging and over-exploitation. The number of villagers that still collect resin have declined drastically, as resources have become scarce. Resin is sold in the local market and can earn an average daily income of around 3,000 riels.

*“There were some traders that came to buy non timber forestry products around 1998. Villagers collected cane, vine, resin, and sold to them. From 1999 they did not come again and NTFPs have been hard to find due to the destruction of the forest”. (Wood cutters FGD, Kombaar village, Siem Reap)*

Another forest product that has a special importance for the very poor and destitute is medicinal plants. Whereas better off households can afford to visit the local health centre or doctor when they get sick, people who are destitute often rely on traditional herbal medicines found in the forest. These medicines are collected from different plant parts and used for a huge variety of ailments.

<sup>39</sup> Also known as agarwood or eaglewood, aloes wood is the most expensive wood in the world. It is the occasional product of two to four genera in the family *Thymelaeaceae*, with *Aquilaria agallocha* and *Aquilaria malaccensis* the best known species. Formation of agarwood occurs in the trunk and roots of trees that have been infected by a fungus. As a response, the tree produces a resin high in volatile organic compounds that aids in suppressing or retarding fungal growth. While the unaffected wood of the tree is relatively light in colour, the resin dramatically increases the mass and density of the affected wood, changing its colour from pale beige to dark brown or black.

**Box 9: Bird Trapping in Srei Ronguet Village, Kompong Thom Province**

Trapping of birds is an important source of income for the poor and destitute households in Srei Ronguet. Forty families supplement their farming and fishing activities with bird trapping. Villagers report that they can earn 50,000 to 60,000 riels in ten days. Ten years ago, there were only 10 families involved in this activity for home consumption, but today commercial bird trapping has become an important occupation.

Before 2003, there were plenty of birds, but as more villagers and outsiders started to catch birds, they have become scarcer. Villagers are now travelling longer distances in order to find the birds. Before, the farthest places they went to trap birds was about 20 km away from the village. Since 2003, they have started going to Tonle Chhmar, the shared border of Kompong Thom and Siem Reap, in Staung district, 45 km away from the village. However, birds have also declined in number there. The birds include Khlom (Water Cock; *Gallicrex cinerea*), Man Teok (White Breasted Water Hen; *Amauronis Phoeicurus*), Taum (Purple Swamp Hen; *Porphyrio porphyrio*), Chhmar Dul, Kagnchang, and Kamping Daung.

They use traps and some poison. The use of poison has apparently declined due to awareness promotion programs and the warning from the commune chief during meetings in the village. He warned that "Anyone who uses poison will be punished." The use of traps by the Srei Ronguet villagers has not changed. The poor may have as many as 200 to 300 traps per family, while the destitute have only 100 to 150 traps per family. This occupation also requires loans. The poor trappers have to borrow money from medium households in the village at 15 percent interest per month to buy the equipment. The destitute have to borrow money with interest to buy the equipment and borrow rice from the poor for their family's food when they embark on the journey to trap birds. Bird trapping is carried out by men and they often travel as a group. When they are a group they can help each another in time of illness. If one person gets seriously ill, all of them would return home, bringing the sick person along. All the catch is sold at Staung Market, where the birds are to be distributed to Poi Pet, Siem Reap, Kompong Cham and Phnom Penh.

*(Srei Ronguet Village Report, Kompong Thom Province)*

## **6.9. Markets and Trade of Forest Products**

Villagers often market forest products, but they report frequent disputes with local authorities when transporting their products. The authorities seem to be systematically extracting informal fees from villagers when they transport wood from the forest to the market.

Although problems of corruption are frequently reported, many villagers transport wood and NTFPs to local markets for cash income. It is clear that the medium income or better off households are better equipped in terms of transportation and human resources to actually get their goods and products to the market and to negotiate a higher price. The better off households often invest the money earned from forest resources in livestock or for buying rice for consumption. The poor and destitute generally earn a much smaller profit due to a lack of transportation and weak bargaining position, and in most cases can only earn enough to buy rice or other food for immediate consumption. The poor and destitute rarely earn enough to make actual investments in livestock, transportation or other farm implements that could enable them to increase their production.

*"The price of logs in the forest is much lower than at the market. We sold the wood on the spot where we cut the tree down for 30,000 riel, if we could have brought that log to Kompong Kdei market then we could have sold it for 140,000 riel. As we don't have cow and ox-cart we have no possibility to get a better price". (Wood cutters FGD, Kombaar village, Siem Reap)*

The above discussion suggests that infrastructure development (i.e. roads) is now playing both positive and negative roles in terms of linking rural and urban markets, as well as providing entrepreneurs and migrants with improved information and mobility. In this sense, the renovation of National Road No. 6 between Phnom Penh, Kompong Cham, and Siem Reap and rural tertiary roads is stimulating increased rural trade from village to urban markets. As a result, rural traders are more easily and more efficiently able to meet the demands of the urban consumers.

Increased access to markets can also mean increased pressure on protected areas. For example, Sralau village (Kompong Thom) is located in Boeung Per Wildlife Sanctuary, which is under the jurisdiction of the Ministry of Environment. Villagers often go to the core zone of this protected area for logging. As reported above it is normal practice for villagers to engage in logging and there are hundreds of oxcarts in the area used to transport out logged timber. These timber resources support the demand from urban areas like Phnom Penh and Kompong Cham, where there has been an increase in house construction.

## **6.10. Access to Forest Resources**

In all forest villages, it was generally perceived that the availability of forest products are declining due to expansion of agriculture and demand for forest products by villagers and outsiders. Since 2000, there have been significant changes in the natural resource quality and in some places also to the access to these by the villagers.

### **6.10.1. Economic Land Concessions**

In Khla Kropeu, the villagers report that the number of people turning to forest resources for income has grown considerably since 2000 due to the dry weather that has been experienced the last 5 years. The number of wood collectors and loggers has also increased, and outsiders from other villages have started to cut down trees in this village. Thus, the remaining timber trees have been completely cleared. Presently, the forest consists of small trees used only for firewood and charcoal production. The forest resources have also been cleared by the Ratanak Visal Company to make space for commercial rice farming.

*“We can access to the forest to collect NTFPs such as bamboo shoot, mushroom and so on, but now the government have granted forestland to private company caused we could not collect those resources and the company diverse water source for our rice cultivation. The forest near the village will be cleared by the land concession company and we will have no chance to collect NTFPs there cause our livelihoods become to destitute”. (Informal FGD, Khla Kropeu village, Pursat)*

As poor people seem to rely most heavily on forest resources as a source of income and consumables, it follows that limitations of access to these resources have the largest impact on this group of people. It is clear from the village discussions that poor people rely on forests for food and income when they have no other resources, as the forest is their safety net. By limiting their access to forests and other natural resources, one is, in effect, excluding them from their very last resort for sustaining their fragile livelihood.

**Box 10: Concessions and Local Access to Resources: 3,000 Hectares of Farmland Controlled by a Land Concession Company in Pursat**

In 1998, a land concession company invested in 3,000 ha of farmland in three communes in Pursat. The concession included six ha of farmland for rice shifting cultivation by six families. Other villagers living near the concession lost areas that they traditionally used to graze their cattle in, collect vines and firewood and hunt animals. Representatives of the company said that any cattle entering the concession would be killed. Several cases were reported where cattle were confiscated and the owner was required to pay damages to the concession's representatives in the amount of 30,000 to 40,000 riels per animal. The villagers reported these disputes to the village chief. The village chief sent the complaint to the commune authorities, who sent the case to the provincial authorities. Even though the case was sent to the provincial level, nothing happened. One family left the village due to this dispute.

Even though the land was allocated to the concession in 1998, no activities were done on the land and the concession was sold to a new owner. The villagers said that the boundary of the concession overlapped about 150 ha with the area of the village. Besides earthworks and levelling of land formerly used by villagers, the company also raised a dike for a water reservoir. As a consequence, the water supplying the villagers fields were cut off. The villagers' cattle have nothing to drink and they have no water for their rice fields. The villagers reported this issue to the commune authorities, but so far, there has been no solution. The villagers complained that:

"Every one is the same. During parliamentary elections, they came ten times a day to beg the villagers to vote for their party. After they won the election, no one seems to appear to help solve the problem of the villagers, as they promised during their campaign."

The company employed a lot of people. But the villagers did not dare to apply for work with the company because they filed a legal case against the company. Workers were paid only 80,000 riels per month, which is not enough to cover for family expenses. The wage was too small compared to what they can earn from collecting bamboo shoots and firewood. So, they were not really concerned that they could not get jobs with the company.

*(Village Report, Pursat Province)*

### **6.10.2. Community Forestry**

Community forestry activities have slowly expanded in rural areas as a local response to the declining access to forest resources. An example of community forestry was found in Bankong Khmom Village, Pursat province. The community forestry was established seven years ago in an area of highly degraded forest, and villagers report that so far benefits from community forests have been limited to collection of NTFPs. The collection of NTFPs from community forestry areas, however, is mainly by the poor and destitute community forestry members, who depend on subsistence use of NTFPs to maintain their livelihoods.

Even though the establishment of community forestry seems to have improved poor people's access to NTFPs from forests, poor people also reported of problems related to their community forestry activities. A main problem was that poor people often have problems paying membership fees and don't have time to attend meetings because they are busy doing other work. Poor community forestry members also report that they don't understand the rules and laws related to community forestry. Another major problem reported by all villagers was that, in the current management situation, local forest managers are only able to resolve small conflicts within the village. When powerful outsiders such as the military intrude their community forests, they can not do much. In such cases, they rely completely on a supporting NGO to assist them in resolving their case.

**Box 11: Community Forestry in Bankorng Khmom Village**

Bangkorng Khmom Community Forestry covering 299 ha and was established by 141 members in 1999 with the support from Concern Worldwide. Within the village, around 50 percent of the villagers are poor and destitute of which 10 percent have no land for rice cultivation. These families rely highly on natural resources to support their living by digging yam, collecting vines, bamboo shoot, mushroom, wild fruit, and hunting wildlife.

Main reasons for local people to establish community forestry was to secure future access to forest resources in terms of NTFPs and timber for house construction. The area allocated for CF was highly degraded and after 7 years, the members have still only benefited from collection of non-timber forest products. The collection of NTFPs from community forests, however, is mainly for subsistence use by the poor and destitute community forestry members. Sometimes, they also collect products for sale and they can earn between 500 and 5,000 riels a day. Some poor community forest members also involved in patrolling for which they are paid 3,000 riels a day.

Community members report of problems with poor families not being able to pay membership fees as well as conflicts over community forest use with outsiders. In 2003, when neighbouring villagers came and cleared the CF area, they managed to resolve the conflict by reporting to the district authority and environmental office to make them intervene. In another situation where the same conflict arose with soldiers from the military, the community could not resolve the problem. Only when Concern Worldwide intervened and complained to the local authority, the conflicts was resolved.

The majority of poor, destitute and widow headed households report that they do not clearly understand the process for benefit sharing or community forestry regulations. They only know that the CFMC will provide them wood or timber for building houses because they paid 1000 riels per year. Since the forest not has been able to provide any timber benefits yet, it is still unknown how much poor people actually will manage to benefit from the more valuable timber production in the future.

Since the establishment of community forestry, the trees within the community forest area have become more abundant, and villagers report that they are able to collect more NTFPs from the area. On the other hand, a main livelihood activity for 90 percent of villagers is palm juice production for which they need firewood. Firewood collection is prohibited from the community forest, and currently firewood is collected from the nearby state forest at highly unsustainable rates. A main question is what will happen to the community forest once the surrounding forest resources get depleted.

*(Case Study, Bankorng Khmom Village, Pursat Province)*

**6.11. Changes in Forest Resources: Effects and Adaptation**

As evident from the many discussions and testimonies from villagers, there have been significant changes in the natural resource base of all the villagers mentioned in this section. In general, forest resources have been severely degraded during the last two decades and this degradation has affected the livelihood strategies of the villagers in a number of ways.

Khla Kropou village represents an interesting and representative example of how changes in forest resources have affected the villager's lives and how they have adapted in response.



**Box 12: Deforestation in Khla Kropeu Village, Pursat**

Following the Pol Pot regime (1979 to 1980), Khla Kropeu village still had thick forests containing wild animals and high quality trees. The ponds and lakes were rich in plants and aquatic animals such as fish, crocodiles, crabs, frogs, spiders, bamboo shoots and edible plants. People never lacked food. From 1980 to 1990, Vietnamese soldiers entered Khla Kropeu and made a camp in the forest on Tapang Mountain. They cut all of the high quality timber trees in the mountains and they transported these to Vietnam. The logging by Vietnamese soldiers lasted for 10 years (1980-1990). Consequently, the mountain was deforested, and the big wild animals were killed or they could have migrated to safer habitats.

Because of deforestation, the villagers lost large amounts of quality wood and wild animals. The remaining forests that were not cut down by Vietnamese soldiers were still being cut by outsiders and by the villagers. They also hunted the remaining wild animals still living in the forest for food and for sale.

In the past, Prey Mountain also had thick forests like Tapang Mountain. Starting in 1997, villagers, outsiders and high-ranking people from other areas deforested this mountain. When logging started, there was no authority controlling the forest or banning illegal activities. So, the forest of Prey Mountain was severely deforested and only a fraction was left by the year 2000.

Between 2000 and 2005, people in the village earned little from rice cultivation because of the severe droughts. As a result, many villagers and outsiders went into the forest to cut trees and collect firewood for sale. The numbers of woodcutters increased. Villagers from Krokarak district of Pursat province came to cut down the remaining trees in this village. The rest of the forests were cleared by a private company for rice farming. At present, the forests only have small trees which can only be used for firewood or charcoal production. The ponds and lakes in the village that once had plenty of water, plants and aquatic animals have become dry; many of the animals have died.

*(Khla Kropeu Village Report, Pursat Province)*

## **6.12. Fishery Resources**

For a large number of people in Cambodia, fisheries is a main livelihood activity, supplying most of their daily needs for food and functions as a source of cash income, either through labour, direct fishing or other fishery related activities. The section focuses on villages whose inhabitants are primarily dependent on fishery. This does not mean that other villagers, who may have agriculture as their main occupation, do not fish, but only that focus here will be given to villages, such as the floating villages on the Tonle Sap. The villages that are the focus of this section are:

- Preaek Sramaoch Village, Kompong Khleing Commune, Soth Nikum District, Siem Reap Province,
- Treay Village, Po Treay Commune, Puok District, Siem Reap Province;
- Dey Roneat Village, Me Tuk Commune, Bakan District, Pursat Province;
- Koah Ta Pov Village, Phat Soday Commune, Kompong Svay District, Kompong Thom Province; and
- Pechacrei Village, Peam Bang Commune, Staung District, Kompong Thom Province.

All of these villages are located around the Tonle Sap Lake and some of them are actual floating villages, while others are located in land areas that become seasonally flooded.

### 6.13. Historical Development and Changes

All the fishing villages were heavily affected by the military action between the Khmer Rouge and the Lon Nol regime between 1970 and 1975. During this period most Vietnamese people living in the area left and went to Vietnam in order to escape the war. After 5 years of war between the Lon Nol Government and Khmer Rouge, the villagers were re-located in 1975 at the beginning of the Khmer Rouge regime.

In the years just after the fall off the Khmer rouge (1979-1981), the villagers that lived in these villages started to return to their old homes. Upon returning, most people found very little left after a decade of war and destruction, and most villagers had to start from scratch, rebuilding houses as well as boats and fishing equipment.

*“We returned to our village soon after Pol Pot regime has been overthrown. At that time, there were only about 50 – 60 households and we just collected fishing gears and boat which were left by Khmer Rouge for living. For security purpose, we built floating house so that we could move easily to escape when any fighting happened”. (FGD, Treay village, Siem Reap)*

Eventually the villages, as they are known today became re-established, and slowly the number of households has grown via immigration and natural growth. Now most of the villages have 100-300 households.

### 6.14. Use and Management of Fishery Resources by the Poor

The livelihoods of the villagers living around Tonle Sap are very diverse and include a number of activities that are not directly related to fisheries, though the main occupation is fishing. In the following we will present the results of discussion with villagers on their use of resources and the relation between this use and the dynamics of poverty.

*“Most of our villagers make living by fishing, only a few households who are in rich well ranking do not fish but they make business by trading fish and provide credit to the poor. Fishing gear has been used in different sizes according to the living standard and what each household can afford to purchase”. (Male FGD, Treay village, Siem Reap)*

#### 6.14.1. Fishing

Fishing in the Tonle Sap Lake and surrounding lakes and streams is a natural source of food for consumption and cash income to the villages surrounding Tonle Sap. Though all income categories rely on fishing, there are significant differences in the way these categories use and manage resources. The structure is very clear and is found in all the villages included in this study.

*“We have faced serious problems during low tide between March and May as the area for fishing become very small and we do not have modern fishing gear to catch fish. Then the fish yield was not enough to fill our daily need. We have to borrow money from business people or fish traders in the village for food and pay them back when we have fish at a cheaper price. We have problems when our children get sick and we have no money to pay for the treatment”. (Poor/destitute women FGD, Treay village, Siem Reap)*

The effectiveness of fishing depends to a large degree on the equipment and methods used to catch fish, and on where and how large an area one is capable and allowed to utilise. As fishing tools and implements, such as boats, nets and traps are relatively expensive, an important division between the different income categories is their ability to purchase equipment, either through cash transactions, loans or credit by borrowing equipment in return of selling back their catch to the creditor at a reduced price (See below Section 6.16 on credit in fisheries).

*"You cannot compare the equipment of the rich and the poor, it is totally different. Just by looking at our boats you can see the difference. We only have small rowing boats, they have powerful engine boats. We borrow money from fish traders or shop vendors to buy small traditional fishing gear such as fish hooks, net or materials to make bamboo vertical cylinder traps (Lob, Leur, Lorn...). The rich can afford to buy big modern fishing gear with their own money". (Fishing FGD, Treay village, Siem Reap)*

The poor and destitute generally have less and smaller fishing implements than the medium income and rich households, though in some villages, the rich are predominantly involved in other activities than fishing such as retail shops, money lending or other trade.

The ownership of boats and boat engines is another very important difference between the destitute, poor, medium income and rich households. The destitute villagers generally do not have boats or if they have, only poor quality rowing boats. They also use the simplest and least productive fishery equipment, such as gill nets and hooks. The second income category, the poor, usually do not have engine boats as well, but tend to have more and better equipment such as cylinder traps and bush bundle traps.

*"In my family, my husband fish by using hooks and my two daughters fish by using Leur (bamboo cylinder trap) and net. We earn about 5,000 – 10,000 riels per day in January to May and in June to December only 1,000 – 2,000 riels per day". (Individual interview with poor household, Treay village, Siem Reap)*

Apart from carrying out small-scale, and predominantly subsistence fishing, many destitute take jobs in fishing for the better off households earning 2,000 - 4,000 riels per day.

#### **6.14.2. Fish rearing**

Fish rearing has become an important source of income for many households as the stock of natural fish catches have drastically declined (at least on a per households basis) during the last five years. In general the destitute are excluded from this activity as they have no cash resources or credit opportunities needed for investment.

*"The village is dried up during dry season. The poor and destitute are not able to rear fish as we have no money and we have no pond, only some of medium well being ranking can do this". (Poor female FGD, Preaek Sramaoch village, Siem Reap)*

The poor families, engaged in fish rearing usually catch fish fry in the wild and keep them in cages under their house where they can easily feed and protect the fish. The poor households also catch the fodder for fish rearing themselves, using small fish, rice and other easily obtained resources as feed. Medium income and rich households usually buy the fish fry as well as feed, and generally operate larger rearing operations than the poor.

Most people engaged in fish rearing need to borrow money. Lending is usually done by private households within the village at a stunning 8 percent interest rate per month, especially for the poor who have little by way of collateral.

#### **6.15. Alternative livelihood strategies**

Although fishing is the predominant income earner, the fishing villagers report a large variety in alternative income opportunities used by different income groups in order to diversify and supplement the income and production from fishery. Medium income and rich households are often engaged in more capital intensive investments such as business, money lending, large scale fish rearing, pig rearing and even crocodile rearing.

The poor and destitute do not have the possibilities for investment and are thus forced to engage in smaller scale activities with little or no capital investment requirements. The destitute households are most commonly engaged in simple unskilled wage labour as for

example establishment of trellis, other fishing activities or cargo hauling. This very heavy work earns them 5,000 - 10,000 riels per day. Other destitute households supplement their subsistence fishing by collection clams, herbs, vegetables, crabs and other natural products in the flooded forest area.

*“We don’t have fishing gear so we go to work at Kompong Khhlaing to carry bags and cargo such as fish, bean, salt,... compare to 5 years ago, it is very hard with the employment now as there are too many people from other places like Siem Reap, Phnom Penh coming to sell their labour here as well....In this village children from 14 years old can sell their labour. A widow sent her daughter of 9 years old to collect beans and earn 1000 – 2000 riels per day”. (Boat-less labourers FGD, Preaek Sramaoch village, Siem Reap)*

The alternative occupations chosen or possible by the destitute villagers depends to a large degree of the opportunities available, In some areas near towns there are better possibilities for employment as cargo loaders, and in others there may be better flooded forest resources where forest products can be collected to supplement their livelihoods.

### **Box 13: Alternative Livelihood Strategies of Destitute Households in Preaek Sramaoch**

Most of the destitute households depend almost entirely on selling labour. These people don’t have much access to natural resources like the medium and the poor households because they don’t have enough fishing gear such as rowing boats, motorboats, or gillnets. The most important occupation of these people is loading trucks—these people will go to work at Kompong Khhlaing in groups of five to 10; and they will return home in the evening. The work includes carrying sacks of beans, fermented fish paste, clams, ice, and other groceries. The payment varies with the goods: they charge 500 riels for a sack of beans; 300 riels for a bar of ice; 400 riels for a sack of Chi fish; and 1,000 riels for a sack of fermented fish paste. They earn from 5,000 to 8,000 riels per day for these jobs.

Besides cargo loading, most destitute people go fishing. However, they use only gillnets to fish, not hooks. The reason is that they don’t have money to buy bait. During the rainy season, when they want go fishing, they have to rent boats costing 1,000 riel/day. Others will swim or use 30 litre-water containers as boats and ride on them to place the gillnets. Those who do not have boats or other means of water transport place gillnets near their houses. Through this, they can earn 2,000 to 4,000 riels per day.

Sometimes, destitute households will sell labour for cleaning and repairing bamboo trellises or big bamboo vertical cylinder traps, picking beans, and making hammocks. Sometimes, they will cut water grasses and water lilies or pick *Snafu* flowers to sell.

Another occupation for the destitute and poor is firewood collection. However, only 30 percent among those collecting firewood consider this to be very important for their livelihood because they depend on this only occasionally. Firewood is collected during the dry season; and people chop down only dead wood. Firewood collectors do not chop down living trees as they are aware of the benefits of the flooded forest to their lives and to the fish’s lives. According to the informal interview, most people who collect firewood collection are the poor and the destitute. The medium don’t do this, but sometimes they collect some for their families, but usually, they buy the firewood from the poor or destitute.

Usually, these destitute people face financial difficulties during April to August because they are not able to fish because of the receding water level. As a result, some of them reduce their daily expenses; others take loans from the village creditors, and the others buy rice for consumption from the grocery on credit, while few of them have to get by on handouts from their neighbours.

*(Destitute households, Preaek Sramaoch Village, Siem Reap Province)*

In some cases destitute households let their children (down to 7 year of age) take wage labour as well to support the family. Children (mostly boys) are employed in a number of different activities such a cutting wood for making bush bundle traps, removing fish traps from the water. The children often go and live and serve the families they work for and earn between 20,000 and 100,000 riels per month. Needless to say, there is little opportunity for these children to attend school.

In case of unexpected emergency situations, when the poor or destitute households experience shocks such as illness or sudden loss or confiscation of fishing implements equipment, they have to lend money from the better off households. In general, it seems that borrowing money is connected to a lot of shame, and many poor villagers report of being cursed and reproached when asking for help or loans. It is always the women who have to ask for loans, as the men seem to feel too ashamed. Repayment can take place in cash or by selling their catch of fish a pre-set lower price to the moneylender.

*"Each year, my children were fined 1 – 3 times by fishery controllers for catching fish in the closed season. Each time we had to pay 10,000 – 50,000 riel. If we didn't have money to pay, they confiscated our gear, so we had to borrow from money lender and the interest is 10 percent per month". (Individual interview with poor household, Treay village, Siem Reap)*

## **6.16. Markets, Trade and Credit: Fishery Sector**

Access to markets and trade of fish plays a determining role in the distribution of profits, and the trade seems to function on a complicated network of middlemen within the village and traders, as well as relying heavily on fixed prices as re-payment of loans and credits. The widespread system of paying of credit by selling to the creditor at a fixed lower price seems to be a key to the low earnings obtained by many of the poor and destitute households, who are forced to rent fishing equipment just to carry out fishing in the first place.

### **6.16.1. Access to Credit**

Credit arrangements, mostly private and informal play a crucial role in the dynamics of the livelihoods of all villagers, but it seems that the poor and destitute are generally those being capitalised upon by those better off. The role that credit plays in the PPA fishing villages is also discussed in Chapter 8.

As mentioned above, a small scale credit market is often functioning within the village. These transactions are usually in terms of food or small amounts of cash, that poor or destitute household borrow from better of neighbours in order to cover their most basic needs. These small scale loans are paid back either by working for the creditor or by cash, usually at a very high interest rate. A family that borrows 10,000 riels one day, may be asked to pay back 11,000 the next, and subsequently add 1,000 riels to the debt per day. Though these may seem as small amounts, they represent a significant amount to destitute households living below the poverty line.

A much more significant and widespread form of credit system is related to a system of "fish client" or fish traders. As most villagers, but particularly the destitute are often unable to obtain loans from official sources they are forced to borrow money or fishing implements from these "fish clients". "Fish clients" are usually fish traders or middlemen within or outside the village.

The transaction with poor and destitute household can be made either in cash or in terms of borrowing fishing gear. Most often the repayment is carried out by selling the catch to the creditor at a fixed price, set by the creditor at a significantly lower price than the market price. Depending on the kind of fish, the amount and how long the debt has been outstanding, the deficit compared to market price may vary from 100 to 700 riels per kilo of fish. In some cases

middlemen or "clients" promote illegal fishing techniques, such as the use of electro-fishing gear and pumps for drying out small lakes, by supplying poor or destitute households with these instruments for free, in return of getting to buy the catch from the fishermen at a lower-than-average price. This is a very destructive practice, capitalising on poor peoples need for subsistence income and on their legally protected right to access to common resources.

*"When we have fish we have to sell to our creditors at 100 – 200 riels lower than normal price, as we got money from them for buying fishing gear and food. Even when we go fishing far away in the lake and stay there for months, the creditors follow us in order to buy our fish. If we sell to others they will sue us to pay back the loan or take back our fishing gear". (Fishing FGD, Treay village, Siem Reap).*

Also in the unofficial credit market there are significant differences in the possibilities to obtain credit between the different income categories. The better off households often have no problem obtaining relatively large sums of money (up to 2,000,000 riel), while the poor and the destitute report of much more difficulties, and some may not be allowed to loan money, if they are considered too poor and therefore not able to repay the debt.

**Box 14: Credit Arrangements for Different Income Categories in Pechacrei Village, Kompong Thom Province**

It is easy for the medium households to borrow money from and interact with the rich because they have relatively substantial property such as rowing boats and engine-driven boats. This enables them to borrow 1,000,000 to 2,000,000 riels per household, but they have to sell back their catch to the creditors at 100 riels lower per kilo than market price. The husbands and wives in all medium households consult each other before making any decisions, because they have an equal say. Mostly, the husbands go to ask for the investment with their wives' encouragement.

The poor households can only borrow 100,000 to 200,000 riels for investing in gill nets and they have to sell their fish to the creditors at 100 to 700 riels lower than market price per kilogram. In order to be allowed the loan the creditor will assess their personality, honesty, work force and property. If they sell their catch back to the creditors immediately after they receive the loan, they only have to sell at 100 riels lower than normal price per kilogram. But in case of the prolonged debt, they have to sell it at between 100 riels and 700 riels lower than market price. The poor who the creditors do not trust do not receive any loans. The poor Vietnamese households can also borrow money from the creditors and are subject to the same conditions as the poor Khmer households. The decision to borrow money is mostly made jointly by the husband and wife. Sometimes, the women are the ones who borrow money, with their husbands' encouragement; because the husbands are ashamed to borrow money. In some Vietnamese households, it is the husband who borrows money without consulting their wives. Most Vietnamese households do not ask for credit to invest in fishing gear. They normally consult with each other and go to buy fishing gear, especially gill net, at Kompong Luong on credit lasting 1 to 2 months. The price is 5,000 riels higher for the 100-meter gill nets when bought on credit. If they cannot repay the debt, they will not be allowed to buy on credit again.

All the destitute households who earn their livelihood by fishing find it difficult to receive credit in the form of money or gill nets from fish buyers. The reason reported is that they do not have much property to make the creditors feel confident in them and some of them gamble, lack good physical strength, are in poor health and have little available work force. In general, those who are physically strong, well-behaved and hard-working can borrow or receive credit or gill nets worth 50,000 to 100,000 riels per household. Before borrowing money, they always consult with each other since they have an equal say. In general, they sell back to the creditors at 100 to 700 riels lower than the market price. The longer they are in debt, the lower price they will get from the creditors.

Those who borrow money to temporarily deal with daily living can get 1,000 to 5,000 riels and they have to work for the creditors to repay the debt. So far, there have been debtors who have accumulated debts of 50,000 to 100,000 riel; amounts that they are unlikely to be able to repay (Pechacrei Village Report, Kompong Thom Province)

In Preaek Sramaoch village, the villagers report that they also take loans from ACLEDA bank. The granting of these loans is only given to households who can provide some kind of collateral in form of boats, fishing implements or land. Poor and destitute households with little or no belongings are not eligible for taking loans this way, and are thus forced to use the private credit system, often at much higher interest rates. ACLEDA bank loans are charged at 4 percent per month in interest rate, corresponding to an annual rate of interest of 60 percent. Villagers applying for the loans also have to get a signed recommendation from the village or commune chief; a service for which they are charged an informal "commission" of 10 percent of the total loan to the village chief and 5 percent to the commune chief.

*"Some of the poor households who have rich relatives to guaranty can borrow money from ACLEDA. To get this money they have to put mortgage such as house, motorboat... with signature of village chief... for the destitute is not able to borrow". (Poor female FGD, Preaek Sramaoch village, Siem Reap)*

Interest rates on private loans varies a lot and is difficult to calculate in the case of paying back loans by selling fish catch back to the creditor at a fixed lower price. Interest rates on cash loans have been reported to be as high as 2 percent per day, corresponding to 137,640 percent per year. These astronomic interest rates are only applied to small very short term loans, but it still gives an indication of the cost of credit at local level. For larger, longer term loans, a less, but still exorbitant interest rate of 6 to 10 percent per month is applied, corresponding to 100 – 214 percent per year.

### **6.16.2. Trade and Marketing**

The sale and marketing of fish in all villages is closely related to the credit market as outlined above. As most villagers need credit to carry out fishing, and credit is usually obtained from fish traders or "clients" and the repayment of loans most often take the form of reselling to the creditor at a fixed, lower than average, price, the market relations are heavily controlled by a few, wealthy and powerful stakeholders.

*"Fish has been sent to the market in Siem Reap by fish traders in the village and from the district town. Domdek. Villagers just sell to them as they have no means to bring fish to the market". (Poor fishers FGD, Preaek Sramaoch village, Siem Reap)*

Most villagers sell most of their surplus catch to traders or middlemen who can be from their own village or from outside. The prices of fish are usually aligned with those at the wholesale markets in nearby towns, except in the cases where there is a creditor-debtor relation between the buyer and the seller, which is more often so than not. Villagers most often sell their fish unprocessed directly to the middlemen others dry or smoke fish for re-sale.

#### **Box 15: Fish Trading and Smoked Fish Processing in Pechacrei Village, Kompong Thom**

In the village, there are five wholesale buyers of fish. Four of them are financiers who buy directly from fisher folk who borrow nets and gears from them. One owns a fishing lot and he buys from fisher folk who fish in his area. The four buyers usually pay the wholesale market price of fish but when they buy from their debtors, they pay less than the market price. The price they pay in the village always fluctuates in response to the market price at Kompong Loung. The fishing lot owner has a set price of 700 to 1,000 riels per kg for the 1st class quality of fish, 200 riels per kg for the 2nd class and 100 riels per kg for the 3rd class quality. The fish is sold at wholesale prices in Kompong Loung or transported to Phnom Penh. Fish traders use telephones or two-way radios to get information on prices and receive orders from buyers.

Five years ago, most fishing families in the village earned additional income by making smoked fish. Today, fewer people are engaged in this activity, mainly the poor or destitute households. Buyers from Pursat province come to buy the smoked fish in the village.

*(FGD in Pechacrei Village, Kompong Thom Province)*

It seems to be a general trend that the competition in the fish market is increasing as many villages report of decreasing production. Also the number of buyers that come to the villages to buy fish is increasing. In Dey Roneat village, the villagers have stopped processing their fish themselves because it is easy for them to sell their catch and that it is therefore not necessary for them to carry out processing.

### **6.17. Access to Fishing Resources: After the Fishery Reform**

Prior to the fishery reform of late 2000; there were substantial conflicts over fish resources between lot owners and local people and between lot owners and rice farmers over the utilisation of flood plains for fisheries and agriculture and fishing rights. The PPA study suggests that the villagers from some fishing villages benefited from the fishery reform in late 2000. For example, some household livelihoods in Preaek Sramaoch fishing village in Siem Reap improved because they were able to obtain credit with which to upgrade their fishing gear and access better quality fishing areas. Some of these better off households that use modern fishing equipment employ people from worse off households, as well as seasonal migrants from outside the village. Since the fishery reforms were effectuated, some people from other villages have also been able to access larger fishing areas during the dry season and earn more income as well as process more fish for home consumption.

*“Since the community fishery has been formed, only the rich and medium households are able to earn more as they have capital to invest, as we are poor we are not able to gain from this reform, we feel that we have bigger space for fishing, but we get less”. (Poor female FGD, Treay village, Siem Reap)*

The PPA study suggests that the distribution of benefits among villagers is uneven. In general, the worse off households from the fishing villages received less benefit from the fishery reform because of barriers to accessing formal and informal credit. In contrast to the poor and the destitute, those better off in the village have better access to credit, which enables them to upgrade fishing gear and thus benefit more from the increase in access to common property fishing grounds.

#### **6.17.1. Commercial Fishing Lot Conflicts**

Even though the fishing reform has changed the opportunities for many people, there are still a number of issues that affect villagers. In the case study below, it is clear from the villager's reports that they are not entirely satisfied with the function of the fishery reforms and the distribution of access to and rights over resources.



**Box 16: Commercial Fishing Lots and Local Access to Resources: The Case of Koah Ta Pov**

The main occupation of the Koah Ta Pov villagers is fishing. Since the village is on the boundary of a fishing lot (Fishing Lot Number Two), the villagers have little opportunity to fish within and near the area of the fishing lot during the open season (October- May). In the open season, the villagers are not only prohibited from catching fish in the boundary of the fishing lot, but also prohibited to drive their boats across the boundary. In the open season, the villagers can use big fishing gear such as gillnets and hooks to catch fish in the fishing areas which are not within the boundary of the fishing lot. If they use modern fishing instruments such as Loblok, hand-dragged seine nets and push-engine nets, they are required to pay money to the authorities.

During the closed season, the villagers can catch fish in the fishing lot using small scale equipment, such as less than 20m length gillnets, hook rods, scoop nets, plunged buckets and horizontal bamboo cylinders. The villagers complained that they can not catch enough fish to feed their households using these instruments and that they are banned from using large scale fishing equipment outside the boundary of the fishing lot during the closed season. So the villagers are prohibited from fishing within the fishing lot in the open season and further limitations are put on them by the authorities in the closed season. Some public fishing areas are open for them, but they report that they are very far from the Koah Ta Pov village: 30 to- 40 km from the village. The destitute households are most affected by this because their boats are small and have no engines.

In the open season, the villagers can use big fishing gear such as gillnets and hooks to catch fish in the fishing areas which are not within the boundary of the fishing lot; if they use modern fishing instruments such as Loblok, hand-dragged seine nets and push-engine nets, they are required to pay money to the authorities.

Due to the fishery reforms, part of the fishing lot was allocated for the people to use. For instance, in fishing lot number 2, one part was given to the people (public use) while the other part remained under the commercial fishing lot (private management). However, the villagers complained that they did not receive any benefits from their part of the fishing lot because it dries up during dry season and so they cannot catch fish there.

*(Koah Ta Pov Village Report, Kompong Thom Province)*

### **6.17.2. Community Fisheries**

The concept of a community fishery as an official form of management is relatively new to Cambodia, and with recent growth in the number of community fisheries in the absence of any relevant sub-decrees passed by the Council of Ministries, there is confusion in terms of the direction and objective of this approach. Under the current Fisheries Law, commercial fishery, aquaculture and fish processing needs official government permission. Small-scale family fishing for subsistence purposes only is allowed without permission.

In 2000, the fisheries sector underwent a reform in order to reduce the number of conflicts and improve the access to fishery resources by small-scale fishermen. The government allocated over 56 percent of the then existing commercial fishing lot areas to local communities.

Even though the process of establishing community fisheries in the Tonle Sap region is well under way, a number of related legal, managerial and structural problems remain as serious obstacles. An issue which seems to be recurrent in several locations is the fact that areas released to local communities are often degraded areas and the less productive fishing grounds. This naturally affects the income generating possibilities and capacity of local communities to effectively manage their resources.

The discussions with local villagers suggest that the community fisheries may benefit local communities, but also that the benefits are neither equitably managed nor distributed. Such problems involve many factors. For example, the fast growth of community fishery has led to problems of participation of local people in the local election process. Community fisheries also involve many villages that have historically utilised the fishing grounds as common resources under traditional arrangements. Usually, each village in the fishery community nominated representative villagers to vote for community fishery leaders and committees. This is an indirect election process and only partly represents the voices of the villagers, and as a result the leaders may not always be transparent and accountable to all community members. The leaders of the community fishery areas are reported to allow outsiders with illegal fishing gear to fish within the community areas and collect fees that are not transferred to the community account. Some also allow the use of illegal fishing methods such as electro-fishing, if they are paid "commissions". Other villages report that their access to fishing has declined due to the establishment of community fisheries, because of disputes over borders of neighbouring community fisheries, and lack of management of the areas that were supposed to be used for the fishing of local communities. Also communities that do not live close to the fishing grounds report to have been left out of the process and subsequently denied access to the new community fisheries.

#### **Box 17: Po Treay Community Fishery, Siem Reap**

Formed in 2001, this community fishing area covers 5,151 ha. It includes of 15 villages and 1,960 households in Treay, Mukbain, Sarsarsdom and Prey Chruk communes. During these last four years, the poor and the medium households perceived that the creation of Po Treay fishing community did not benefit the people. They said that the community fishery was formed only for the sake of forming one since the organization did not provide prior notice or have a discussion with people prior to doing something. One case is the sale of the Prek Mekong fishing zone to a rich community member. This fishing zone was fenced off by bamboo trellis and people were not allowed to fish there. Beside this, people can only fish in an area at least 100 m from the fishing zone. The community committee said that the sale of this fishing zone had the consent of the people. When people learned about this, they reported this to the commune council in order to stop the sale and to pull out the bamboo trellis fence. The community fishery was not able to resolve the cases of the illegal use of electro-fishing gears and the pumping of water out from the low flooded forest to catch fish because the persons, who are supposed to combat these illegal activities, committed these acts themselves. Some rich and the medium households perceived that they had enjoyed a lot of benefits from the creation of the community fishery because they could collude with authorized persons to use the fishing zone.

*(Fishing FGD in Treay Village, Siem Reap Province)*

Fishing areas released for "open-access" have mostly benefited better off households, outsiders, fishery officers, powerful officials and the military. Poor and destitute households have not been able to benefit from these resources in the same way. Capital resources are key factors in increasing fishing effort and paying fees.<sup>40</sup> Usually the better off fishermen can upgrade and modernize their fishing gear. Some of these fishermen do not comply with Fishery Law in order to harvest fish with illegal fishing gear, and pay bribes to technical institutions like the Department of Fishery and the staff of the Ministry of Environment. Police, military police, soldiers and others also collect informal fees from the fishermen. Worse off households rarely benefit from open access fishing areas, because they lack capital investment for fishing gear, and cannot afford bribes and the general operating costs. Furthermore, because they have only small, insecure boats, they worry about storms that prevent them from fishing in open-access areas far from their villages. However, in some areas, the better off villagers/fish traders loaned out illegal fishing gear like electric shock

<sup>40</sup> Fees are paid to the staff of the fishery unit and to the military.

gear to poor fishermen and in return, the fish catch is shared. Although this may benefit the poor fishermen, the sustainability of such practices is highly questionable.

*"One villager has seen a group of people using electro fishing gear and reported it to the commune police. The police caught and fined those 100,000 – 1,000,000 riels according to the standard of living of the criminal. Afterwards they sold the electro fishing gear to get money for their own pocket or ordered their own people to use the illegal gear for fishing". (Fishing FGD, Treay village, Siem Reap)*

In addition to lack of accountability and transparency, the community fishery itself is a barrier to the worse off households and to outsiders who depend on fish as the major source of income. Traditionally, some worse off households from Balang village in Kompong Cham fish in the Tone Sap Lake to supplement their incomes. Most of them are landless. But the rules of the community fishery prohibited them entering the fishing areas because they could not afford to pay the fees to the community fishery. In response to this, they turned to alternative jobs that were often dangerous, such as collecting unexploded bombs.

### **6.18. Changes in Resources: Effects and Adaptation**

The reports of decline in the fishing resources are abundant and consistent within all villages. All discussions have revealed great concern about the rapid decline in the quantity of fish available and the dwindling number of species found in the Tonle Sap Lake.

All households report of a decrease in catch, or a need to increase their fishing intensity dramatically in order to sustain previous catch rates. The decline in fish resources is commonly attributed to a drastic increase in the number of fishermen, as well as intensification in fishing techniques and rampant use of illegal and destructive fishing methods such as electro-fishing, use of poison to "herd" fish into fish traps and use of very large nets with very small mesh sizes.

#### **Box 18: Decline in Fish and Flooded Forests in Treay Village, Siem Reap**

Treay village is characterized by flooded forests, grasslands, lakes, rivers, canals, fisheries and many kinds of animals. These natural resources have dramatically decreased in the last five years. This happened because the fishery community has no ability to implement its rules. They do not have enough financial support and motorboats for patrolling and dealing with offences. Since the community has poor administration, some of its members have tried to take advantage of offenders by asking them for bribes instead of trying to stop them.

In the past, fish output was very high. But, now it has decreased. The main factors causing this decline are the increase in the number of fishermen, the practice of pumping water out of lakes to catch fish, the use of electro-fishing gear and the use of several kinds of modern fishing gears such as push engine net, pair trawl, fish net made of mosquito net, brush parks, and arrow shaped bamboo fence traps with horizontal cylinder traps with barraging bamboo trellis. Many of these activities are illegal.

After the government eliminated fishing lot N°2 in 2001, the flooded forest has almost disappeared because many people from Puok district, Kralagn, Nokor Thom, and Chikreng came to catch fish and animals. During these last two years (2004-2005), thousands of people come to the village by ox-carts and by trucks. In 2004, the number of private trucks was only 30, but they have increased to 80 this year (2005). The trucks transport people from the villages to the public fishing zone in Tonle Sap River. Then, they transport firewood and fish back to their villages. Thousands of people enter into the forest to hunt animals and pump out water from lakes in order to catch fish.

*(Treay Village Report, Siem Reap)*

In Po Treay village, it was reported that the area of flooded forest have been severely degraded and diminished by an influx of outsiders cutting wood and carrying out hunting

during the last years.. Furthermore the illegal practice of creating brush parks from tree branches have put severe pressure of forests resources, as well as blocking up the waterways. Subsequent banning of cutting tree branches for creating brush parks had people use water convolvulus in stead, which has been found to block the waterways even further and reduce the water quality in large areas.

In general observation from the villages is that people not only report of less fish available, but also that they use more time fishing and that the intensity of their fishing activities, such as the size and amount of fishing gear, is increasing proportionally.

### **6.19. Summary**

The interaction between income, wellbeing and natural resources is extremely complex and many different factors play important and defining roles in how well a household is doing, in terms of productivity and food security. From the above analysis of the relation between the use of natural resources and poverty it seems that the two main issues concerns access to natural resources and ownership of or access to production factors, such as equipment or draughts power. Other contributing factors of great importance are access to credit and health issues, which play a decisive role for the household's ability to withstand household "shocks" as well as its possibility to acquire productive assets and use their resources efficiently.

In relation to the general use and exploitation of natural resources it is also clear that the turmoil of war during the Khmer Rouge regime destroyed traditional village structure and land use arrangements. This resulted in increased pressure on natural resources from the expansion of agricultural land, but, more importantly from outside commercial interests, often connected to military or powerful urban elites basically grapping what was/is available in an open access environment such as forests, where little law enforcement seems to be implemented at local level. This "grab what you can" attitude have resulted in severe and rapid degradation of natural resources, including forests, land and fisheries, now affecting the poorest of the poor directly as they struggle to survive in an ever more competitive society.



**Part III.**  
**Responding to**  
**Poverty:**  
**Livelihood**  
**Strategies of the**  
**Poor and the Role of**  
**Local Governance**

*David Wharton*



## **PART III.**

### **Responding to Poverty: Livelihood Strategies of the Poor and the Role of Local Governance**

Part III comprises four chapters (6, 7, 8, and 9). Chapters 6-8 each examine more closely a thematic area drawn from the earlier parts of the report, with a focus on the livelihood strategies of the poor, how they adapt to change, and their coping strategies for threats or shocks to their well-being. The three interrelated themes are natural resource management, migration, and credit. Chapter 9 then looks at the role that local governance plays in poverty reduction in the Tonle Sap region. This chapter draws largely on the proceeding chapters to discuss how local institutions of governance impact the livelihoods and well-being of the poor and the destitute. Each chapter makes extensive use of case studies and quotes from focus group discussions to present the views of the poor, and the findings are disaggregated according to gender as well as livelihood and level of well-being. The analysis covers historical trends and changes, factors influencing movement in and out of poverty, and the socio-economic impact of the dramatic ongoing changes to the complex natural resource-based livelihood system in the Tonle Sap region.

The overall picture is one of increasing pressure on rural livelihoods from outside commercial interests and inequitable management of declining natural resources. The shocks that most rural households face means that it is virtually impossible for the poor to move out of poverty on a sustainable basis as their rates of savings and accumulation are eroded as quickly as they are formed. At the same time, the evidence suggests that the adverse credit relations currently in operation rarely play a role in moving poor people out of poverty and in fact can accelerate the process of downward mobility. The outlook is one of increased vulnerability as the poor struggle to survive in an ever more competitive society, and continued demographic de-stabilisation of the countryside as those who are able seek work outside their villages. While local governance institutions such as the commune councils are able to provide useful services in some areas (e.g., rural roads), these institutions lack the capacity to resolve conflicts between local people and powerful outside interests over access to and control over natural resources. Local governance institutions also frequently are not able to resolve cases involving youth violence, although there is evidence of some progress in cases involving domestic violence when such institutions collaborate with civil society organizations.

Chapter 6 presents the voices of the poor on natural resource management and livelihood strategies, and portrays how the livelihoods of the poor are oriented towards and dependent on these resources. It presents the viewpoint of the rural poor in assessing the dynamics of their livelihoods, their movement in and out of poverty and of the natural environment in which they live, and it analyses the responses of the poor as they adapt to changing conditions. The chapter also describes the poor's knowledge and understanding of key government policies and development strategies, their mode of implementation, the perceived effects of these policies on their access to and control of natural resource endowments and on their livelihoods. It then draws out the needs and priorities as voiced by poor and the changes they would like to see in these policies and strategies. This leads to an analysis of the role of natural resource assets, policies and strategies on the mobility of the poor along the socio-economic well-being ladder and across the livelihood categories.



There is a general trend in all villages that the poor, in increasing numbers, are selling off their land in order to raise resources in case of routine natural calamities such as droughts, floods, disease, death or other severe stress situations within their household or their immediate environment. The process of losing land is complex, but the most common way involves families not being able to pay back debts without resorting to sale of land. Furthermore, the absence of a reliable and affordable credit system has created a very insecure and extremely expensive market for credit. These factors contribute to tying the poorest villagers down in what could be characterised as 'debt slavery,' where debtors have to work at below minimum wages in order to pay off private creditors.

Poor families are mostly in rice deficiency for up to six months of the year, while destitute households in most cases of the landless have no rice of their own, or only for one or two months a year. These families buy or barter rice from better off households within the village. Testimonies from the study underline the immense importance of common property resources to the poorest groups with little or no land or other agricultural resources. Poor and destitute households rely to a very significant extent on natural resources for their day to day livelihoods, through a diversified range of commercial and subsistence related activities, such as logging, firewood collection, and marketing of other forest products. Forests are often mentioned as an important safety net for people experiencing catastrophic changes in their lives, such as severe disease or death in the family, natural calamities such as droughts, floods, financial defaults such as severe debt or other issues that in serious ways inflict on the households ability to sustain their livelihoods. The legal and regulatory frameworks for management of forest resources are still relatively incomplete and poorly implemented on the ground. As a result, the power that local authorities wield, mainly through the collection of informal fees, fines, royalties and bribes, plays a decisive role in the lives of villagers who are increasingly dependent upon these resources.

The effectiveness of fishing as a main livelihood activity depends to a large degree on the equipment and methods used to catch fish, and on where and how large an area one is capable and allowed to utilise. As fishing tools and implements are relatively expensive, there is a significant division between the different income categories in their ability to purchase equipment, either through cash transactions, loans or credit by borrowing equipment in return of selling back their catch to the creditor at a reduced price. Access to markets and trade of fish plays a determining role in the distribution of profits, and the trade functions on a complicated network of middlemen within the village and traders, as well as relying heavily on fixed prices as re-payment of loans and credits. The widespread system of paying credit by selling to the creditor at a fixed lower price seems to be a key to the low earnings obtained by many of the poor and destitute households, who are forced to rent fishing equipment to pursue this livelihood.

The study suggests that villagers from some fishing villages benefited from the fishery reform in late 2000, but that the distribution of benefits among villagers is uneven, with the worse off households impeded because of barriers to accessing credit required to upgrade fishing gear. Likewise, discussions with local villagers suggest that the community fisheries may benefit local communities, but also that the benefits are neither equitably managed nor distributed. There is a very poor level of information on people's rights and responsibilities, and an extensive system of illegal rent seeking by government officials at local level, who implement the regulations as a source of private income by extorting the villagers at any given opportunity. Reports of decline in fishing resources, in both quantity and in number of species, are frequent and consistent within all villages. This is commonly attributed to a drastic increase in the number of fishermen, as well as intensification in fishing techniques and rampant use of illegal and destructive fishing methods.

Due to natural resource depletion, environmental degradation and stagnant agricultural productivity, the poor are resorting to alternative means of livelihoods. Chapter 7 examines

the nature and structure of both domestic and cross-border migration from the Tonle Sap region: reasons for migration, the type of work engaged in, seasonalities, wages and working conditions, processes, risks and security problems, and the socio-economic impact, especially for the poor. As a means of satisfying livelihoods, migration is a relatively new phenomenon that has increased significantly over the last 5-10 years. Out-migration has been concentrated in the agricultural and agro-fisheries areas, initially spurred on by push factors like floods and drought, and later sustained by demand exerted by garments factories, tourism and construction, and agricultural work in other provinces and across the border. Fisheries resources seem to be enough for the time being to keep people from out-migration – and to begin to attract seasonal in-migration – but this is unlikely to be sustainable. Cross-border demand for unskilled labour has also increased, particularly in Thailand and more recently, in Malaysia. The overall picture is one of increasing stress in the face of diminishing livelihoods that is forcing people to explore alternative work opportunities both within and outside the country.

Local livelihood and employment conditions are the main determinants of migration, suggesting that push factors are currently more important in the migration decision. A high population growth rate, low productivity in agriculture, a series of crop failures from drought and floods over 2000-05, a growing landless underclass in the rural areas and the rapid decline of natural resources, have generated acute pressures on young people to move out in search of work. While the immediate ‘cause’ of migration is floods or drought in many cases, the underlying cause is poverty and growing inequality. This is shown by the nature of the migrants themselves who typically tend to be poor. Medium income individuals also migrate, particularly to Phnom Penh (e.g., garments sector), while the destitute would like to migrate but are constrained by lack of access to credit and poor social networks. At the same time, the rapid growth of industry, particularly of ready-made garments, growth in tourism and construction, as well as a general trend towards a private market-led economy have all generated large-scale labour demand, facilitated by an expanding communication and road network and a better flow of information. The risks associated with migration can be severe. This is especially true for cross-border migration, which is often illegal or quasi-legal, but can also be significant for domestic migration. These risks relate to both migrants and their families left behind, and children of migrants face several kinds of uncertainties and disadvantages. Given the poverty level of migrants and the high costs of migration, the credit market plays a vital role in the migration process.

The outlook for the Tonle Sap region is further acceleration in migration. The impact on the poorest, however, is likely to be modest unless their ability to respond to labour opportunities can be raised. They are constrained by lack of credit worthiness as well as skills, and find themselves left behind in low productivity work in the village, while those who are more ‘capable’ have left for ‘greener pastures.’ At the same time, local level resources and livelihoods are likely to remain depressed in the absence of a comprehensive government policy to raise agricultural productivity and create a much more effective, pro-poor resource management regime. The medium term outlook is thus one of continued demographic destabilisation of the countryside as able-bodied young men and women desert village after village, while the old and the very young, along with the destitute, are left behind to tend the farms.

Chapter 8 explores the role that credit plays in rural livelihoods in the Tonle Sap region. It examines the nature, availability, type and structure of rural credit systems, and provides detailed examples from a selection of livelihood types. Economic activity and exchange in the Tonle Sap region is based on a complex natural resource-based livelihood system that is fragile, prone to weather and man-made shocks and subject to rapidly changing parameters that govern access to resources and livelihoods. Natural resources are declining rapidly, and market forces have begun to make deep inroads as a subsistence system

undergoes a process of integration with the rest of the economy. It is within this backdrop that the existing and emerging supply-demand and market conditions for credit needs to be seen.

The rural credit scenario in the Tonle Sap region is also complex and is in a state of flux. A large number and variety of credit market operations are to be seen, segmented by borrowers and lenders, kind of credit (e.g. cash-cash or cash-kind), terms of repayment, activities and uses. The demand for credit stems from livelihood issues and varies greatly across socio-economic classes. The rich and medium tend to use loans for productive purposes to expand their business or trade, while the poor and destitute have a chronic need for consumption credit or credit to cope with 'non-random' shocks that most rural households are almost certain to face over the duration of their normal life. As a result of such shocks, it becomes virtually impossible for the poor to move out of poverty on a sustainable basis as their rates of savings and accumulation are eroded away as quickly as they are formed. A principal focus of this chapter is to explore whether credit transactions serve to address issues of risk and vulnerability or actually serve to accentuate the problem of poverty.

The evidence suggests that credit rarely plays a role in moving poor people out of poverty and that it can accelerate the process of downward mobility, referred to here as an "asymmetric effect". It is commonly believed that provision of cheaper credit by formal institutions serves to reduce, if not eliminate, usurious credit arrangements that frequently charge very high, 'exploitative' rates of interest. However, while penetration of formal credit systems in the Tonle Sap region is impressive, with reports of activity from the majority of villages, their role remains marginal, with significant market shares reported from only a few, better-off villages. The main reason is the relative flexibility of informal sector loans, where renegotiation is always possible and call-back of collateral is a matter of last resort, making informal loans much more attractive, even with higher interest rates. At the same time, the limited experiment with CBO savings-credit in the Tonle Sap has generally been characterised by poor management, fund-leakage, and failure. Frequently, poor households will pledge their own labour or even that of their dependents (e.g., children) for access to informal consumption loans. Such demand for non-productive or non-revenue generating credit has led to the emergence of highly exploitative and adverse credit relations with rich and medium households as well as traders. In general, the governance system with regard to natural resources or law and order, militate against the interest and well-being of the under-class, and serve to consolidate the power and influence of the rich. For many, the response has been to literally run away to Phnom Penh (e.g., garments, construction) or to/across the border, sometimes in hot pursuit by creditors.

Chapter 9 discusses the role of local governance institutions in poverty reduction based on the experiences and perceptions of the poor and the destitute in the Tonle Sap region. The chapter also presents the perceptions of local government officials as relevant. Despite some important indications of positive change, albeit limited, in certain areas such as infrastructure development and health care provision, the general impression is that the poor and the very poor are routinely excluded from decision making processes and have little or no opportunities for the redress of grievances and conflicts. The lack of real opportunities for participation and redress is disempowering and contributes to a widening schism between the poor and the governance institutions that are expected to serve them and their interests on an equal basis. The result is growing distrust between citizens and public institutions, which in turn undermines the institutional foundation of upon which good governance rests. In this sense, there is a general perception that the poor and the destitute tend to actively avoid government institutions whenever possible. They prefer to rely on civil society organizations and/or social networks with whom they feel more secure and safe. While such involvement with civil society and reliance on social networks is entirely appropriate, the fact that government institutions are perceived as part of the problem, rather than the solution, is in the medium to long term problematic.

The design and oversight of public policy is generally the prerogative of the national government, while the implementation and enforcement of public policy is often a matter of local governance institutions, either acting on their own or in collaboration with civil society organizations. In the Tonle Sap region, the gap between policy intentions and implementation outcomes appears to be widening, especially in terms of natural resource management and public service delivery. One reason for this is that the policy feedback mechanisms in which the poor could have a greater voice are weak or generally unresponsive to their needs. The implementation and enforcement of various policies and programmes is also undermined by the fact that local officials are routinely confronted with conflicting policy objectives, inadequate information, scarce resources, ambiguous lines of authority and jurisdictions, and a sometimes uncooperative citizenry. They are often poorly managed by distant supervisors, frequently under pressure from powerful local elites and higher officials for special favours and services, and always poorly paid.



# Chapter 7: Domestic and Cross-Border Migration from the Tonle Sap

*K.A.S. Murshid*



## Chapter 7: Domestic and Cross-Border Migration from the Tonle Sap

### 7.1. Introduction

Internal and cross-border population movements are generally associated with civil turbulence or large-scale violence. Thus, Cambodia witnessed massive demographic movements during the Khmer Rouge and post-Khmer Rouge periods, which resulted in resettlement of large groups of people in both urban and rural areas. This process continued until the late 1990s, when the last of the Khmer Rouge-controlled areas were liberated.<sup>41</sup>

As the violence-induced population movements eased, new forces emerged that have created a new wave of migration out of the rural areas into the cities and across international borders, primarily to Thailand. These forces include rapid growth of industry, particularly of ready-made garments, growth in tourism and construction and a general trend towards a private market-led economy and integration with regional and world markets. These forces have generated large-scale labour demand, facilitated by an expanding communication and road network and a better flow of information.

Cross-border demand for unskilled labour has also increased, particularly in Thailand and, more recently, in Malaysia. The cross-border labour market, however, operates within an illegal or quasi-legal environment despite considerable relaxation of border controls, the legalisation of border trade and the return to normality in the border zones with Thailand (Murshid and Tout 2005).<sup>42</sup> The more recent trend towards migration to Malaysia has been spearheaded by the Khmer-Muslim community, and is likely to expand significantly in the future, although migration to Malaysia is taking place largely illegally, via Thailand.

Improved communications, the restoration of law and order and the re-introduction of market forces have laid the basis for product and labour flows within the country as well as across the border. A high population growth rate, low productivity in agriculture, a series of crop failures from drought and floods during 2000–05, a growing landless under-class in the rural areas and the rapid decline of natural resources, especially timber and fish, and the gradual elimination of traditional rights to natural resources have generated acute pressures on young people to leave their villages in search of work. People migrate seasonally or for longer periods, moving to construction, timber extraction and fishing sites as well as to urban factories. A large number of migrants also move seasonally in pursuit of agricultural work. Both men and women migrate, with domestic migration being more popular for women than men and cross-border migration being taken up by men much more frequently.

Migration has therefore emerged as an important source of family income, and in some areas it comes third in order of importance, after agriculture and fisheries. As a result, within a period of four to five years, there has been a rapid change in the rural labour market that has profound implications for poverty, well-being and gender relations through the impact on wages, earnings and employment.

Local livelihood and employment conditions are the main determinants of migration, suggesting that push factors are more important in the migration decision. This is the reason that very little migration is seen from the fishing villages where fish are still abundant.

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<sup>41</sup> See the appendix for the high rate of population destabilisation experienced in Cambodia.

<sup>42</sup> The official stance of the Thai government changed dramatically with the announcement of the policy of “from battlefields to markets” with regard to Cambodia in the early 2000s, replacing the security and containment policies of the earlier era.



Indeed, these areas attract seasonal migrants from other areas of the country. On the other hand, villages where livelihoods have been eroded have experienced a large outflow of young men and women in search of work in other provinces, cities and countries, often under conditions of enormous risk and insecurity.

This chapter reviews the PPA data on 24 villages to examine the nature and structure of migration and to answer questions such as who migrates (rich, poor, men, women), reasons for migration, the type of activities and work engaged in, wages and working conditions, processes, risks and security problems and impact. Section 2 reviews the recent trends in migration, while Section 3 identifies some of the more important factors that prompt people to migrate. Section 4 looks at the activities and seasonalities concerning both domestic and cross-border migration, while Section 5 outlines the actual process. Section 6 examines the some of the security issues associated with migration, along with working conditions and the situation regarding women and children. Section 7 discusses the socio-economic impact of migration. Section 8 then concludes the chapter with a summary of the more salient points along with policy recommendation.

## **7.2. Trends in Migration**

### ***Agriculture***

Migration as a means of meeting livelihood needs is a relatively new phenomenon in Cambodia and the Tonle Sap region. For example, a report from Srei Ronguet observes:

*"Migrating to sell labour has been a growing occupation over the past 10 years. The occupation now is a bit different from in the past. It has become the third main occupation for the villagers, after farming and fishing, because they can earn fairly considerable income from it. Nowadays, there are 80 families earning their living outside the village, of which six regard this as their main source of livelihood. Ten years ago, there were only 25 families earning their living from migration." (Srei Ronguet Village Report, Kompong Thom)*

During the early days in this village, labour deployment was confined to transplanting and harvesting rice in and around the village, because Khmer Rouge soldiers were still active in the area and roads were barely passable. Workers now travel as far as the Cambodia-Thailand border, Thailand and even Malaysia. The experience of another agricultural village was as follows:

*"In the last five years, about 50 families went to Thailand for work. They went there with help from relatives living in Banteay Meanchey who informed them about work opportunities. In only half a month, this information spread throughout the village, and as a result, around 50 families left home to look for work in Thailand." These people included the medium income, the poor and the destitute, but not the rich." (Pou Village Report, Kompong Thom)*

Similarly in Roka village, word about work opportunities in Thailand was initially spread by one man who had a relative working in the Cambodia-Thailand border region.

*"That person came to Roka to tell his friends that there is work in Thailand, and that the wages were good—100 to 160 baht per day. The first year [2000], five people went to work in a rice mill in Thailand, paying the brokerage fee of 300,000 riels. In 2005, their number increased to 19—all the migrants were men." (Roka Village Report, Siem Reap)*

Domestic migration, interestingly, has declined in recent years in Roka.

*"In 2000, 60 female and male villagers left the village to work in construction in Siem Reap. Of these, 10 were from medium households, 15 from poor households and 35 from destitute households. In 2005, only 20 villagers went to work in*

*construction, six of whom were women—two from poor households and four from destitute households.” (Roka Village Report, Siem Reap)*

In 2000, many Roka villagers went to work as construction workers because at the time there was a drought, and there was much construction activity going on in Siem Reap. In 2005, there was enough work available locally. Potential migrants weighed the pros and cons and decided to stay rather than go, especially since many had been cheated of their wages in Siem Reap. Only a few villagers now venture out to work in the Siem Reap construction sites.

Generally, however, most villages in this category have reported a significant rise in emigration to work in cities (e.g. garments and construction), other provinces, the border areas and Thailand. Malaysia as a migration destination has also been reported, and is likely to increase in importance in the future.

### **7.2.1. Agriculture-Fisheries**

People from Plov Luong village started to leave home as construction workers in 2003 with the help of fellow villagers who had relatives working in Phnom Penh. The typical process seems to be to call these relatives to find out about work opportunities. These contacts play a crucial facilitating role. Thus, in 2003, six persons left home to find work in Phnom Penh. They all stayed in the house of the contact person and were provided with free food and accommodation until they were able to find work and pay for these services. The majority of construction workers are men earning 6000 riels per day.

In 2005, the construction workers moved to Siem Reap, which was experiencing a huge construction boom. A total of 60 people from 60 households went from the village to Siem Reap, the majority being poor and a few destitute. Six people moved with all their household members. Similarly, seven persons from poor households left Plov Luong village in 2000 to work in garment factories in Phnom Penh. This figure rose to 24 in 2005. The process of finding work was similar to that for the construction workers.

Villagers in Kompong Thkoul began in 2004 to move out of their village to fish because of depleted stocks and smaller catches, as well as being lured by stories of abundance in other areas. During fishing excursions, a number of hurdles must be crossed, such as payment to seven different authorities: economic police, military police, environmental officers, officers in charge of public order, police stationed in a particular area, fisheries unit authorities and department authorities. A payment of 100,000 riels per boat must be made.

During the last two or three years, the number of labourers in Samraong village increased dramatically—from 20 to 80 households due to unemployment and declining earnings from other sources. For example, they are no longer able to cut firewood because the forest community has forbidden this, or they cannot fish freely because the fishing area has been leased. In addition, the fishing lot owner has arbitrarily expanded his lot size, worsening the problem of access for common people.

Migration has become very important for villagers in Basaet over the last five years due to worsening employment conditions and poor harvests:

*“In 1978–79, a Khmer-Muslim villager fled to Malaysia via refugee camps in Thailand. She had lost contact with her family but somehow managed to re-establish contact in 2000. At this time the village suffered from heavy flooding. She became concerned about her family when she heard the news and encouraged them to go to Malaysia, where work was plentiful. This information interested her family very much and later it spread throughout the village. From this time, many people began travelling to Malaysia for work.” (Individual household interview, Basaet village, Battambang)*

During the first phase 80 people (all Muslims) went to work in Malaysia. However, only those who had relatives living in Malaysia and who were from medium households were able to go, because they could pay for the passports and meet other costs. Many people from this village also travel to Thailand for work, but they tend to be poor or destitute, with little land of their own. These migrations began in 1993, but have accelerated in recent years, entire households, including small children, sometimes migrating:

*"Over the last five years, the number of people migrating to other areas, including cross-border migration, has increased remarkably. Little work is available within the village, especially since the floods of 2000, forcing people to look for livelihoods elsewhere." (Individual household interview, Basaet village, Battambang)*

### **7.2.2. Agriculture-Forests**

In the past, villagers in Khla Krapeu never ventured out to sell labour because the village was remote and communication was difficult. From 2000 to 2003, the villagers faced acute food shortages due to drought, forcing them to migrate, especially to Thailand but also to Poipet, Phnom Penh, the Oral Mountains and the Tonle Sap river.

#### **Selling Labour in Thailand**

Five years ago, Khla Krapeu villagers never ventured into Thailand. But in August 2004, after hearing from people who had worked there in the past, a group of three men (two from poor households and one from a destitute household), along with other villagers, went to Thailand to sell labour. The three men were responsible for their daily expenditures (food, accommodation, transportation) and payment of 300 baht in advance to the broker. During their search for work in Thailand, the men were caught by the Thai police and sent back home.

Migration is also a recent activity for villagers of Santre. The reason they used to prefer staying home was that they were afraid of being cheated or trafficked. Because of drought for five consecutive years during 2000–04, however, they followed the example of neighbouring villagers to move out in search of livelihoods.

#### **Sale of Labour in Battambang Province**

Five years ago, no one from the village went to sell labour in this province. The large crop losses because of the four-year drought pushed many villagers out of the village. In 2003, a single woman left to be a servant at a house in Battambang, earning 50,000 riels per month. Her aunt living in Battambang province brought her to work there. She was a destitute. The owner of the house pays for food, medical treatment for slight illnesses and fairly cheap clothes. If she fell seriously ill, she would be sent back to the village.

At around the same time, some women from the village succeeded in making inroads into the Phnom Penh garments labour market:

*"Five years ago no villagers went to work there. In 2003–04 six single women from the poor and destitute groups migrated to Phnom Penh. The female migrant workers went to Phnom Penh to work as domestic servants and garment factory workers. Their relatives in Phnom Penh came to take them. Those who work as domestic servants earn 50,000 riels per month, and the house owners are responsible for their food, medical treatment and security. Three single women, one each from the rich, medium and poor households, went to work in Phnom Penh garment factories in 2005, earning \$40 per month. They went into the factory through their relatives, who informed them that factory work was available." (Young female FGD, Santre village, Pursat)*

A significant number of Basaet villagers are also employed in the marble mines in a nearby district. Five years ago, around 30 percent of villagers worked in the marble mines; today this proportion has risen to 50 percent. The workers are all men from the poor and destitute households, and the wages are according to the weight of marble at the rate of 120,000 riels per tonne.

Until about 1995, Sralau villagers worked only in and around their village in forest clearing and related activities. Once the forests were cleared, people had to start looking beyond the village for work, eventually linking up with areas like Phnom Penh and Siem Reap, and even moving across the border. In 1999 about 10 percent of Sralau villagers, both men and women, went out of the village to work. In 2002, the Sen River flooded the village, destroying the rice crop. This forced many to leave: the proportion of villagers going out to work increased to about 50 percent, including medium income, poor and destitute individuals, some of them crossing into Thailand for the first time.

In sum, emigration is rising rapidly, initially spurred by push factors like floods and drought, and later sustained by demand exerted by garment factories, tourism, construction and agricultural work in other provinces and across the border. The factors underlying migration decisions are explored further below.

### 7.3. Factors

The decision to migrate is clearly based on livelihood needs. For example, reports from Balang village suggest that most people go out to work in garment factories or construction sites because they are no longer able to make a living within the village. This is a recurring theme from almost all villages that experience emigration:

*“In 2000, many Roka villagers went to work in construction because at the time there was a drought. At the same time, there was much construction work going on [in Siem Reap]. In 2005, only 20 villagers went out to work, not because work was not available in construction but because the villagers could find work locally (‘make a living by pounding rice and selling labour’). Unlike in the construction sites, they are paid immediately when they work for local employers, while construction workers are sometimes cheated of their wages by the foremen.” (Roka Village Report, Siem Reap)*

While the immediate cause of migration in many cases is floods or drought, the underlying cause is poverty and growing inequality. This is shown by the nature of the migrants themselves, who typically tend to be poor. People from medium-income households also migrate, particularly to the garment sector in Phnom Penh, while the destitute would like to migrate, but are constrained by lack of access to credit and poor social networks.

*“The destitute will go to some nearby village and work as labour sellers. Usually, they will sell their labour in transplanting rice seedlings and harvesting, clearing the land and raising dykes, hunting rats and finding small fresh water clams, as well as digging soil to find bullets and bomb fragments. These people don’t have any money or they can’t get work outside the village, because they don’t have any relatives or know someone at the workplace.” (Balang Village Report, Kompong Cham)*

More broadly, the dynamics of poverty and inequality are related to changing property rights or property relations, the nature of resource extraction, alienation of the poor from rights to resources and an increasingly volatile land market (See Chapter 8). Some scattered evidence obtained by the PPA is adduced below.

### **7.3.1. Property Issues**

- In Samraong village, the fish lot owner has not limited his operations to his leased area but has arbitrarily expanded the lot size, depriving villagers of even subsistence fishing;
- New regulations have restricted access to fisheries. Thus, fishing is normally conducted during the "closed" fishing season between August and September, exposing the fishers to exploitation. Local authorities will frequently confiscate their fishing gear and impose hefty fines between 10,000 and 50,000 riels, leading to indebtedness.
- Fishing along the bank of the Tonle Sap River must be done 500 metres from fishing lots. Fishing lot owners do not want fishers near their lots. Many post warnings of fines for encroaching.
- Similarly, access to forest resources has become even more restricted, while the traditional method of land acquisition through clearing has virtually ceased.
- The land market has become active due to speculation, especially in Siem Reap, exacerbated by rapidly declining farm size due to population growth.

### **7.3.2. Poverty**

- The Basaet villagers who go to Thailand to sell labour are of poor and destitute living standards; the poor have very little farmland and the destitute have none.
- People who migrate to Malaysia are usually from the medium households and work in factories (garments, electronics, glass).
- Tuol Ta Thon respondents said, "If the villagers face natural disaster again, migration will increase further because otherwise they would die due to lack of livelihoods".

The most frequent migrants are the poor, followed by the medium. The destitute suffer from severe capacity constraints that restrict their ability to migrate.

## **7.4. Activities and Seasonalities**

Livelihoods in the Tonle Sap region are derived from numerous activities. Domestic migrants are both seasonal and permanent, although seasonal migration is by far the most common. Cross-border migrants tend to be away for longer periods, sometimes years rather than months.

### **7.4.1. Domestic Migration**

Migrants are attracted to different destinations and kinds of work. Thus, there are fishermen who will move to distant locations for several months lured by stories of rich fish resources, while agricultural workers will travel to other provinces to harvest rice, work in plantations, grow beans and other crops or work in poultry or animal raising. The best paid options, however, are to go to work in construction (mainly men) or to garment factories (mainly women).

*Agricultural Villages.* Around 80 percent of villagers in Pou go to work seasonally in Banteay Meanchey province bordering Thailand, to harvest rice and beans as well as clearing forests or land. Generally, they work for two to three months beginning in October. Those who own farmland back in the village will return there to harvest their rice, while the landless will work as labourers in the rice fields. Around 20 percent of all migrants work in Phnom Penh as construction workers (men), garment factory workers and household servants (women). Only 10 percent go to Kompong Cham province to work in rubber plantations or

bean fields, growing corn and sesame or in transplanting and harvesting dry season and rainy season rice.

Similarly, villagers from Tomprong migrate to sell labour in rice fields and plantations in Battambang and Siem Reap. They also migrate to work as construction workers in Phnom Penh and Mondolkiri. The destitute from Balang village will go to nearby areas and work in rice fields transplanting rice seedlings, harvesting paddy, clearing land, building dykes, hunting rats and collecting aquatic animals. They have no money and few connections and are unable to find work in the cities or other provinces.

*Agricultural-Fishing Villages.* Villagers from Plov Luong began migrating in 2003, to work in construction. In 2005, these workers shifted to Siem Reap, which was experiencing enormous expansion due to the rapid growth of tourism. There were 60 households that went to work in construction, most being poor and a few destitute. A few people migrated with their families.

Samraong villagers report going out to work mainly in agricultural activities and land clearance. Approximately 50 to 60 people each year go outside the village to work. In addition, villagers work in fishing lots and in garment factories.

*“About 20 of the poor and the destitute households go to work at fishing lot numbers 5 and 8. These workers are men aged 15 or above who have some skills (diving, dragging hand seine nets, setting poles and weaving bamboo trellis [a mat made by fastening together several long flat pieces of bamboo or wood that can be rolled up and down]). About 20 young women and men work in Kompong Chhnang province and Phnom Penh city as garment workers. A few of them are from the medium households, while the rest are from the poor. The destitute cannot afford to work there because they are illiterate and don’t have any money for travelling, bribes and required documents. Most of the medium households don’t let their children do such work because they have many alternatives available in the village.” (Samraong Village Report, Kompong Chhnang)*

Villagers from Tuol Ta Thon also migrate seasonally, in January–April, July–August and October–December, for periods of one or two months each time. Their migration pattern is designed to complement transplanting and harvesting work in the village. Many migrants are indebted to fellow villagers, having taken cash-for-labour loans (see Chapter 8), and need to repay these through harvesting or transplanting rice. A few households have been reported to have migrated permanently, and their names are no longer included in the village list. Most seasonal migrants travel in groups and work on a contract basis rather than for daily wages.

In villages throughout the agricultural and agriculture-fishing belt in the Tonle Sap region, a steady movement to cities has been noticed, centring on garments and construction, as well as to other provinces for agricultural work.

*Fishing Villages.* As indicated above, emigration from the fishing villages is not common. When people do move to other areas, they do so in search of fish. Thus, around 30 villagers in Treay move to Prek Toal and the Tonle Sap River (fishing lot No. 2 of Battambang province) twice a year, for a month to a month and a half each time. They go there in January–May and August–September. They usually travel in groups. The distance between their village and the fishing location is 35–40 km.

*Agro-Forests/Forests.* Considerable seasonal demand for agricultural work has been reported from many areas:

*“In December, there were 50 to 60 villagers from Khla Krapeu, both men and women, who were transported by landowners to Bavel district in Battambang province to work in rice harvesting. Therefore, they did not need to spend money on transport. The landowner also provided three meals per day to the labourers”.*

*(Khla Krapeu Village Report, Pursat)*

Villagers from Khla Krapeu also reported that a total of 13 men and women had migrated to Phnom Penh to work in brick kilns and garment factories.

Santre villagers traditionally did not sell labour outside the village or in faraway places. They sold labour in transplanting, harvesting and land preparation for rice cultivation within the village. Recently, however, six women were reported to have migrated to the border area working on farms. This may well prove to be the beginning of a larger flow of migrants from the village, depending on the reports received from these six.

No one in Sralau has worked in a garment factory or as a construction worker in Phnom Penh, because villagers fear their children will be trafficked. In addition, as many as 80 percent of the young men and women do not know how to read and write well enough to work in garment factories. In Poipet near the Cambodia-Thailand border, migrants work as domestic servants or waiters in restaurants, as small traders, in casinos, in carrying, transport and fish processing and trading. There are 10 villagers from Sralau working in the casinos in Poipet.

A variety of activities have been reported from the following areas frequented by, among others, people from around the region.

- Laem (in Battambang province): Domestic help (cooking food and washing clothes).
- Teuk Pus (in Pailin): Harvesting sugar cane and plantation work.
- Saksork (in Pailin): Work in plantations and rice fields.
- Samlout: Carrying or transporting timber.
- Phnom Penh: Waiters and garment factory work (four or five villagers).
- Kompong Cham: Plantation work (weeding grass, picking beans).
- Digging for marble on Thmor Keo Mountain, Phnom Kravanh district

*"Around 50 percent of Santre villagers go to sell labour in the marble mines of Thmor Keo Mountain. The migrants are groups of poor and destitute men (seven to 10 men in a group) who are paid by weight of marble excavated, at the rate of 120,000 riels per tonne (which they are able to get in two days)". (Santre Village Report, Pursat)*

#### **7.4.2. Cross-Border Migration**

Since most migrants are poor and unskilled, they typically work in farms, plantations, construction sites, poultry raising, fishing or fish-processing work. A difference is observed with migrants to Malaysia, who tend to be from medium-income households with some education and are able to find work in factories (garments, electronics, glass making).

*"Some people from Nikom Knong village went to Bangkok in a group of 20 to 30 people through labour dealers; the dealers first brought them to the Poipet area (near the Thai border) and then they walked across into Thai territory. Thai agents helped them to remain undetected by the police and delivered them to their destinations. They found work in construction, as domestic help and on farms raising pigs, chicken and fish." (Nikom Knong Village Report, Battambang)*

In Cambodia-Thailand border areas, the demand for labour is almost entirely for agricultural work, mainly in harvesting of different crops and transplanting rice. The Thai border areas where they go to sell labour are Ponlei, Khlornng Hak, Srah Keo, Aranh and Chhun Borei. The jobs that are offered to them include transplanting rice seedlings, harvesting, picking cotton, cutting grass, picking corn, harvesting sweet potatoes and

pineapples and construction. The workers are paid 80 baht per day for transplanting, 70 baht a day for cutting grass, 25 baht for picking a sack of corn (one person can pick three to six sacks per day), 80 baht for a day of harvesting, three baht for picking one kilogram of cotton (one person can pick 15 kg of cotton a day), 50–70 baht per day for harvesting sweet potatoes, five baht for cutting a bucket of pineapples (one person can do 50 buckets a day).

*Fishing workers.* Only men work on Thai fishing boats. They return home every two or three years, and they earn 10,000 baht per year.

*Plantation workers.* They usually do plantation work in Thailand in a group composed of men and women.

*Construction workers.* This kind of work in Thailand is done by both men and women. Some go to work with their husbands or wives. They return home once in three to five months.

*“In Thailand, the villagers construct solid building foundations (driving columns into the earth), and work in rice mills or sawmills. The news of work in Thailand was spread to the villagers by one person who lives in Puok district and whose relatives work at the Thai-Khmer border. That person came to Roka and told the villagers that there is work in Thailand, and the wages are 100–160 baht per day. The villagers who are taken to Thailand are guaranteed jobs in rice mills (but they have to pay 300,000–400,000 riels per person to the labour broker). In 2000 only five people migrated; this rose to 19 in 2005”. (Roka Village Report, Siem Reap)*

## Gender

*“In the medium households, the woman migrates because the males have to stay home to harvest the rice and to transport the harvested rice bundles. In harvesting sugarcane, men are responsible for cutting the plants and women for collecting them. In harvesting sweet potatoes, men pull out the roots, while women cut the stems. Therefore, their wages are different: Women get 60 baht per day, and men 100 baht per day, because men do harder work. Women do not trust their husbands, so when the husbands return home they ask them to have blood tests, because they know well about AIDS via TV and their neighbours.” (Srei Ronguet Village Report, Kompong Thom)*

Cross-border employment opportunities have begun to surface only recently. While livelihood conditions in rural areas were undoubtedly largely responsible for pushing villagers out (we saw that migration from fishing villages is rare because of superior livelihood conditions), relatively peaceful borders combined with shortages of unskilled workers in Thailand, generated the necessary effective demand. While fisheries resources seem to be enough for the time being to keep people from emigrating from the fishing villages, the trends already noted do not bode well for sustainability.

### 7.4.3 Wages

Wages at the border:

- 250 baht per *rai* (an area of 1600 m<sup>2</sup>) for harvesting rice;
- harvesting sweet potatoes: men 100 baht a day, women 60 baht a day (not the same work);
- cutting sugarcane: one baht per bunch;
- rice transplanting and harvests: 50–60 baht per day.

Wages in Banteay Meanchey province (near border):



- rice harvesting: 5000 riels a day, meals included, or 7000 riels a day if meals are excluded; for contract work 1200 to 1500 baht per hectare;
- in plantations: 7000 riels a day.

Garments: The wage is between 150,000 riels and 200,000 riels per month or \$37.50–50.

Brick kiln worker: The salary is 100,000 riels per month including three meals a day and medicine or medical treatment.

Construction workers in Phnom Penh and Mondolkiri: 7000–10,000 riels per day.

Construction work in Siem Reap: men 150,000 riels per month; women 120,000 riels per month (overtime: 30,000 riels for both men and women).

Construction work in Thailand: 80 baht per day for women and 100 baht per day for men (basic work).

Fishing lot worker: 100,000 riels a month or 10,000 riels a day.

Fishing work in Thailand: 10,000 baht a year.

Workers in Malaysia earn from 800 to 1000 ringgit per month, about 8000 to 10,000 baht. Remittance is arranged through the labour contractor, who charges 10 percent for the service. Generally, women send home more money than men because they tend to be more careful with their money.

Plantation worker in Thailand: 2000–3000 baht per hectare harvested, or 70–80 baht a day with food.

Wages for rice field workers are significantly higher in Thailand, especially when compared to the migrants' village wage rate (3500–4000 riels). The Thai wage can be almost double. However, for more skilled work (e.g., fishing lots, plantations, construction), the cross-border wage differentials are not large. Wages in Malaysia are substantially higher. The narrower wage difference for skilled workers reflects the relative scarcity of skilled workers within Cambodia, a niche that is frequently occupied by ethnic Vietnamese.

## **7.5. Migration Process**

The migration process involves access to information, identification of a "trustworthy" labour broker or contractor (often a friend or a relative), logistical arrangements for travel and putting together enough money and legal documents that may be needed. For domestic migrants, arrangements are easier to make, but information and logistics still play a crucial role in the migration decision. Cross-border migration is risky and more expensive and takes more careful planning.

### *Domestic and Border Areas*

*"Two families initially went to Banteay Meanchey in 1999, having learned from fellow villagers of available work opportunities there. In 2000, more villagers, both men and women, followed because they could see that the pioneers were able to earn good money. At the time the village was flooded." (Pou Village Report, Kompong Thom)*

In the last five years, about 50 families went to Thailand from Pou for work. They went there with their relatives living in Banteay Meanchey, who informed them of work opportunities on the other side of the border in Thailand. In just two weeks, this information spread rapidly throughout the village, prompting the emigration of 50 families, including individuals from medium, poor and destitute households, but not the rich. Interestingly, while Pou villagers must travel through Siem Reap to go to Banteay Meanchey and Thailand, they

do not work in Siem Reap itself, although there is a great demand for labour there. This is largely because they have no social networks or personal connections in Siem Reap.

The process of migration to Phnom Penh is similar. A significant number of Pou villagers have gone to Phnom Penh to work in construction, in garments and as domestic servants. They found work through relatives, recruitment agents who came to the village and former workers who have returned to the village.

*“Girls first found employment in garment factories through friends of their parents with connections in different factories. In one case, the information was relayed by a security guard of a factory; in another case a former worker acted as a facilitator. Sometimes, they do not need to pay for the service although usually there is a charge of \$30. Thee local families have sent their daughters to work in garment factories. They said that those who wanted to work there had to give \$100 to the factory manager as a bribe.” (Migration FGD, Pou village, Kompong Thom)*

Typically, migrant women find accommodation in the house of the broker, who will provide them with a money advance to cover food and other expenses. These costs are to be adjusted once the women find work and are paid.

Those who want to work in the garment industry need some basic documents, such as birth certificate, ID card, family book and residence book, that are acknowledged by commune and village chiefs. Women must be at least 17 years old to work in a factory, although sometimes they will borrow somebody else's documents for a fee of 20,000–30,000 riels to evade the age requirement.

According to another group discussion, when the women arrive in Phnom Penh they are unable to get a job immediately because they have no sewing skills and must first go through some training for a fee of \$5–10 per person. They do not bribe anyone to get a job because they try to apply directly by themselves through their relatives who work there and who provide information about staff recruitment. Some of them, however, spend a few weeks to several months before landing a job.

Migrants seeking work in construction tend to travel in groups. During the early days of the construction boom in Siem Reap, relatives of some villagers acted as brokers and transported groups of workers free of cost to Siem Reap.

*Fishing lot workers are recruited directly by the owner of the lot: “The fishing lot owner came into the village and made the selection by himself. When a worker wants an advance on wages, he will have to bring his wife in and sign or thumbprint a statement which says that if he has taken his wage but absconds from work, the fishing lot security guards will arrest him and bring him back”. (Samraong Village Report, Kompong Chhnang)*

### **Malaysia**

Usually, people who want to work in Malaysia have to have at least \$300 with them: \$100 for the passport, \$100 for the broker and the rest for other expenses such as travel and food.

### **Thailand**

Migrants do not go to Thailand directly; they have to stay and work in Banteay Meanchey province for some time, to await a suitable opportunity. They wait until 100 workers are collected and delivered to Thai brokers on the other side of the border. A fee of 3000 baht is charged to cover costs like transport arrangements. However, money changes hands only if workers actually find employment; nothing is paid if no work is found. The broker-contractor is responsible only for taking them to the workplace, not for what happens thereafter. For example, he will not be able to help if a worker has done something wrong or is caught by the police.

### **Sale of Labour in Thailand**

In 2000, a destitute household entered Thailand as far as Bangkok. This household was the first from Santre to work in Thailand. In fact, they had intended to sell labour in Poipet, but when they arrived in Poipet, they met a labour broker who told them that wages were higher in Thailand, so they decided to go to work in Thailand despite the risk and uncertainty. The labour broker informed them that he charged 3000 baht if he took them directly to the employer in Thailand or 1500 baht if he brought them only halfway.

They went as a household. In Thailand, they worked in construction at 80 baht per day for the women and 100 baht per day for the men. After working in Thailand for three months, they returned home. Their neighbours, learning that they had earned good money, asked to go with them when they went again. Thus in 2002, five households (three destitute and two poor) left for Thailand. This time, the labour broker took the group only halfway and charged them 1500 baht. They found it hard to travel on their own through the forest. On their way to Bangkok they had no food, so they had to pick sugarcane to eat from the fields without permission. Eventually, they reached Bangkok and were able to find work.

If they are arrested in an area close to the Cambodian border, they are not jailed for long. However, if they are arrested far from the border, they are given a long jail sentence.

*(Toul Ta Thon Village Report, Battambang)*

*"Some people in the village went to work in Bangkok in a group of 20 to 30 people through a labour contractor. The Cambodian contractors are responsible for taking the group into Thailand, and then they are handed over to Thai brokers for the rest of the journey to the work sites. The charge is 2500 baht per worker (3000 baht if paid later). Once they crossed the border, a three-deck vehicle came to pick them up. Small people were put on the first level, big people on the second and goods on the third. Both men and women were pushed into a small space on the vehicle with their hands tied together. Later the goods on the vehicle were covered with plastic sheets and wrapped with ropes. When the vehicle arrived at the employer's house, they had to look quickly for a place to hide. When the employer was not satisfied with the way labourers worked, he insulted and beat them. Despite this, they couldn't go anywhere because they were afraid. If the workers are caught and expelled to Cambodia by the Thai police, the labour dealers will return to help them make another attempt, at no additional cost." (Nikom Knong Village Report, Battambang)*

Workers who have been to Thailand once can make return visits to find work by themselves, without help from brokers. While they do not need to pay brokerage fees, they still have to pay 120–300 baht for transportation, food and other expenses. In addition, ID cards are essential. These cost 2800 baht for six months, or 4000 baht for one year. Normally employers pay for the cards and deduct the cost from wages. Usually they apply for ID cards with one-week validity at a cost of 120 baht, with each weekly renewal costing 20 baht.

### **7.5.1. Credit**

There is a strong relationship between migration and credit. Given the poverty of migrants and the high costs of migration as well as the need to keep families at home suitably supplied with essentials, the credit market plays a vital role in migration. The credit-migration relationship is dealt with extensively in Chapter 8.

### **7.6. Security and Working Conditions**

The risks associated with migration can be severe. This is especially true for cross-border migration, which is often illegal or quasi-legal, but can also apply to domestic migration.

These risks relate to both migrants and their families left behind. Security is closely linked with working conditions faced by migrants, particularly wage payments, accidents or sickness and abuse. The issues of security and working conditions relate mainly to (a) legal problems and police harassment, (b) fraud in wage payments, (c) theft and physical insecurity and (d) gender issues.

### ***Cross-border Migration***

#### ***Insecurity Due to the Legal Regime (Thailand)***

The cross-border zone between in the Poipet area is open to quite free movement of people and goods, on the basis of a border pass. This pass is liberally given to border residents along a 10 km corridor on both sides and is valid only within this corridor. Weekly, six-monthly or annual identity cards can also be obtained that allow migrants to live and work in Thailand.<sup>43</sup> Since the ID cards are expensive, however, many workers go without them and become vulnerable to abuse.

*“Migrants to Thailand face many difficulties. They have to hide from Thai police and hide around the farms when the police come to check because they don’t have ID cards. If they are caught they are tortured or imprisoned for several days, but after release they remain in Thailand, keeping as low a profile as possible. By contrast, a few workers who had been working in Thailand for long and had ID cards did not face any difficulty. Normally, the ID cards are valid for six months and cost 3000 baht and can be renewed for 500 baht.”* (Pou Village Report, Kompong Thom)

Unlike workers who have money to give to the contactor to have their IDs made, Khmer workers who do not have ID cards find it very difficult to manage. They are considered to have entered the country illegally and can be apprehended and jailed at any time.

#### **Problems of Khmer Migrants in Thailand**

According to informal interviews, a woman lost her border pass while trying to escape from the police at a point far beyond the permitted 10 km corridor. She did not have enough money to procure another pass. Due to close police monitoring, she was unable to go back to work, so in order to survive she undertook to wash and cook for her co-workers, who were from Laos, until the police suspended their search for illegal workers. After a while, she got tired of waiting and sought help from a Khmer man, who sent her to another area of Thailand to work as a domestic servant, at 100 baht a day. She worked for 11 days and then wanted to return home, but when she asked for her wages, the house owner said that they had already been paid to the labour contractor. At that time she had only 100 baht in her pocket and was forced to ask her family back home to send money for her return.

In the event of arrest, a worker can be sent to prison and sometimes held with common thieves and gangsters. After a month or two in prison, Khmer prisoners are herded together and put on a truck and taken to the border. There they are sometimes beaten once more, made to pay fines and then allowed to cross over. According to one report

*“... a few Basaet villagers have been imprisoned in Thailand for six years already, and no information about these people has been provided; no one knows about their situation or even whether they are still alive”.* (Basaet Village Report, Battambang)

<sup>43</sup> Whether this is a legal provision or merely a practice that has arisen and is condoned is difficult to say, since the information is based on direct field reports rather than any policy document.

Once arrested and put in jail, the illegal migrant can suffer hardship, humiliation and cruelty:

*"During their imprisonment, they were hurt by Thai police and did not receive enough food. At that time, there were two Khmer prisoners who escaped. But one of them was arrested and brought back. He was beaten until he passed out. Another one escaped from the prison. But a younger brother of this man was in the same prison. The prison term of the escaped man was then imposed on his brother." (Treay Village Report, Siem Reap)*

*"In jail men were kicked, beaten and questioned, while women were beaten with electric batons. They were detained for one to two months before being sent back to Cambodia. Moreover, when they are transported to the border, they are sometimes abused again by Khmer policemen. The policemen intimidate them into giving money, but if they have no money, then they are forced to weed the grass of their station. Some villagers said that the Khmer policemen treated them even more badly than the Thai policemen." (Toul Ta Ek Village Report, Battambang)*

### **Malaysia**

Workers in Malaysia seem to encounter problems during the night, when Malaysian police often conduct searches for illegal migrants. People who are caught will be sent back to their home country. First they will be sent to the Malaysian-Thai border, and then the Thai police will take over for the trip to the Khmer-Thai border.

### **Cheating and Fraud**

The lack of legal protection makes migrants extremely vulnerable to degradation of all kinds, including verbal and physical abuse, non-payment of wages, arrest and torture and lack of access to basic health, education or other essential services. Many migrants reported that they did not dare to report any problems (e.g. fraud, abuse, violence) to the Thai authorities. Some observed that a few labour brokers colluded with employers and took wages of the workers in advance without their consent. Sometimes, the wage advance was for one or two years, forcing workers to work for this period in exchange for basic food. At other times, when it was time to collect wages, the police suddenly appeared on the scene, forcing them to flee without their wages.

*"I had worked as a gardener for one month, and at the end of the month I asked the employer for the wages. The employer refused to give the salary and, even worse, fired me, giving me just a little money for travelling back to the Cambodian border." Another destitute respondent observed, "I sold labour for harvesting corn for a Thai employer, and the employer did not give me my wages". (Young men FGD, Toul Ta Ek village, Battambang)*

People who go to work in Thailand for the first time are often cheated. They cannot get their wages even after they have completed their assigned work. For more experienced workers who can speak some Thai, such problems are rare because they can talk to the boss directly.

**Theft, Drugs and Violence**

Workers also worry about theft by co-workers at night, since they all stay together in very crowded conditions. Some use amphetamines or other drugs. If the police discover drug abuse, all the workers staying in the premises are arrested and sent to prison, where they suffer severe maltreatment. Field reports describe disturbing incidents: “The drug users are hung from the ceiling and burned to death with piles of tyres while the drug sellers are tortured to find out more information about suppliers and sources. Eventually, all the prisoners are burned to death”. Respondents also claimed to have witnessed with their own eyes incidents in which the Thai police shot Khmer thieves, and then carried the injured men to a pile of tyres and burned them all together.

Plantation workers appear to have found a remedy against fraud. It has been reported that Thai plantation owners along the border do not dare to cheat their Khmer workers. There have been incidents in which enraged workers burned down the plantation and fled back home.

**Domestic Migration**

Many of the security problems faced by migrants are related to their legal status in Thailand or Malaysia. This of course is not a consideration in the case of domestic migration. Nevertheless, there were security concerns highlighted in the PPA. These include theft and robbery, fines imposed by different authorities because of actual or imagined encroachment (e.g. in fishing lots or restricted forests), exploitation, verbal and sometimes physical abuse and non-payment of full wages.

**Fears of Fishermen**

The husband is always concerned about the security of his wife and children when he leaves them to go fishing for long periods. He is afraid of storms that may damage his fishing boat or the houseboat of his family. The wife is also concerned about the security of her husband. He may become ill or face a big storm or may not be able to catch enough fish, in which case they will be unable to repay the debt incurred for the trip.

Another issue is that thieves sometimes steal the fishing gear. They come in a group of four to six, and all are armed. They also use fast motorboats in their operation. Sometimes the theft occurs right in front of the fishermen, who are unable to prevent it. Such incidents are generally not brought to the notice of the authorities because this is considered futile.

**In the Fishing Lot**

Because some workers find the work too difficult to complete, they escape from the lot without even bothering to ask for their wages:

*“They have to work both during the day and at night. At the lot, their work is never done, or they are usually insulted by the supervisor. Workers who cannot finish the work on time are kicked into the river, and others are not allowed to have their meals; the supervisor says, “These workers don’t need to eat since they cannot work like others”. Workers who complain about the work to the lot owner are scolded harshly in abusive language.” (Samraong Village Report, Kompong Chhnang)*

**Garments**

Although accommodation in Phnom Penh is thought to be secure and safe, parents still worry about their daughters’ health and security. They also worry about whether they are eating enough, whether they are in bad company or tempted to use drugs or are being lured by men

into prostitution, whether they are being cheated and so on. They also worry about their sons because they could join gangs, get into drugs or become infected with HIV.

### **Construction**

Accommodation at construction sites is often provided in temporary shanties, while those who are lucky may be able to stay with friends or relations. The main worry for migrant construction workers is on-time payment of wages and non-payment of full wages. Sometimes they are also cheated by the labour contractor in collusion with the employers.

#### **Health Conditions**

##### *In Thailand*

- Migrants are often ill with diseases like malaria, typhoid and colds. For minor treatment, the employers pay for medicine and doctor's fees, while in more serious cases patients without IDs have to return home or arrange to have treatment on credit from local doctors.
- Migrants with IDs are able to receive treatment from the state health centres, although sometimes borrowed IDs are used.
- In Bangkok, employers take much better care of their workers. Even when they are seriously ill (through diseases like malaria or workplace injury) they are taken to hospital and provided with adequate treatment free of cost, regardless of whether they have IDs.
- Many youngsters in the border areas have become addicted to drugs like amphetamines or *yama* and indulge in alcohol abuse, gang fights etc. When they are ill, employers prefer to have the doctor come to the farm; in serious cases they are taken to the hospital, but at night to avoid the police.

##### *In Siem Reap*

- Construction workers have to work a full day on inadequate food and suffer from malnutrition (susceptible to infections, bloating and numbness in the hands and legs).
- They easily become sick because of exposure to dirt and grime, and because of unhygienic conditions. They do not use mosquito nets, so malaria is common.
- When they are ill, they adopt traditional treatment (coin rubbing) and take paracetamol tablets provided by the employers. If the cost of medicine exceeds 1000 riels, workers have to pay it.
- Families of workers worry that they may cultivate bad company and engage in drugs, gang fights or robberies or become infected with HIV.

When migrants become seriously ill, they prefer to be treated in commune health centres. Sometimes doctors are called to the site and credit arrangements are made for treatment, with the worker promising to repay from future earnings. Most small children accompanying workers suffer from dengue fever; some cases of death of children due to dengue have been reported.

### **7.6.1 Children and Gender**

*Gender.* Cross-border migrants tend to be mainly men, although women are also present in significant numbers. This is true especially for Thailand. In Malaysia, men were the first migrants and helped to establish a Khmer presence there. Today, there are more female migrants than male migrants going to Malaysia. One reason is that some feel that after

work the men loiter and drink and may tend to create a law and order problem, frequently running afoul of the police. This causes serious problems for the labour contractors who have taken them there. They now prefer to take women rather than men because they feel that the female migrants are easier to manage and cause fewer problems.

As for domestic migration, more women than men are migrant workers within the country because the workplaces are near their houses, travel within the country is easy and they are not so concerned about security. The majority of these women are single.

*Children.* Children of migrants face several uncertainties and disadvantages. When men migrate alone, the wives are left behind to take care of the children and the farm. When both husband and wife migrate, children are either left behind with grandparents or taken along. In the latter case, school-going children suffer the greatest disruption, having to drop out of school. Those who are over 10 years either look after younger siblings or work along with their parents, e.g. in rice cultivation.

Widows or deserted women cannot take their children with them, so they leave them with their old grandmothers and neighbours. Families in which both wives and husbands migrate also have no option but to leave the children with their grandparents. The other poor and destitute families generally tend to take the children with them so that they can work for long periods without having to worry about them. When fathers and sons go fishing in a group along with other households, wives stay home and take care of the children.

*“The children whose parents frequently leave to work in faraway places always want to drop out of school when they are older, or join the young group that play truant to seek pleasure. Without enough care from the parents, they can not keep up with lessons and eventually drop out of school.”* (Toul Ta Ek Village Report, Battambang)

## 7.7. Socio-Economic Impact

Migration from the Tonle Sap has accelerated due to dwindling access to natural resources and a series of weather shocks. Those who migrate tend to be relatively young men and women seeking employment in diverse occupations within and outside the country. The question that arises is whether migration promotes well-being and economic prosperity, especially for the poor. The question can be answered by looking at who migrates and by examining reports on impact on household welfare.

It is quite clear that successful migrants tend to be poor or medium-income individuals (i.e., those with access to some capital and with some education). The rich rarely, if ever, migrate, while the destitute migrate in rather small numbers and work in the lowest paying jobs.

Reports on household welfare are mixed. Generally, garment workers are able to send reasonable amounts of money back home (around \$20 per month). According to one report, families that have two daughters working in garment factories are quite well off. On the other hand, the remittance stream of other domestic and cross-border migrants seems quite volatile and unpredictable. It seems that much depends on individual luck, especially for cross-border migrants, who are always confronted with potential deportation, jail terms, violence and fraud. As a result, there are numerous reports of migrants actually becoming worse off, returning home penniless and having to work hard to pay off debts incurred or having to sell land. On the other hand, there are enough “success” stories to keep the flow of migrants out of the villages strong and steady. Some field report excerpts illustrate these points.

On the positive side:

*“By selling labour outside the village, villagers have attained better living standards. With the money earned, they can buy paddy rice, milled rice, food, clothes and building materials.”* (Sralau Village Report, Kompong Thom)



*"Villagers from Pou have found that their living standards have improved after their children went to sell labour outside. Even some medium families said they can earn a good living because their children are old enough to work." (Pou Village Report, Kompong Thom)*

*"Today, people think that selling labour outside the village is the second most important source of earnings after rice growing. Most of the poor and the destitute depend entirely on migrant earnings—almost all the villagers have gone out for work, except the old and some children." (Pou Village Report, Kompong Thom)*

*"Migration can lift some households up to a better standard of living. It has enabled some families in Srei Ronguet to move up from poor to medium living standards over the past 10 years. Selling labour in Banteay Meanchey and on the Cambodia-Thailand border has made it possible for some migrants to buy a TV. A widow was able to buy pigs and a cow from her earnings, but in one incident, she was cheated by the labour contractor, pushing her into debt". (Srei Ronguet Village Report, Kompong Thom)*

*"Some households repaid their long-time debts with the money sent by their daughters working in Phnom Penh. Other households got enough money to build their houses. Households who have two daughters working as garment workers in Phnom Penh can really improve their living standards." (Nikom Knong Village Report, Battambang)*

On a less positive note:

*"Selling labour in the cross-border areas has improved their well-being for short periods, but it has not made their livelihoods better—in fact, it has made their livelihood status worse because of sickness and disease." (Toul Ta Thon Village Report, Battambang)*

*"Jobs outside the village such as in Thailand, Poipet, garment factories in Phnom Penh and charcoal kilns can only help migrant workers to repay their debts and buy food for the household. It has not brought any permanent improvement for the village." (Khla Kroupeu Village Report, Pursat)*

*"Along with some benefits, migration for work outside the village has brought people problems—six people have been infected by HIVS/AID, five among them have died and one is being taken care of in Siem Reap Hospital. Among the dead, two were men, one was a boy, and another two were women. These two men got the disease when they were working in Koh Kong as loggers. Later one of them after returning home transmitted the disease to his wife and to his baby boy." (Pou Village Report, Kompong Thom)*

## **7.8. Conclusions and Policy Recommendations**

The flow of migrants from the villages of the Tonle Sap region has increased significantly over the last five to 10 years. This outflow has been concentrated in the agricultural and agro-fisheries areas, while fishing villages have begun to attract seasonal immigration from other areas. The overall picture is one of increasing stress in the face of diminishing livelihoods that are forcing people to explore work opportunities within and outside the country.

All migrants are risk takers, and it would appear that the nature of the risks is well understood. In particular, cross-border migration poses huge security concerns, taking place in a legal quagmire in which workers are often subject to harsh, arbitrary treatment. Appropriate cross-border laws need to be urgently discussed and agreed with Thailand to ensure that workers receive basic protection to life, person, dignity and property. Clearly, there is a huge demand for Khmer labour in Thailand, and the legal framework needs to

recognise emerging realities. At present, most cross-border migrants tend to be men, because the risks for women are considered unacceptably high.

Domestic migration tends to be much more seasonal, except in the case of factory work. This allows (mostly) men to switch between the village and construction sites, depending on labour demand. Women working in the garment sector seem to enjoy relative security and steady wages that are considered reasonable by Cambodian standards.

The outlook for the Tonle Sap region and Cambodia is further acceleration in migration, with perhaps pull factors beginning to dominate over push factors. As construction, tourism, garments and services gather momentum, greater pull pressures are likely to be generated through rising wages. Cross-border demand from Thailand, and increasingly from Malaysia, will also exert much greater pressure on the Cambodian labour market.

The impact on the poorest households is likely to be modest unless their ability to respond to labour opportunities can be raised. They are constrained by lack of credit as well as skills, and find themselves left behind in low-productivity work in the village, while those who are more “capable” leave for greener pastures. At the same time, local resources and livelihoods are likely to remain depressed in the absence of comprehensive government policy to raise agricultural productivity and create a much more effective pro-poor resource management regime. The medium-term outlook, therefore, is one of continued demographic destabilisation of the countryside as able-bodied young men and women desert village after village, while the old and the very young, along with the destitute, are left behind to tend the farms.

Migration can be a powerful tool to combat poverty. In addition to its direct effects on earnings, there are indirect effects in the form of remittances. Remittances help stabilise the household food security situation and in capital formation. The spending of remittances also helps to create local jobs. Indirect effects extend to filling gaps in certain segments of the labour market in the host economy and, hence, create more jobs. In many cases, there is a path formed for future migrants to enter the job market from outside the country. There are negative implications also, both for migrant workers and for the host economies. Migrants are forced to pay bribes, face deprivation and are cheated, while in the host countries there may be job losses for some local workers.

Cambodia does not have an official policy to promote or control migration, unlike some of its neighbours, such as Vietnam. Since 1999, both state-owned and private companies in Vietnam have been permitted to export labour. Following leads from countries that have had a wider exposure and experience in migration (e.g., Bangladesh, Sri Lanka and Thailand), the current approach in Vietnam is to promote the export of skilled labour to destinations where there is demand. On local and cross-border migration, there is no policy in any of the countries in the region. It is time, therefore, for Cambodia to formulate a policy for labour migration to regional countries and to begin discussions with host countries to establish an appropriate legal framework with built-in safeguards against exploitation and mistreatment.

As for rural-urban migration, policies are needed to mitigate push factors to prevent distress (and therefore anti-poor) migration, while promoting better rural-urban labour market linkages through better information flows and supporting credit and law and order. The most important policy, however, would be to institute skills training in a number of sectors (construction, repair and maintenance, light engineering) where demand is strong and domestic supply limited. Of graver, longer-term concern are the broader underlying processes relating to resource ownership, access and use (including land, forests and water) that have led to the emergence of an under-class of poor and destitute. This is the heart of the problem of poverty, migration and destitution in the Tonle Sap region, and will require a strong political will to redress.

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## Appendix

### 1998 Population Census of Cambodia

#### Migration

| Code | Province         | Number of Migrants | As % of Population | Percentage of Migrants |                       |                       |
|------|------------------|--------------------|--------------------|------------------------|-----------------------|-----------------------|
|      |                  |                    |                    | Within same Province   | From another Province | From outside Cambodia |
|      | <b>Cambodia</b>  | <b>3,597,774</b>   | <b>31.5</b>        | <b>58.8</b>            | <b>35.3</b>           | <b>5.9</b>            |
| 01   | Banteay Meanchey | 192,714            | 33.4               | 50.5                   | 36.1                  | 13.4                  |
| 02   | Battambang       | 312,350            | 39.4               | 65.9                   | 22.1                  | 12.0                  |
| 03   | Kompong Cham     | 386,675            | 24.0               | 70.4                   | 28.4                  | 1.2                   |
| 04   | Kompong Chhnang  | 194,731            | 46.6               | 78.5                   | 16.7                  | 4.8                   |
| 05   | Kompong Speu     | 149,453            | 25.0               | 74.6                   | 23.9                  | 1.5                   |
| 06   | Kompong Thom     | 101,961            | 17.9               | 82.5                   | 16.6                  | 0.9                   |
| 07   | Kamptot          | 95,909             | 18.2               | 79.1                   | 18.4                  | 2.5                   |
| 08   | Kandal           | 306,891            | 28.5               | 51.8                   | 41.5                  | 6.7                   |
| 09   | Koh Kong         | 76,591             | 58.0               | 19.7                   | 75.0                  | 5.3                   |
| 10   | Kratie           | 52,868             | 20.1               | 53.8                   | 42.8                  | 3.4                   |
| 11   | Mondolkiri       | 14,821             | 45.7               | 59.8                   | 33.4                  | 6.8                   |
| 12   | Phnom Penh       | 733,745            | 73.4               | 40.6                   | 53.9                  | 5.5                   |
| 13   | Preah Vihear     | 24,456             | 20.5               | 66.7                   | 31.8                  | 1.5                   |
| 14   | Prey Veng        | 170,849            | 18.1               | 78.6                   | 17.0                  | 4.4                   |
| 15   | Pursat           | 147,956            | 41.0               | 76.0                   | 18.4                  | 5.6                   |
| 16   | Ratanakkiri      | 18,956             | 20.1               | 49.8                   | 46.3                  | 3.9                   |
| 17   | Siem Reap        | 188,415            | 27.1               | 82.7                   | 14.1                  | 3.2                   |
| 18   | Sihanoukville    | 81,249             | 52.2               | 27.5                   | 68.7                  | 3.8                   |
| 19   | Stung Treng      | 15,716             | 19.4               | 36.2                   | 58.0                  | 5.8                   |
| 20   | Svay Rieng       | 164,430            | 34.4               | 32.1                   | 57.7                  | 10.2                  |
| 21   | Takeo            | 115,003            | 14.6               | 73.0                   | 19.7                  | 7.3                   |
| 22   | Oddar Meanchey   | 26,413             | 38.7               | 38.7                   | 42.3                  | 19.0                  |
| 23   | Kep              | 7,887              | 27.5               | 9.6                    | 89.1                  | 1.3                   |
| 24   | Pailin           | 17,735             | 77.4               | 19.4                   | 68.5                  | 12.1                  |

{Source?}

# Chapter 8: Credit and Rural Livelihoods

*K.A.S. Murshid*



## Chapter 8: Credit and Rural Livelihoods

### 8.1. Introduction

The Tonle Sap region remains relatively backward, severely under-served in education, services, infrastructure and institutions. Economic activity and exchange are largely determined by the agro-ecological context and access to natural resources. The situation, however, is fluid. Natural resources are declining rapidly; new rules and regulations are constantly being enacted to limit or constrain access, while local pressure groups and vested interests are engaged in an effort to maximise rents. The external situation is also changing as better communication opens up new opportunities for migrant labour in construction, agriculture, trade and business in the towns and across the border. Adverse effects are also seen in a rise in drug addiction, violence, sexual abuse and domestic violence.

The 24 Tonle Sap villages that were studied encompass several distinct agro-ecological regimes classified essentially by the major types of economic activity engaged in by the people.<sup>44</sup> These categories have been designated as follows: agriculture (seven villages), fisheries (five villages), forestry (two villages), agriculture-forestry (two villages), agriculture-fisheries (seven villages) and urban (one village). Despite the classification by livelihood-natural resource clusters, there is considerable diversity in livelihoods and natural resource endowments observable within each.

In general, the Tonle Sap region can be viewed as a complex natural resource-based livelihood system that is at a low level of “equilibrium”, characterised by low consumption levels and sustained by a system of traditional rights and production-extraction systems.<sup>45</sup> The system, however, is fragile, prone to both weather-related and human-made shocks and subject to rapidly changing parameters that govern access to resources and livelihoods. Among the response mechanisms available to rural residents, two stand out quite clearly: rural credit and the labour market (largely through migration but also through advance sale of labour).

Alternatively, we can view this as a subsistence system that is undergoing integration with the rest of the economy in areas where market forces have begun to make deep inroads. Livelihoods can be improved in a subsistence system; however, there are distinct limitations on the degree to which genuine improvements can occur. Integration with the wider market is crucial to drive progress; this is a necessary condition but not entirely sufficient. The rural poor are often seen to participate extensively in markets, but they remain poor (Baumann and Farrington 2003; SIDA 2004). Participation has to go hand in hand with improved terms of participation. The challenge, therefore, is to identify what prevents better terms from taking root and how conditions of participation (e.g., labour markets) can be made more friendly to the poor and women. In this and the next chapter, we focus on the markets for credit and

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<sup>44</sup> In this chapter we present data from 21 of 24 villages. Tuol Ta Ek (categorised as urban) was not included because the focus of the chapter is on rural credit, while the two forest villages (Sralau and Kombaar) were not included because no additional information or insights were found in those cases.

<sup>45</sup> Strictly, we cannot really speak of traditional rights in the Cambodian context because the country has re-emerged from a state of primitive communism to a state of primitive capitalism, and in the process rights, institutions and norms have had to be re-invented. However, these emerging norms and rights are traditional in the sense that these are likely to have been patterned along traditional lines and practices in existence before the Khmer Rouge regime.

migrant labour and the nature, conditions and terms of participation in them, to explore the livelihood implications and challenges in the region.

A basic question with respect to rural credit is whether it is expected to be broadly similar across quite different livelihood regimes or whether it could evolve along distinct lines in response to differences in economic activity and exchange. In a similar vein, rural credit systems may or may not distinguish between rich and poor, men and women. The ultimate question of course is whether credit systems serve to reduce poverty and destitution or accentuate the problem of poverty. In this connection, it is important to distinguish between different kinds of rural credit providers (institutions, moneylenders, traders, rich farmers) as well as the different forms these take, involving cash, kind, labour pledges and tied credit. The implications for rural welfare and livelihoods depend on the prevalence, terms and conditions of access and the circumstances that induce people to enter the credit market.

Broadly speaking, the demand for credit stems from livelihood issues. A section of the population desires credit to be able to expand economic activity or venture into new areas. At the other extreme, there are many poor and destitute people who are forced to enter into credit arrangements in order to stabilise their livelihoods in the face of various risks, vulnerabilities and shocks. In principle, credit markets should address these risks to reduce vulnerability. A principal focus of this chapter is to explore whether and how forms of credit serve to address these issues.

It is commonly believed that provision of cheaper credit by formal institutions (defined here to include banks with a focus on rural credit/micro-finance like Acleda, and micro-finance institutions (MFIs) and NGOs providing micro-credit, like PRASAC) serve to reduce, if not eliminate, usurious credit arrangements at "exploitative" rates of interest. The spread or deepening of such formal credit in the Tonle Sap region is limited, but nevertheless provides an opportunity to explore this question.

## **8.2. Forms of Rural Credit**

The nature, availability, type and structure of credit are very likely to be closely related to the agro-ecological region or livelihood regime. Thus, areas where fishery resources are abundant are likely to generate credit demand related to fishing or trade/transport, while rice growing areas are likely to create demand for credit for the purchase of agricultural inputs. Similarly, where long-distance migration is widespread, much of the demand for credit is related to the costs of travel and relocation.

Quite apart from activity-related credit, there is a chronic need in most areas for consumption credit or credit to cope with sudden, unforeseen adversity. Typically these relate to temporary food shortages, illness, accident or death. While these events tend to be viewed as sudden or random events, this view is likely to be deeply flawed. In this context, a hypothesis of non-random shock could be put forward, based on the repeated observation that most rural households, and especially the poor and the destitute, are almost certain to face adverse shocks to their livelihood system over the duration of a normal life. Such "certain" shocks mean that it becomes virtually impossible for the poor to move out of poverty on a sustainable basis because their rates of savings and accumulation are too slow, eroded away as quickly as they are formed.

In poor backward areas, complex forms of tied credit relations have been reported from various regions of the world (Crow and Murshid 1994; Murshid 1997). Frequently, credit originating from traders within a marketing chain entails a cash advance to be repaid in kind (fish, rice, timber, ceramic ware etc), usually at a price that is significantly below the market price. In Cambodia, interlocking credit and marketing have been observed in the fish trade from the Tonle Sap region to Thailand (Yim Chea and McKenney, 2003), as well as in the trade of certain agricultural products (Kang and Chan, 2003).

The reverse is also noted, whereby farmers purchase inputs (e.g., fertiliser, pesticide) on credit and need to repay in cash at a price that is higher than the market price. Similar arrangements have also been observed in rural Cambodia, where debt has been observed as a way of life (Chan and Acharya 2002).

Frequently the very poor, who have nothing else to exchange, will pledge labour in exchange for credit. This seems widespread in the Tonle Sap area, where many poor households pledge their own labour or that of their dependents (women and children) for access to consumption loans. The wage applicable in such exchanges is usually half that of normal wages. Another interesting type of credit observed relates to health services at clinics. Poor villagers often find it hard to pay for health services, leading to the emergence of a deferred payment system for services rendered. Ballard (2005) also observed a complex system of deferred payments for veterinary services in north-west Cambodia. The need for such deferments arises from a lack of ready cash, but at the same time they provide clients an opportunity to observe the efficacy of veterinary treatments and so act as a kind of insurance.

The typical form of credit, however, remains borrowing from moneylenders, frequently Chinese shopkeepers, who provide loans against collateral at interest rates of 5–10 percent per month. The very poor and the destitute, who have little collateral to offer, are usually unable to access this type of loan.

The recent arrival of NGOs and micro-finance organisations has begun to modify the rural credit market. New credit lines include individual and group-based lending, thereby expanding the options available to rural borrowers. Rates of interest are generally lower than those charged by informal lenders, but collateral requirements and repayment terms are often rigid. The impact of the formal sector on the informal market is highly variable.

The rural credit situation in the Tonle Sap region is complex and in a state of flux. A large number and variety of credit operations are segmented by borrowers and lenders, type of credit (e.g., cash-cash or cash-kind), terms of repayment, activity and uses. A convenient way to think about the different forms of credit is to classify them as follows:

1. **Cash-cash:** In these cases, credit is taken in cash (or gold), to be repaid in the same currency at an agreed rate of interest over a specified period of time. Collateral is often pledged to guarantee repayment, although this is sometimes replaced by personal pledges. Typically, a formal written contract is executed. Loans from MFIs and NGOs, as well as moneylenders, often fall into this category.

2. **Cash-kind:** Money is borrowed with the promise of repayment in kind or in labour. Thus, a fisherman may take cash from a trader with the promise of selling his entire catch to this trader. The trader gains by increasing his supply, as well as through lower prices. Rice producers or artisans can take similar types of loans from their traders with similar pledges to sell at a lower price later. Repayment in labour is also common, by the poor and destitute who have nothing else to offer. Generally, labour pledges are made against consumption loans (in cash as well as in kind). Implicit interest rates are charged through low wages.

3. **Kind-cash:** Kind loans repaid in cash are widespread in the Tonle Sap area. These could be rice (for consumption), agricultural inputs or fishing inputs (fertiliser, fishing gear) or services (health care). Repayment is in cash in amounts that involve an implicit rate of interest. In the case of fertiliser loans, for example, the repayment terms would imply a price that is higher than the market price. Sometimes, repayment can be converted from cash to kind.

4. **Kind-kind:** The most frequent type of kind-kind credit involves (a) consumption loans in rice to be repaid by labour; (b) labour exchanged for labour or draught power. Since these transactions are made across time, they may be thought of as credit rather than simply exchange.



Each of the above credit forms can also be analysed in terms of (a) sources, such as MFI/NGO, trader/merchant, rich households or employer, (b) uses, such as consumption, business or migration, (c) terms (interest rate, flexibility, collateral requirement and implied costs, including transactions costs) and (d) the ability to respond to livelihood shocks.

The evolution and growth of rural credit markets depend on the nature and extent of economic activity and market exchange. However, the village categories adopted are somewhat arbitrary (e.g., designated as agricultural or fishing) because most areas are characterised by multiple livelihood systems. It cannot, therefore, be said that credit systems in different livelihood regimes are necessarily different. This is something that needs to be established empirically.

Crop growing in Cambodian villages is usually combined with several types of non-agricultural work, including raising animals, fishing (if water is nearby), fish and crocodile raising, collecting and gathering, food processing, logging, trade, transport, small business and ceramics/handicraft production. Activities within a given village will be determined by its specific resources and the skills of the inhabitants. It is likely that a large part of credit is directly or indirectly linked to these activities.

Socio-economic dynamics are also likely to play an important role. People in the PPA villages generally identify four socio-economic classes (rich, medium, poor and destitute) although in almost 50 percent of the study villages, only three groups were reported, described variously as rich, medium, poor or medium, poor, destitute. "Rich" appears to be a relatively new category that has emerged in the last few years, particularly in the agricultural areas. In terms of living standards, a quarter of the villages report overall improvement, while the remaining report lower living standards and higher poverty levels. It is against this backdrop that the existing and emerging supply-demand and market conditions for credit need to be analysed.

### **8.3. Supply of Credit**

Terms like formal and informal are frequently employed in discussions of rural credit. The distinction is essentially in terms of supply sources, with formal relating to the activity of licensed financial intermediaries such as banks or MFIs, while informal refers to village moneylenders or traders who engage in financial intermediation without any licence or official recognition. In practice, this division fails to recognise the considerable overlap between the two systems that may exist (e.g., the use of formal sector funds to on-lend through informal systems, or the emergence of savings groups or CBOs funded by donors to operate as intermediaries). In this study, the formal-informal terminology is retained with due caution.

#### **8.3.1. Formal credit**

The penetration of formal credit systems in the Tonle Sap region is impressive. Reports of formal sector activity have been received from the majority of villages.<sup>46</sup> ACLEDA (a commercial bank with a micro-finance focus) and PRASAC (the MFI that grew out of the EU project PRASAC) have been the most active, although a number of other NGOs were also found to be active.<sup>47</sup> In terms of having a major impact on the rural credit market, however, the record of these initiatives is poor. A major impact was reported from just three villages, namely Banh Chkoul, Tomprong and Kompong Our, where PRASAC or ACLEDA emerged as dominant, accounting for the largest share of the market. In all other villages, the role of

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<sup>46</sup> No formal presence was reported from Dei Roneat, Treay and Santre villages. In another two, CBOs were involved in savings-credit work.

<sup>47</sup> These include World Vision, Lutheran World Federation and Hattha Kaksekar, which have experimented with savings-credit groups.

formal credit was marginal. PRASAC was active in a quarter of the villages, concentrated in the agricultural areas. ACLEDA was active in a third of the villages, primarily in the agriculture-fishing areas.

### ***The Experience with PRASAC and ACLEDA***

#### *Agricultural Villages*

PRASAC provides loans only to people with land titles and sponsors. The sponsor acts as a guarantor and is required to mortgage some property to PRASAC. In case the debtor fails to repay the debt, the sponsor has to assume liability. ACLEDA loans are popular because the rate of interest is relatively low at four percent per month and application procedures are simple. ACLEDA does not have a “target group” and will lend to anyone who can provide land or house as collateral and a sponsor who is at least 18 years of age. People who face sudden shocks such as an illness or death in the family will generally go to a private lender for loans charged at 10 percent per month—a pattern among many groups that is apparently illogical. The main reason is the relative flexibility of informal sector loans compared to loans from ACLEDA or PRASAC. Repayment of the former is flexible, renegotiation is always possible, and seizure of collateral is a matter of last resort—making high interest informal loans much more attractive.

It seems that there is significant on-lending of funds, at least indirectly, from formal to informal credit. Thus, medium and rich households provide loans of 50,000–60,000 riels to the poor and the destitute at 10 percent per month interest, but when they themselves require a loan they apply to PRASAC or Acleda, since they have property to pledge, as in Pou village.

PRASAC has been providing credit to Balang villagers since 1999. People are required to pledge property (land, house) before loans are granted. As well, borrowers must introduce a guarantor, and the village chief must support the application. The size of loans varies according to the value of the collateral. An individual can take a loan of up to 600,000 riels at three percent interest per month. Loans generally need to be repaid in eight months. Usually, the loans are used to meet the costs of rice cultivation or animal raising, or to repay village moneylenders or other creditors.<sup>48</sup>

Acleda’s operations in the Tonle Sap region date back to the late 1990s, although it began to expand in 2000. It offers credit at 3 to 4.5 percent per month, with monthly repayment of interest and principal. Loan conditions include land collateral and recognition of ownership by the village chief. For example, in Kork Trach, ACLEDA began work in 2001, initially lending to five households. Later on, many others from a cross section of the village received loans from Acleda. In 2005, the Apsara Authority came on the scene with cheaper credit, thereby reducing the demand for credit from Acleda. The organisation does not lend money in large amounts, the maximum being 50,000 riels.

In another village, Roka, two organisations were found to provide loans, namely ACLEDA and the Provincial Women’s Organisation. The latter offers villagers loans at four percent per month interest to invest in trade and small business, such as poultry farming. The villagers pay only the interest every month, and the organisation is sympathetic to borrowers who cannot pay the interest on time.

#### *Fishing Villages*

There are few formal sources of credit in the fishing areas. An exception is Preaek Sramaoch village, where ACLEDA has been operating since 1999. The dominant form of credit available

<sup>48</sup> In the village, five households have lost their land because they could not repay debts to PRASAC. Three of them fled the village and went to live in Kampung Os village, Kandal province, where they have rented land to grow dry season rice, hoping one day to pay off the debts.

before ACLEDA came to the village was loans that had to be repaid in daily instalments. Acleda's share of the credit market rose from 2–3 percent initially to more than 50 percent in 2005.

*"Some of the poor households that have rich relatives to give a guarantee can borrow money from Acleda. The village chief also signs a letter asking for credit from this institution when we give him money<sup>49</sup>... so the destitute cannot get him to sign the paper ... To borrow money they have to mortgage something—a house, motorboat ... with the signature of the village chief ... so the destitute are not able to borrow ...". (Poor female FGD, Preaek Sramaoch village, Siem Reap)*

#### *Agriculture-Fishing Villages*

There is greater occupational diversity and a wider variety of economic activities in areas categorised as agriculture-fishing villages. Therefore, both credit supply and demand are more complex, although the basic forms recur with little variation. For sources, there seems to be a significant presence of NGOs and MFIs, as well as banks like Acleda, involved in direct lending to both individuals and groups, with many serving better off groups (PRASAC, World Vision, Acleda). Formal credit organisations are reported in all seven villages in this category:

- The medium households in Phlov Luong provide loans in cash and kind, and in turn borrow from financiers to on-lend at a higher interest rate, including from Acleda.
- The main sources of credit in Kompong Thkoul and Samraong are Acleda, fish merchants and rich households, while PRASAC has been active in Kompong Our since 2001, providing both individual and group credit.
- In the three other villages (Basaet, Toul Ta Thon and Nikom Knong), the role of formal credit, while positive, is small.

Formal credit has begun to make significant inroads in the Tonle Sap region. A presence has been established in a majority of areas, although the fishing villages are lagging behind, perhaps due to the difficult transport arrangements associated with floating villages. The experience, however, is very mixed, with significant market shares for formal credit reported from only a few, better off villages. The supply terms and conditions appear to have restricted demand, especially from poorer villagers.

#### **8.3.2. The CBO Approach**

The FAO experimented with a group-based credit project in the fishing village of Treay, which was started in 2003 but stopped in 2005. The total loan fund was 5 million riels for the whole commune, disbursed through "core" persons at 2.5 percent per month interest. The poor found it difficult to obtain loans from this fund because the persons given the responsibility to select clients did not generally consider them creditworthy, channelling most of the fund to medium families. As seen in other similar experiments in other villages, the final outcome was less than satisfactory.

*"With loan credits from UNICEF, the members of the loan foundation did not distribute to all the villagers, especially Vietnamese, because they reasoned that the amount was limited so they could not distribute to all the households. The second reason was that some unkind members of the foundation did not allow some households to borrow because they did not believe they would be able to repay." (A Participant, Phat Soday Commune Workshop, Kompong Thom)*

Two self-help groups were created in Pou village, each consisting of 13 to 15 members. Members are able to borrow to buy fertilisers or hire draught power. Loans from the self-help group involve an interest rate of six percent per month, and the borrower must pay back the

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<sup>49</sup> A "fee" of 10 percent of the loan has to be paid to the village chief for certification.

entire amount in three months. Such loans are for a maximum of 50,000 riels, so the demand for them appears limited. The alternative is to borrow from the rich or medium at rates of 15–20 percent interest per month.

#### **Box 1: NGO-CBO Credit in Srei Ronguet**

A fishing community was set up with nine members, including two women, by a local NGO called CODEC, with financial assistance from Oxfam. In 2000, the organisation came to the village to educate the villagers about sustainable fishing, and particularly about the dangers of using electrical fishing gear and other illegal devices. Apart from the nine active executive committee members, there were 147 families who are supporting or general members of the community. The nine include the daughter of the former village chief, the chair of the pagoda lay committee and other well-known and educated persons in the village. After the creation of the community, illegal fishing activities were quickly brought under control, and the village became a model for similar endeavours in other provinces. In addition, the fishing community was given a loan fund by its sponsors at low cost (two percent per month) enabling the community to provide loans of up to \$200 at five percent monthly interest to its members. The community borrowed five *chi* of gold at four *hun* interest (eight per cent) per month from a rich household in the village to set up bamboo fish traps. However, because the neighbouring villagers set up similar traps, the expected fish catch failed to materialise, leaving the community heavily in debt. In order to emerge from this situation, the leaders allowed banned fishing gear to be used in exchange for a payment (“fine”), resulting in the proliferation of banned equipment. Further, there are accusations that some leaders took the fine money for their own use. The resulting conflict caused the people of the upper part of the village to withdraw from the organisation. The initial promise of this community organisation quickly faded. (Fishing community FGD, Srei Ronguet village, Kompong Thom)

#### **Box 2: Story of a Savings Association**

Banh Chkoul villagers created a savings association under an initiative of PRASAC. A chairperson and a vice-chairperson were elected from its members. PRASAC provided an initial grant of 800,000 riels. Villagers could not apply for a loan from PRASAC if they did not join the association. At first, members could apply for a loan of 120,000 riels on the condition that they pay 2000 riels per month into their association savings account. PRASAC augmented the savings by putting in 25 percent of the interest that it earned from its loan operations in the village. The purpose of the association was to mobilise savings that could be loaned cheaply (at four percent per month) to members, helping to move away from dependence on private moneylenders. Initially, there were 50 members, who over a period of one year generated savings of 10 million riels. Later, many members began to be aggrieved because their loan applications were refused on the plea of lack of funds. Ultimately, PRASAC had to intervene and launched an investigation that revealed that most of the money of the association was lent to relatives of the chairperson and vice-chairperson. This led to mass resignations and savings withdrawals. (Individual interview, Banh Chkoul village, Kompong Chhnang)

Generally, the CBO experience in the PPA villages has not been very satisfactory, characterised by poor management, fund leakage and frequent failure. That being said, there are encouraging indications from NGO experience elsewhere in the Tonle Sap region that the poor and very poor can and do save and borrow when the right support and governance mechanisms are in place. A case study undertaken for the PPA by the NGO Padek (2006) shows that self-help groups not only provide badly needed loans, but women’s participation in them also helps strengthen local governance and provides an important learning

environment for women making the transition from borrowing in the informal sector to participating in the formal sector. Based on the Padek experience, there are valuable lessons for formal lending institutions regarding the important role that group lending can play in flexibly meeting the credit requirements of the poor and the destitute. There is also anecdotal evidence that when such opportunities are available to the poor, they prefer not to borrow from local moneylenders, which has the effect of reducing interest rates in the informal sector. Local government officials in Siem Reap have endorsed this approach.

*"The PADEK process has worked well in two communes of Varin district. ADRA [Adventist Development and Relief Agency] is also working like PADEK. The two communes with ADRA and self-help groups enjoy better living standards." (Varin governor at provincial workshop, Siem Reap)*

The success of certain self-help groups, however, does not come easily. It requires considerable input and guidance from supporting NGOs as well as an enabling policy environment. Such efforts are not likely to succeed through short-term project cycles, but rather require sustained efforts over time from donors and implementing agencies.

Such approaches are not a panacea for the problems of credit. Some villagers expressed a continued reluctance to access such services.

*"We know that LWF [Lutheran World Federation] established a village bank, but because we were afraid that we wouldn't be able to find the money to repay, we did not become members, so we cannot get credit from this bank." (Landless households FGD, Nikom Knong village, Battambang)*

From a policy perspective, more action is needed to enable such groups to become more self-sustaining and less reliant on outside agents over the longer term. One way to approach this would be for the Rural Development Bank to provide lower cost loans to semi-formal groupings, such as self-help group federations. These associations would require legal recognition by official institutions. A precedent for this kind of approach comes from other CDRI research that shows how a farmer association received financial credit from the bank (Nou 2006).

### **8.3.3. Informal Credit**

The suppliers of informal credit are (a) traders in the supply-marketing chain, (b) shopkeepers, often of Sino-Khmer descent, and grocers and (c) rich and medium-income households in the village.

The Chinese moneylender shopkeepers tend to be more formal in their operations, as borne out by the following experience:

*"A medium household borrowed 900,000 riels at seven percent interest from a Chinese Cambodian merchant at Staung Market to pay the labour contactor (a relative) for wages for his three sons. To get the money, the family mortgaged their cattle, paddy land and house and made a clearly defined legal agreement. Unfortunately, the labour contactor cheated the family, sending them inexorably into distress sale of assets and descent into poverty." (Individual interview, medium-income household, Srei Ronguet village, Kompong Thom)*

Shopkeepers/grocers also sell a variety of products on credit:

*"The poor use less fertiliser than the medium or rich. They use little manure (lack of animals) and purchase fertilisers, frequently on credit. They buy fertilisers in May (rainy season) and pay for it in April (dry season) of the following year, paying a price premium of 15,000 riels per sack over the cash price of 50,000 riels." (Poor male FGD, Srei Ronguet village, Kompong Thom).*

And in Pou village:

*“The price of chemical fertiliser is 55,000 riels/sack if buying for cash, but 65,000 riels if buying on credit. The credit terms seem slightly better in this village than in Srei Ronguet.” (Pou Village Report, Kompong Thom)*

Perhaps the most important source of credit in the Tonle Sap region is the fish trader or commodity trader:

*“Money is borrowed from fish merchants to buy gear. They have to sell their entire catch to the merchant at 100 riels per kg lower than the market price, throughout the whole season. They still have to pay their original debt. Wherever there are fishermen, there is a demand for this type of credit, all over the Tonle Sap.” (Srei Ronguet Village Report, Kompong Thom)*

The rich and medium-income households are important sources of credit:

*“They normally lend money to the poor and the ‘getting-by’ in the village against land collateral. Borrowers mortgage their paddy land at the rate of 50,000 riels for 0.25 ha at 15 percent interest per month. If the borrowers cannot repay the loan, the collateral is then called up, some additional payment is made and transfer of the land title is executed.” (Srei Ronguet Village Report, Kompong Thom)*

The rich and medium-income households make extensive use of tied credit-labour arrangements, which serve to ensure labour supply at low wages during peak periods of demand:

*“The rich and the medium will hire some labour or have ‘prepaid wage workers’ transplant their rice seedlings, although sometimes they too will participate in the work. Most of the prepaid workers are poor and destitute people who have taken a loan in cash or in rice, pledging future labour services at an appropriate time. They are generally paid at the rate of 1000 riels per day; if they take a loan in milled rice, they will have to work (transplanting or harvesting) 1 day for a kilogram of milled rice (but 10 days for 12 kg = 1 tau of rice). The destitute and the poor generally take loans, pledging labour for 20–50 days per year, making it difficult for some to pay off their debt within the year.” (Pou Village Report, Kompong Thom)*

Repayment can thus lead to extreme coping measures:

*“Some destitute parents have sent their children aged 9–13 to live with other people (usually creditors) to graze their cattle. These children earn 40,000 to 150,000 riels per year. Some continue to work for up to five years because their parents have a large loan (deemed to be equal to five years’ wages of children). This is an extreme strategy that destitute people are sometimes obliged to undertake.” (Pou Village Report, Kompong Thom)*

### *Credit Guarantees*

Credit guarantees are becoming increasingly essential even in the informal credit markets. There are some medium households, for example, that will provide guarantees to help the poor get loans from private lenders or from fish traders:

*“Sometimes, because some medium households help guarantee loans, the poor and the destitute are able to buy new bamboo to repair/reconstruct their houses. A bundle of bamboo (300 sticks) costs 500,000 riels; most villagers can buy these on credit at this price from the sellers. Those who act as guarantors to enable such transactions receive a commission from the bamboo seller. Nevertheless, some 20 percent of the villagers are still unable to obtain such guarantees because they are considered too poor.” (Koah Ta Pov Village Report, Kompong Thom)*

An example from Koah Ta Pov (fishing) village:

*“One poor household faced a serious crisis (theft of fishing nets) and wanted a loan*

*from the moneylender to buy new nets. The loan was refused even after someone gave a guarantee. In the end, a medium household offered a loan that could not be repaid, so that the debtor sent her daughters to work in the creditor's household. In another case, a household faced starvation because they spent all their money in addition to whatever loans they could obtain, to pay off the police, who had confiscated their nets and levied a hefty fine. The shock and the hardship led to serious illness of the husband, who eventually died, leaving his wife responsible for all the liabilities." (Koah Ta Pov Village Report, Kompong Thom)*

## 8.4. Demand for Credit and Livelihoods

### 8.4.1. Agricultural Villages

Agricultural villages tend to be more stratified than fishing villages, with four socio-economic categories generally acknowledged by the villagers themselves. Despite the dominance of rice cultivation in these areas, fishing has come to play an increasingly important role, especially in the face of successive crop failures.

**Table 8.1: Some Key Distinguishing Features of the Different Socio-economic Groups**

| Criterion   | The poor   | The getting-by  | The medium   | The rich  |
|-------------|--|---|--|---|
| Food        | Enough (own) rice for three months; for the remaining months, buy from others  | Enough rice for 10 months; for the remaining months, buy from others  | Sufficient rice for hh consumption; no need to buy rice                                      | Surplus of rice   |
| Health care | Often defer payment for treatment; mostly borrow money from others if going to hospital                                    | Can ask doctor to make home visit; if going to hospital, may sell animals or borrow money from others                         | Invite doctors to treat at home; go to district or provincial hospitals if serious condition | Invite doctors to treat at home; go to hospital only when seriously ill |
| Credit      | Borrow money to cover travel expenses when going to sell labour and for fertiliser in farming; borrow rice for consumption | Borrow money for fishing gear and medical treatment; some hhs borrow money to cover travel expenses when going to sell labour | Have some money to lend to others; mortgagee of paddy land                                   | Lend money to others  |

The livelihood-credit strategies of the villagers vary from one type of household to another as follows.

**The rich households** have two to three hectares of land that they cultivate using modern techniques to obtain high yields, generally more than 1 tonne per hectare. They also raise cattle and pigs, and engage in trading and processing (e.g., fish, groceries, rice). They hire labour and also provide loans to the poor and the "getting-by". They give livestock to the poor to raise on a share basis. The main risk that they face is illness, but they have sufficient savings to meet expenses related to health care, and do not need to borrow money for such purposes.

**The medium-income households** are also farmers, although they engage in fishing as a subsidiary occupation. Like the rich, they have enough draught power for ploughing and transport, and depend on hired labour during transplanting and harvesting. Also like the rich, their rice yields are high because they are able to use both chemical and organic fertilisers, the latter because of their cattle, and they generally have a small surplus for sale.

In general, they can use their own resources to buy fishing gear. Normally, men go fishing, while women stay home raising chicken and pigs. The income from raising animals

can be saved and normally is used to lend to the poor and the “getting-by” in the village against land collateral. Illness and health shocks are also of concern to the medium-income households, but usually they do not entail borrowing.

The medium households might take loans at 10 percent per month for agriculture or for animal raising. The maximum loan available to them for such purposes is 300,000 riels.

**The families that are just getting by** have a different livelihood strategy from the rich and the medium. They rely on rainy-season farming, fishing, selling labour in and outside the village and trapping birds. They have some land (0.5 to 1.5 ha of rice land), and some are self-sufficient in draught power while others depend on better off relatives or exchange-labour arrangements to solve their draught power problems. In the latter case, they transplant rice seedlings for a day for those who have draught animals and then use the latter’s cattle to plough their own fields for one morning. They usually exchange labour among themselves and with the poor.

The “getting-by” use less fertiliser than the medium-income or rich households. They use little manure due to a lack of animals; they purchase fertiliser, frequently on credit. They buy fertiliser in May during the rainy season and pay for it in April during the dry season of the following year, paying a price premium (See Table 8.2).

**Table 8.2: Credit Price and Market Price, Selected Items**

| Nº | Item                 | Market price | Amount paid         |
|----|----------------------|--------------|---------------------|
| 1  | Chemical fertilisers | 70,000 riels | 90,000–95,000 riels |
| 2  | Milled rice          | 55,000 riels | 75,000 riels        |
| 3  | Fuel (30 litres)     | 77,000 riels | 95,000 riels        |

In addition to farming, they fish. They can catch two to three kilograms of fish per day. In general, they use some of their own money and some borrowed money to buy their fishing gear from fish traders.

Repeated cycles of floods and drought have also pushed the more vulnerable into migration, particularly after 2000. These migrants typically need to supplement their savings with credit to finance their travel and job-search costs. The relationship between climate shocks, migration and credit is discussed in more detail in Chapter 7.

**For the poor**, occupations are not easily ranked in terms of importance. They are engaged in multiple activities, including farming, fishing, trapping birds and raising a few animals (some shared with the rich and the medium in the village). The poor have little land (0 to 0.5 ha per household) and generally do not have enough draught power, relying on hire or exchange of draught power for labour. The poor also buy fertiliser on credit.

The poor are cautious, and try to refrain from using illegal fishing gear because, if they are caught, they will not be able to buy themselves out of trouble. (In such situations, the poor have little alternative to distress loans at highly punitive rates.) They are also strategic, selling their fine soft rice to buy cheaper coarse rice. Their main characteristic is that informal tied credit plays a central role in their livelihood decisions.

Cash or rice loans in exchange for pledges of labour are popular throughout the agricultural areas of the Tonle Sap region. The seasonality of labour demand combined with the poverty of the villagers sustains this system. Most borrowers are the poor and the destitute. For cash loans, the wage rate is 1000 riels a day, as compared to 4000 riels in the “free” market, while a loan in rice is repaid at the rate of one day’s work for one kilogram.

Unlike the formal credit organisations, village moneylenders also provide loans to the poor and destitute, including gamblers and habitual drinkers, although the maximum exposure



is 100,000 riels. Many of these borrowers are not able to settle their debts and are likely to become landless eventually.

*"People in our village did not want to sell their land, but due to family health problems, debt or lack of food, they mortgage their land. Just briefly counting, we found 13 poor and destitute households that lost their rice fields." (Mixed open FGD, Roka village, Siem Reap)*

**The destitute** are not generally creditworthy and cannot obtain loans from private lenders or formal sources unless they are able to find someone to guarantee their loan. Some of them are able to arrange credit with doctors and health workers, receiving treatment for which payment will be made later.

Landless villagers said that they always worry about the cost of medical treatment. If someone gets sick, the household will have to spend money for medicine and will have no food. Then they will get into debt, and when unable to pay, they will be publicly humiliated.

Cash-kind (labour) transactions are widespread, mainly to address consumption shortfalls and emergencies. The following terms were obtained for some typical transactions:

- If they borrow 1 *tau* of milled rice, they will provide four to five days of labour in return.
- If they borrow 1000 to 1500 riels, they will work for the creditor for one day (compared to a normal wage of 4000 riels during transplanting and harvesting).
- If they borrow 250 to 300 riels, they have to transplant one *ploun* of rice seedling bundles in return (1 *ploun* = 40 fruits).
- When the amount borrowed adds up to 100,000 riels, they have to work 50 days for the lender.
- If they borrow 1 *chi* of gold (around \$50 in 2005), they are required to pay back 25 *thang* of rice (1 *thang* = 24kg).

*"My family has no agricultural land, so we farm dry season rice by renting a rice field at 20,000 riels per season. We pay this amount to the owner by transplanting the young seedlings or harvesting for five days for them. When I need to apply chemical fertiliser and insecticide to the field, I have to buy on credit, paying after harvesting. The price buying on credit like this is higher, but we have no choice." (Interview with female head of household, Balang village, Kompong Cham)*

### ***Role of Women***

When villagers borrow money from moneylenders, either inside or outside the village, both husband and wife must thumbprint contracts that stipulate the mortgage of land or other property. When loans are needed, the men feel embarrassed to approach moneylenders or rich/medium households. It is the women who go out to talk to potential creditors to pave the way for a loan. This seems to be a ubiquitous practice in the Tonle Sap region and possibly throughout rural Cambodia. Similarly, women tend to play a dominant role in most negotiations. For example, according to one respondent, "Husband and wife always have a discussion before the sale of farmland. The wife is generally involved in selling the land because it was understood that women are better at bargaining. The husband is normally ashamed or shy about bargaining". This is discussed in more detail in Chapter 5.

### ***Seasonalities and Credit Demand***

Given the topography and the agricultural regime, seasonalities in agricultural villages are strong. The pre-harvest lean season usually lasts from October to November, but for some people it could begin as early as August and continue as late as December. During December

to March, farmers need to buy agricultural inputs as well as satisfy food needs. May–June is the minor lean period, when many poor people run out of food stocks. In addition, they may be affected by floods, which produce labour-market dislocation and further food insecurity. Another important factor is the cost of celebrating religious and social ceremonies—mainly in April–May. Some responses to seasonal problems are noted below.

**Medium-income households** borrow money, milled rice and fuel from the village moneylenders-traders, who will not charge them any interest for the loans, but will require their debtors to sell their rice to them after the harvest. They sell their cattle or take loans from PRASAC.

**Poor households** obtain loans from the village moneylenders or PRASAC. They borrow some milled rice from their neighbours and pay back when they have harvested their rice. They also take cash advances from medium-income households for repayment in labour, and obtain interest-free loans from their relatives.

**Female-headed households** will sell their rice stocks or borrow rice from neighbours during periods of hardship. As a last resort, they will fall back on the village moneylender.

### Box 3: Credit and Diversity of Livelihoods

According to an interview with a poor widow, she gets through her rice shortage by selling some vegetables that she grows, picking tamarind for sale and raising cows and pigs on share terms. Sometimes she has to seek consumption loans from her nephew. Other families (with adequate labour) go fishing, using two to three *dais* of gill nets, 150–200 fishhooks and 50–60 fish traps. All the gear is bought with borrowed money. Some poor fishers receive electro-fishing equipment from fish merchants and then have to sell their entire season's catch to them. Many migrate to other provinces or to the Cambodian-Thai border to sell labour in harvesting. In general, this type of family depends entirely on credit to cover travel expenses. Besides selling labour, the poor have another occupation—bird trapping, which is generally done by men. When they want to buy fishhooks for trapping birds, they borrow money from others at interest. The husbands have to borrow rice for their wives and children at home during the 10-day period that they are away trapping birds. If they later cannot repay the debt with money, they can repay it by working for the creditors.

### Mobility and Credit

The following data concerning individual households from various PPA villages suggest that the relationship between credit and social mobility is asymmetric. There seems to be a close connection between indebtedness and downward mobility, but apparently little or no connection in the context of upward mobility.

- Mr BV moved down from medium to low. He has no land and owes \$1000 to Aclada.
- Ms BT moved down to the lowest level after she borrowed money for medical treatment. She was unable to pay back the debt and therefore had to sell her house and farm land.
- Mr BI's condition moved down to the lowest level over five years because he borrowed money to pay for medical treatment and for the “damages” caused by his son, who was violent (and probably a rapist). He had to sell his land but still remains indebted.
- Ms BW became destitute after she borrowed money to invest in her moneylending business but was cheated. She had to sell her house to repay the debt.

- Three households moved up because they had access to capital at low cost, had diversified and multiple income sources and good harvests from their land. Their children also made a significant contribution to family income.
- Five households moved down because they borrowed money at high interest; their businesses failed, and some breadwinners fell ill or died.
- Eight households moved up because the children went to sell labour, they had a good harvest with a surplus to sell, and they expanded their occupations such as leaf weaving and transporting coconuts for sale
- Thirteen households moved down because they are female-headed, own little land, borrowed money at high interest to buy food and for medical treatment and ultimately ended up selling their last remaining land.
- Twenty-three households moved down because they had very few assets and little family labour and were prone to gambling. They also had to rely on loans that had to be repaid in daily instalments.

#### **Box 4: Downward Spiral**

One household moved down from low to the lowest group through indebtedness. In 1998, the household head became ill. Because they had no money, they borrowed five *chi* of gold to cover the costs of medical treatment (interest was 10 percent per month). The household sought advice from a fortune teller who suggested that they move house (because the house brought bad luck). Therefore, they borrowed another five *chi* to build another house, but even after three years, the debt could not be reduced and in fact rose to four *damleng* (one *damleng* = 10 *chi*) of gold. They then pawned their land for two *damleng* and managed to reduce their debt to one *damleng*. A year later, the debt again increased to two *damleng*, so they decided to sell their rice field, for which they got only one *damleng*, thus still owing one *damleng*. They then borrowed \$700 from relatives, using the money left from paying off the debt to invest in weaving leaves and transporting fresh coconuts for sale. Presently, they are still in debt \$700, for which they have to pay interest of \$49 per month. If they have no money to pay the interest when it is due, they will be fined \$2, which will be added to the interest. (FGD report, Kouk Trach village, Siem Reap)

The agricultural villages are quite diverse in livelihoods, the extent of financial intermediation and the nature and types of non-formal credit. What is striking is the crucial role of credit, especially informal credit, in sustaining short-term livelihoods or assisting adjustment to shocks and seasonalities, as well as in facilitating trade and expanding production. It was also seen that credit plays an important role in the downward mobility of households over longer periods of time, with debt and landlessness being clearly linked. For upwardly mobile households, money lending—but not borrowing—seems to be an important route to accumulation. For the poor and destitute, many credit transactions are tied to pledges of either labour or some kind of product (e.g., rice, ceramic ware, fish)—pledges that are made at some disadvantage in price. In the case of formal credit, the imperative to repay is enforced by written contracts and guarantees of collateral, while non-formal credit is based on oral contracts, frequently without collateral being pledged, and enforced by the fear of being denied future loans. An extremely important point is that women play a central role in negotiating for credit and providing guarantees of repayment, presumably because they are perceived as being more reliable.

#### **8.4.2. Fishing Villages**

Most fishers from poor and destitute households borrow money or buy fishing instruments, such as gill nets and hooks, on credit from their clients (i.e. traders). In return, they are

required to sell their fish to the clients at a lower than market price (200–500 riels lower per kg).<sup>50</sup> Fishers from medium-income households also need to borrow money to buy equipment. They borrow from private creditors, not from fish traders, suggesting that the terms of the latter are more adverse. Usually they borrow money from the private lenders at monthly interest rates of six to 10 percent, the transaction being calculated in gold or dollars. Better off households are able to access larger loans. Indeed, all fishers were found to be in debt, ranging from a few hundred thousand riels to several million. They also face severe risks of theft of fishing gear or confiscation by local authorities, pushing them deeper into debt.

### ***The Rich***

Most of the rich earn their living by trading in fish and providing money or gill nets as tied credit to fishers of all living standards/social classes. Credit extended to poor and destitute households is viewed as risky, because delayed payment is common and default not unknown. Therefore lenders try to assess the risk by carefully examining the personality, honesty, household labour availability and assets before agreeing to a loan.

The rich have the resources to buy fishing gear for the villagers or to lend it out in the tied credit system. Many double as merchants. They are also in debt, owing money to the large dealers located in the towns or big markets, to whom they are tied through trade and finance and obligated to sell their fish. The rich tend to buy rice measured by sacks, and they do not borrow rice or buy it on credit.

One rich villager, the biggest fish dealer in the village, said that his living conditions did not really improve very much over the last five years, even though about 100 households have borrowed money from him to invest in fishing, each owing from 40,000 to 4 million riels. The reason is that he still owes 20 million riels to another fish dealer who buys fish from him, further up the marketing chain.

### ***Medium-Income Households***

Medium-income households combine multiple occupations with their basic occupation of fishing, animal raising, food processing and petty trade. Some also sell labour at the fishing lot or *dai*, and some cultivate dry-season rice. Although the medium households are relatively better off than many, almost all owe money to private moneylenders. Generally, they are able to service their debts and obtain fresh loans. The medium-income households are able to take greater care of their fish stocks, which they market when prices peak, rather than selling at seasonal lows.

### ***Poor Households***

Poor households earn a living almost solely by catching fish. Some engage in additional income-generating activities, but on a very modest scale. They are unable to borrow money to invest in their business or enterprise, and they have limited staying power, being forced to sell their fish or pigs at a low price before they are mature, because they need money to meet urgent needs or repay debts. When they are unable to manage problems, they obtain loans from the fishing lot owners by promising to work for them in the open fishing season. This is a cash-labour transaction similar to the “pre-paid wages” accepted by poor agricultural households.

Many poor villagers find it difficult to obtain loans, especially during periods of severe food shortages—April–May and August–November. They also face extreme hardships when ill. It is very hard for them to find money for medical treatment, so sometimes they get it on credit, which they repay in fish when they can. The maximum loan a poor household can get ranges from 100,000 to 200,000 riels. All their fish must be sold to the lending trader at a price that is 100–700 riels lower per kg, depending on the length of the debt: if they sell their

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<sup>50</sup> As observed in the agricultural villages, although the extent of under-pricing seems higher there.

catch to the lenders immediately, they have to sell at only 100 riel/kg lower than the normal price. But in the case of prolonged debt, they have to sell at up to 700 riels/kg less than the normal price.<sup>51</sup>

### ***Destitute Households***

Destitute households earn a precarious living through very small-scale fishing, labour sale and collecting and gathering. Some households let their children work in medium households (of lenders) to repay their debts. The destitute are unable to borrow money from private lenders; sometimes fish traders will give them some credit in kind, mainly in the form of fish nets and hooks, at no explicit interest but with the stipulation that they must sell their catch to the trader at a lower price. In addition, traders sometimes take the destitute households to distant fishing grounds, where they must stay for prolonged periods. Thus the real cost of the credit, although difficult to calculate, would appear to be very high.

The inability of the destitute to be deemed creditworthy also stems from personal factors related to health, gambling, lack of household labour and perceived "laziness". In general, those who are physically strong, well-behaved and hard-working have no problem obtaining loans.

### ***Impact of Shocks***

Reported shocks frequently occur when gill nets or fishing gear are stolen or fishing instruments and tools are confiscated by the authorities. Another set of shocks concerns boats that are damaged or sunk during storms.

The poor tend to suffer disproportionately from these shocks, which force them into further debt and penury. They are also "victims of the law" that prohibits fishing during certain seasons or restricts certain types of fishing gear (e.g. fine mesh nets); survival forces them to break the law, which entails hefty fines if caught (not a rare occurrence). The rich, on the other hand, pay off the authorities in advance for the privilege of indiscriminate fishing all year round.

#### **Box 5: The Case of Dei Roneat: Illusory Prosperity?**

The prosperity of the village is wholly dependent on unrestrained exploitation of a natural resource, fish—its extraction, transport and trade—and is unlikely to be sustainable. Overall living conditions in Dei Roneat have improved, as reflected in housing, assets and consumption. At the same time, indebtedness has reportedly increased many-fold, suggesting that the increased welfare reported may be difficult to sustain. The proportion of destitute households is reported to have declined quite significantly, from over 38 percent to under 20 percent. At the same time, there has been an increase in the proportion of the poor, medium and rich, with the sharpest rise among the poor.

Villagers claim that no one has experienced deteriorating living conditions. However, this claim seems to be based on asset accumulation by some households (mainly better houses, motorboats). The villagers did not take into account the accumulation of debt of millions of riels (some households are in debt 10 millions riels). According to one focus group:

*The villagers' living standard has not moved up, but only moved down, if compared with the previous five years. The villagers cannot catch many fish now, and each villager or household has accumulated huge debts to the fish dealers. The debts keep rising to millions of riels, and some households would not be able to settle the debt even if they sold all their property. The villagers try to repay the debt in instalments but the amount keeps rising.*

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<sup>51</sup> These loans do not have a fixed period for repayment, but the longer the period, the lower is the price of fish paid. Those unable to repay even after a "reasonable" time will not receive further loans.

**Distribution of Households in Dei Roneat, by Socio-Economic Classes (percent)**

|           | 2005 | 2000 |
|-----------|------|------|
| Rich      | 6.6  | 5.3  |
| Medium    | 16.4 | 11.5 |
| Poor      | 57.2 | 45.0 |
| Destitute | 19.7 | 38.2 |
| Total     | 100  | 100  |

The sharp change in living standards is related to the expansion in fishing and the fish trade. The market has really expanded and become highly active in the last five years. Today, there are many fish dealers who operate here, trading not only in fish but also in live animals like snakes, monkeys and turtles. Demand has intensified so much that even poisonous snakes are caught and sold, a practice that was not seen before. In addition, fisher people have stopped processing fish before sale, preferring to concentrate on catching and selling only. As was to be expected, fish prices have risen greatly, by 80–100 percent. In the village, there are five or six dealers buying fish and other animals. There are dealers also from outside the area from as far away as Siem Reap and Kompong Luong

Given the huge demand for fish, encroachment and illegal fishing are rampant even though the penalty is stiff. It seems that everyone engages in illegal fishing, i.e. fishing during the closed season and using banned nets and equipment. Almost everyone is caught at some time. Those engaged in very basic subsistence fishing using primitive gear are not penalised. At the other extreme, the rich manage to negotiate a deal with the fisheries authorities beforehand. The problem is compounded by the fact that there are four or five separate bodies in charge of policing the lots. The village and commune chiefs are also involved—so the same offender can be “caught” repeatedly by several “authorities” and made to pay several fines.

A villager in the focus group discussion said, “Non-fishery authorities demand 20,000 riels, while fishery authorities demand up to 50,000 riels. The chief of the fishing community demands 40,000 riels, similar to the fines imposed by the fishery authorities. The villagers who use illegal gear such as fyke net, brush bundle traps, brush parks and electro-fishing equipment have to make contact with the authorities or the fishing community in advance to pay money so that they are not arrested”.

***Dominant Credit Relations in Fishing Villages***

Almost all fishers require credit, and there are virtually no organisations or formal entities able to meet this demand. The dominant source of loans is fish merchants who provide tied credit in return for supplies at less than market price. It is also clear that these merchants are in turn linked to traders further up the marketing chain to whom they are indebted, through similar arrangements. What seems to be happening is that trader-financiers are actually financing the fish trade from a distance, perhaps based in the large fish markets, using their capital to secure fish supplies through a chain of tied relationships that extend all the way down to the village. It is highly likely that these transactions are spread out over quite a large area in the region.

Other forms of credit are of lesser importance. Sometimes poor or destitute people borrow money at 20 percent per month interest or on the daily repayment system. In the latter case, a loan of 10,000 riels entails a repayment of 12,000 paid off at the rate of 200 riels a day. Loans from those other than fish dealers are not frequent. The debt to the merchant is repaid gradually.

When people return from fishing and take the catch to sell to the fish dealers, they ask the fishermen whether they want them to “write down”. This means that the fish dealers

record the money as repayment, but it is up to the fishers to decide this. There is no pressure on them to repay, because outstanding debts ensures supply.

*"A number of the poor and destitute, when ill always ask the fish dealers to help transport them to the hospital or borrow money (with no interest) from the dealers to cover the travel expense to Siem Reap hospital. Then they repay the debt gradually through fish sales. According to a fish dealer in the village, the fish dealers seem like parents, for in shortages or emergencies the villagers always ask for help from the dealers in this way. Fish dealers in turn are also in debt to other dealers from Kompong Luong and Siem Reap who buy fish from them." (Dei Roneat village report, Pursat province)*

The experience of Treay village confirms the dominant role of tied credit from fish traders. While tying arrangements used to be orally agreed, written contracts have now been introduced by traders.<sup>52</sup> The dealers began their operations with borrowed capital obtained from traders based in large fish markets. The Treay dealers did well, managing to become completely independent of borrowed capital since 2003. Most of the poor and many medium households depend on these traders for loans. Loans are used for three main purposes. First, 80 percent of villagers seek such loans during the high water season to buy fishing gear. The second purpose is for raising fish. A loan of 300,000 riels requires a repayment of 500,000 riels one year later. People like to pay back the debt when they have sold their farmed fish in August. The third reason for such loans is to pay for medical treatment or other emergencies. Interest on this type of non-productive loan is typically 10 percent. In extreme cases, households will borrow on a daily repayment basis.

#### **Box 6: Property Rights and Credit**

Property rights are closely related to livelihood strategies and the credit status/demand of the villagers. The experience of the village with regard to the community forestry/fisheries experiment is a stark reminder of the lurking dangers that well-meaning interventions can unwittingly impose.

A forestry community was set up initially with support from the FAO. An election was held and the village chief was elected the president. In 2001, this was converted into a fishery community because this seemed more relevant to the circumstances of the villagers. The president soon appropriated all powers and imposed a set of charges for all manner of fishing and fines for "illegal" fishing, all of which he appropriated. Thus villagers no longer enjoy unfettered access to fish resources and must now pay for the privilege. In the low water season, the charge is 10,000–30,000 riels, depending on the fishing gear used. Those who want to use push engine nets have to pay from 200,000 to 300,000 riels to the fishery officers and 50,000 to 100,000 riels to the village chief.

During the closed season for fishing, people who fish in the Tonle Sap Lake have to pay from 100,000 to 200,000 riels to the fishery officers. Those who raise *bra* fish have to pay 10,000 riels to the village chief, while those who grow lotus pay from 30,000 to 100,000 riels.

#### **Other Informal Charges**

In addition to the above, charges are levied for a host of activities, as shown below, the bulk of which accrues to or is shared by the village chief.

|         |                      |
|---------|----------------------|
| Logging | 50,000–100,000 riels |
|---------|----------------------|

<sup>52</sup> This is the first time that we have encountered written contracts underlying tied-credit arrangements, not just in the Tonle Sap region but in any context. For example, such arrangements used to be widespread in backward rural areas of Bangladesh in the 1980s, for the rice market (Crow and Murshid 1994). Written contracts were never seen, and must be viewed as a mechanism that further serves to prevent default.

|                                |               |
|--------------------------------|---------------|
| Land clearing for rice growing | 50,000        |
| Pumping water from lake        | 50,000        |
| Land clearing for house        | 50,000        |
| Building house                 | 20,000        |
| Marriage certificate           | 10,000–50,000 |
| Loans from Acleda              | 10 % of loan  |

This is a stark example of how power, authority and property rights are made to serve the personal interest of a person or a group, and how apparently positive reforms (legal changes, local institutions) can be subverted to aid this type of exploitation. The imposition of such a large number of charges and fines is directly linked to escalating indebtedness, most poignantly shown by the fact that borrowers from ACLEDA have to surrender 10 percent of their loans to the village chief (whose certification is required for loan approval).

In retrospect, the agricultural villages appear more stable, and with superior access to both formal and informal credit, compared to the fishing villages. It would also seem that the terms of credit are somewhat easier in those villages. In the fishing villages, rapid depletion of natural resources appears to have gone hand in hand with deep market penetration of finance/merchant capital, which has left in its wake huge indebtedness and dependence. In both types of villages, however, we find a clear hierarchical pattern of loans and credit, with the formal or organisation-based credit at the top, providing orthodox, collateral-based credit. Next in line are the Chinese moneylenders, frequently shopkeepers, who provide credit at 10–20 percent interest per month based on collateral. Rich and medium households provide occasional loans at similar rates of interest with or without collateral. They also provide loans in kind or receive repayment in kind, especially in the form of labour services. The traders and dealers (especially of fish but also of rice) come next, providing tied credit. In emergencies, destitute households will settle for loans that have to be repaid daily at an agreed rate.

The main features of the credit market in the fishing villages are as follows. First, the dominant source of credit is the trader-dealer, who will provide credit to all fisher people, including widows, the destitute and the poor. The difference is that the poorer clients get smaller loans while the medium households can get very large loans. While the terms are the same for everyone, the poorer clients inevitably defer repayment, resulting in a sharper reduction in the price of fish paid by the trader. Second, private moneylenders tend to restrict their loans only to the medium, often insisting on collateral, guarantors and, increasingly, a written contract. Third, poor and destitute borrowers need a guarantor to support their loan application to moneylenders and traders. It is difficult for them to obtain loans for consumption, treatment or other emergencies, especially during the lean seasons (April-May and August-November).<sup>53</sup> Non-revenue-generating loans are generally expensive. Fourth, in villages reporting improved livelihood levels (e.g., Dei Roneat), engagement with the credit market has expanded rapidly as commodity markets have deepened and widened.

#### **8.4.3. Agriculture-Fishing Villages**

There are greater occupational diversity and a wider variety of economic activities in areas categorised as agriculture-fishing villages, with the balance of agriculture and fishing often quite uneven. In some villages, agriculture is dominant and fishing a subsidiary occupation, while in others fishing is of far greater importance. This balance is likely to shape the nature of credit demand in a village. A large part of credit demand is for consumption loans in cash or milled rice, under harsh terms, particularly in the poorer areas:

<sup>53</sup>. The poor have reported obtaining medical treatment with the promise of repayment in fish.



*"Some people have taken too much money as advance ("prepaid labour") from many employers, but cannot pay back on time (in labour services). Thus, they are insulted by those employers, 'You poor ... (expletive), you just come to me when you are hungry, and you ignore my work when you are full'." (Samraong Village Report, Kompong Chhnang)*

And tied workers face ordeals at the fishing lot:

*"Because some workers have found the work too difficult, they run away without even taking their wages. They say that they have work at both daytime and night-time. At the lot, their work is never done, or they are usually insulted by the supervisor. Some workers who cannot finish the work on time are kicked into the river; some are not given food at mealtimes, and if they complain, the boss shouts, 'F... you, did you come to be my boss or my slaves?' (Samraong Village Report, Kompong Chhnang)*

The demand for trader-merchant loans is also strong. They are taken mainly for productive purposes; this is particularly true in areas where fishing is more dominant. From the lender's perspective, the loans are designed essentially to ensure turnover, establish a tied client base and pay prices that are lower than the free market price. In fact, merchant capital seems to be the dominant form of credit available to both farmers and fishers who borrow in cash or in kind and repay in fish or rice, quite interchangeably.

*"Some poor and destitute households that have borrowed some money from creditors have to repay in rice, which the creditors will collect directly from the threshing place. However, some of them still cannot meet their obligations even after surrendering their entire output." (FGD report extract)*

The use of loans varies greatly across socio-economic classes. The rich and medium, when they do take loans, tend to use them productively to expand their business or trade. The poor and destitute take loans for consumption, emergencies (e.g. illness), to purchase agricultural inputs or fishing gear, to cover the cost of migration, while taking huge risks and often failing to succeed in their objective. While there are risks faced by the lenders as well, principally from defaulting on loans, these are balanced by carefully spreading their investments across multiple occupations and activities.

### ***Phlov Luong Village: Rich Natural Resources in Rapid Decline***

The village has good natural resource endowments but, as in other areas, they are experiencing rapid decline from intensified exploitation. The problem has been compounded by repeated disasters like floods and drought, causing stagnation and decline of living standards, leading to high levels of poverty. The villagers have classified themselves into three groups: medium, poor and destitute, each responding to the problem of livelihoods through strategic engagement with credit and other markets (e.g., labour, fish, rice, trade or services).

The medium households provide loans in cash and kind, and in turn borrow from financiers to on-lend at a higher interest rate. They also have access to loans from Aceda. Because of the adverse economic conditions in the village, many have reported default and large losses.

The poor principally borrow from fish merchants, grocery shop owners and medium households for consumption, medical treatment, agricultural inputs, migration costs and purchase of fishing gear. Frequently, loans are in kind, for which the implicit interest rate seems relatively high (especially for rice).<sup>54</sup> The destitute can borrow relatively small

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<sup>54</sup> Loans of milled rice from grocers attract a 50 percent return in labour as follows: For 1 *tau* of rice, a person has to provide three full days of labour to the merchant (1 *tau* = 12kg x 500 riels = 6000 riels; 3 labour days = 3 x 3000 riels = 9000 riels).

amounts and only if they have enough family labour, borrowing principally for consumption, medical treatment and migration,. The poor and the destitute help each other out with small loans.

### ***Kompong Thkoul Village: A Rich Fishing Village***

This is a floating village that has been categorised as “fishing-agriculture” with the people categorised as rich, medium and poor (i.e. there are no destitute here). Fish resources have been in decline, and no case of upward mobility was reported, while nine households reported moving down, the rest remaining unchanged.

The medium and poor borrow from merchants to buy fish nets and other gear, in return pledging their future fish catch—however, the price paid by the merchant is the same as the market price.<sup>55</sup> As the fish supply has dwindled, the competition for sources of supply has also heightened, leading the merchants to offer market prices to retain loyalty. The same fish merchants operate as rice merchants as well, and they offer credit for rice in which the price offered is lower than the market price.

*“The rich always buy at a lower price.” (Poor female FGD)*

All villagers, except the five rich households that are merchants, engage in fishing. Many raise fish in cages, and the poor increasingly have to venture further and further away to fish. Both males and females engage in fishing, although the ratio is 4:1 in favour of males. Some of the traders operate as agents for larger financiers in more distant markets, on-lending funds to rice growers and fishers. Of the five merchants in this village, two operate as such agents.

*“Poor households were provided fishing nets on credit from fish traders with no interest rate. Then they deducted the sum of the loan when they had fish to sell to the traders at 500–1000 riels cheaper than the market price. Usually fish traders never give loans in cash because they are afraid that the poor won’t buy the fishing gear.” (Poor male FGD, Kompong Thkoul village, Pursat)*

Harsher forms of credit (cash or kind for labour) are not popular in the area.

### ***Nikom Knong Village: Agriculture/Fishing and Migration***

The area is relatively well-off, 20 percent of 213 households reporting upward mobility in living standards over five years and only four households reporting decline. Agriculture (rice production) is the main activity, followed by fishing. Migration is very common, both internal (rural-urban) and international (Thailand and Malaysia). A large Muslim presence was noted here, but there are no ethnic conflicts between the Khmers and the Muslim Chams. Remittances are important, especially for the medium and rich households.

*“Before we migrated to the border, each time we had to borrow money from moneylenders. We took some money with us for use along the way and while looking for jobs and kept some for the wife to use in the family during our absence. For this credit they charged us 15 percent per month.” (Labour FGD, Nikom Knong Village, Battambang)*

The credit system relies principally on traders (mainly rice traders, although fish traders are also active), along with private moneylenders and small loans from the rich and medium households. The rich and medium have good access to the different credit markets while the poor and destitute face great difficulty. Most are unable to borrow because they have no assets and little labour. Some are able to obtain credit from fish traders at the usual buy-back terms. Most have to obtain even medical treatment on credit.

<sup>55</sup> The demand for such credit is expanding because theft of nets and fishing gear is common. The poor can borrow money for fishing gear but not for medical treatment or food.

*"The months of November and December are the hardest period because we usually run out of rice. We normally borrow money from villagers who have big rice fields and we go to work for them to repay the debt when they need our labour." (Widows FGD, Nikom Knong village, Battambang)*

In order to cultivate rainy-season rice or dry-season rice, the people in the village need to borrow or get an advance from the rice traders to pay cultivation costs. The different interest rates charged by alternative sources include: four to seven percent per month from merchants in the market town of Thmar Kaul district four percent per month from rice traders in the village and from shop owners selling inputs for cultivation; and three percent per month from private moneylenders.

### **Poor Villages: Samraong, Basaet and Toul Ta Thon**

Fishing is of much lower importance in these areas, the main occupation being farming. Successive crop failures have exacerbated poverty levels and have driven many to survive through a combination of migration, credit and cropping. Many face serious food insecurity: the poor have to buy rice for three or four months a year, while the destitute buy rice daily. Socio-economic stratification is at an early stage, with the "rich" generally absent or very few in number.

The medium grow dry season rice, trade in fish, distil alcohol for sale, cut wood in the forests and lend money. The poor depend on fishing or migrating to Phnom Penh or the Thai-Khmer border in order to work in garments, construction or agriculture. The destitute depend on selling labour and collecting and gathering.

### **Medium-Income and Rich Households**

The medium and rich households operate as village moneylenders; however, they do not use their own money but loans from other lenders which they on-lend, mainly to the poor and the destitute. The problem arose that borrowers could not repay either the interest or the principal, and simply ran away from the village. As a result, the lenders had to sell their land and cattle to pay their debts to other lenders. Many cases of default were reported arising from crop failures, leading to asset sales and landlessness.

Most villagers prefer to borrow from medium households, and if this is not possible, they go to the market traders.

*"In general we borrow money from the medium households in the village when we face problems with our children's health or when we need fishing gear or our children need to migrate to look for work in Phnom Penh as garment factory workers or to the Thai border ... The interest for this loan is very expensive, 20 percent per month ... To get a cheaper rate we go to the moneylenders in Mong Russey Market in the district town; the interest there is only 10 percent per month, but they require a mortgage of our land title or valuable asset ... Borrowing from the medium households in the village, we can get a maximum of 50,000–100,000 riels without a mortgage if we don't have a bad credit reputation and they trust us; otherwise they won't lend to us." (Poor and destitute women FGD, Toul Ta Thon village, Battambang)*

The medium, poor and destitute villagers turn to the rich in the village for loans even though the rate of interest can be as high as 30 percent per month. The poor and destitute are given small loans of 20,000–30,000 riels, while medium households can borrow 200,000–300,000 riels. The reason they borrow from the village rich is that even when they are unable to repay the debt, their property is not confiscated.

### **Poor and Destitute Households**

Because of the high poverty rates, there is extensive advance sale of labour, many poor and destitute households committing to 50–100 days of labour for loans. This has meant that families try to repay even with child labour at the agreed time, including in night-time work. Default results in rolling over of the debt, so that if someone is unable to repay five days of labour during the transplanting season, he or she will have to provide seven days of labour at harvest. Similar types of advance labour sale also occur in the fishing lots, where a borrower must enter into a signed contract that is countersigned by his wife.

The wage rate of labour depends on credit status. Indebted labourers can earn 50,000–60,000 riels per hectare, while free labourers earn twice as much. If loans were taken in paddy, for 100 kg of paddy borrowers have to repay 200 kg of rice; alternatively, for 100 kg of rice, they will have to repay 400 kg of paddy. For cash-cash transactions, the rate is 20 percent per month. These terms appear to be more adverse for borrowers than those in other areas.

Migration has become very important in the last five years. The number of people who leave the village for work has soared, because unavailability of employment is a growing problem in the face of poor harvests. Those wishing to migrate generally have to borrow 100,000–200,000 riels from private moneylenders at 10 percent interest per month, although rates of up to 20 percent per month have also been reported. Most villagers who leave home to work in faraway places borrow money to cover their travel expenses.

Merchants provide fishing equipment on credit, as in other villages. This type of credit, however, is not in very great demand because fishing is a relatively less important activity. Merchants are also the main source of inputs like fertilisers that are sold on credit. A minority of the poor report using chemical fertilisers that they have bought on credit. Such loans must be repaid in paddy at the rate of 200 kg per sack of fertiliser, at harvest. Others are unable to use chemical fertiliser because they have no money and do not dare risk buying on credit.

Almost all the fishers in the village use credit to buy gill nets and fishhooks. However, credit is offered only to the old customers who come to buy gear every year. New customers will sometimes want to be introduced by an old customer to facilitate a loan. Most of these people are poor and destitute, having lost their land through distress sales.

When they are short of rice or a household member gets sick, they borrow in cash or rice from the medium households in the village or the dealer in the market, promising to repay when they earn enough money. There are numerous instances of such debts leading to the sale or pawning of animals or other assets. Such are the strategies of the poor.

*“When the poor buy anything, it is always very expensive ... We say this because we buy on credit ... When we sell our labour cheaply, we take their money to eat first and then work for them later ... When we are short of rice, we borrow from people in the village or other villages, paying double after a season. If we need money for cultivation, we borrow from villagers even if the interest is expensive, 20–30 percent per month. We prefer not to borrow from ACLEDA because we are poor and afraid that we cannot find money to repay them on time. Worse, with this institution you cannot negotiate; if we fail to repay, they fine us or confiscate our property or land.” (Poor and destitute female FGD, Toul Ta Thon village, Battambang)*

*“When we face shortages of food or our children are seriously sick, we borrow money or paddy or rice from our relatives or village lenders. The interest is double for one farming season; for instance we borrow one tau (12 kg) and pay back one thang (24 kg) of paddy.” (Female-headed households FGD, Sralau village, Kompong Thom)*

*"We are afraid to access formal credit ... When the deadline arrives, we have nothing to pay them, so they will confiscate our assets. It is not like the moneylender in the village, whom we can talk with." (Poor and destitute FGD, Santre village, Pursat).*

The evidence from the agricultural-fishing villages confirms the dominance of informal credit systems, save in a couple of better off villages with lower poverty rates and more people possessing bankable assets and property. In poorer areas or areas in decline, ACLEDA and PRASAC are in disfavour and have little impact on the informal credit market. In better off areas, these organisations have fared much better.

Trader capital and tied trade credit are dominant in the better off areas, especially in the fishing villages, while tied-labour arrangements for loans are widespread in the poorer villages, especially where agriculture is important. These arrangements are of central importance for both buyers and sellers, with huge significance for the markets for credit, labour and outputs, and the terms of market exchange.

Interestingly, in one village, Kompong Thkoul, fish-rice traders did not charge an implicit interest to borrowers by paying them less than market prices for fish. However, rice farmers had to sell below market price, demonstrating the flexibility of the informal system to respond to new (in this case supply-demand) market forces.

## **8.5. Conclusion**

### ***8.5.1. Evolution of Credit in the Tonle Sap Region***

From the 1980s to early 1990s, the economy of the Tonle Sap region was essentially subsistence oriented, with very little exchange beyond local-level barter of basic goods and labour. The livelihoods of the people were centred on extractive activities, mainly fishing, cutting wood and collecting and gathering. Where suitable land was available, rice was grown. In such a scheme of things, there was little scope for the development of an active, buoyant credit market. The introduction of land reforms and private land ownership laid the initial basis for market-led development.

The next phase brought the beginnings of market development and the rise of commercial interests in the rich natural resources of the area—rich timber and non-timber resources, and huge fish resources—in the face of growing demand from rapidly expanding urban centres and from across the borders. Property rights, however, play a crucial role in market development, creating numerous constraints and obstacles to market penetration in an orderly and systematic manner. Powerful interests were at work appropriating land, water and forest rights with the help of armed groups and the diverse security apparatus.

Deepening market penetration required local agents to acquire commercially useful products at low prices. Most importantly, these agents would have to be reliable and loyal. This consideration brought the rise of local traders who soon became tied to traders further up the marketing chain, who were able to channel credit in exchange for pledges of future supplies. This was the principal manner of penetration of merchant capital in the Tonle Sap region.

As the economy opened further through improved superior and information links, demand for labour was generated in the urban areas and in the border zones. At the same time, local demand also expanded as society became more stratified, leading to the emergence of medium and rich groups with some surplus at their disposal. Local trading interests also expanded in response to rising local demand for productive inputs as well as consumption goods. The complexity, scale and turnover of transactions rose rapidly, in turn generating demand for credit in cash and kind.

The economic, demographic and commercial changes in the Tonle Sap region and a changing property rights regime gave rise to an under-class of destitute and poor people. The process was compounded by rapid growth of a land market and adverse weather shocks, contributing to land alienation and widespread distress. Thus, demand for non-productive credit accelerated, leading to the emergence of highly exploitative and adverse credit relations with rich and medium households, as well as traders, which tie labour services at lower than market prices. In general, the governance system for natural resources militates against the interests and well-being of the under-class and serves to consolidate the power and influence of the rich. For many, the response has been literally to run away to Phnom Penh or across the border, sometimes hotly pursued by creditors.

### **8.5.2. Some Policy Questions**

This chapter began by posing broad sets of questions. First, is the evolution of rural credit expected to be similar across quite different livelihood regimes or, alternatively, is rural credit likely to evolve along distinct lines in response to differences in the nature of economic activity and exchange?

Our analysis of credit systems in the Tonle Sap region suggests that credit market development is crucially tied to the penetration of commercial capital and market interests, the nature of the property-rights regime and the availability of and access to natural resources. Trade capital dominates areas that are better endowed with extractive opportunities or have progressed further with commercialisation, while areas that have been successful in developing their own productive activities (agriculture, raising animals or fish, handicrafts or ceramic ware) have stimulated the growth of local private moneylenders (input traders, rich or medium households with surpluses). In poorer areas, numerous cash-kind/labour or kind-kind arrangements have been noted, with cash-labour forms dominating this market segment. Thus, while all the major forms of informal credit tend to be present in all areas, some forms predominate, depending on the area's evolution from a subsistence economy.

Second, does rural informal credit distinguish between rich and poor, men and women, and if so, how?

As partially answered in the previous paragraph, the rich and medium on the one hand and the poor and destitute on the other operate in essentially separate credit markets. At one level, the former tend to be lenders, while the latter are borrowers. At another level, the rich and medium can also be borrowers, in which case they will borrow from formal sources or traders. The poor and destitute borrow from traders as well, but they also depend heavily on rich/medium households for pre-paid wages and loans requiring daily repayment. To the extent that they do have access to trade capital, their credit exposure is kept quite low to minimise risk.

Women play a crucial role in negotiating credit amounts and terms, and are almost always co-signatories to credit contracts, especially in poor households. Tonle Sap moneylenders display a much greater level of trust in women. Thus it would be fair to say that women suffer no disadvantage in the rural credit market.

Third, do credit systems serve to reduce rural poverty and destitution or make it worse?

The evidence suggests that credit rarely plays a role in moving poor people out of poverty, although it can accelerate the process of downward mobility (asymmetric effect). It is likely that informal credit provides an illusory opportunity to the poor or destitute—because the opportunity to regain equilibrium or overcome a particular shock is rarely realised. However, it is probably true that the credit market provides immediate, even if temporary, relief. For the rich and medium, despite the risks involved, lending is an important source of income.

Fourth, do more formal lending operations by ACLEDA and NGOs drive down rural interest rates or improve access?

Unfortunately, despite their much lower rates of interest, these credit forms are rarely accessible to the poor and destitute. On the supply side, the requirement of asset-based collateral is a significant problem; on the demand side, the inflexibility of the system with respect to repayment of instalments makes it unattractive to poor borrowers. Only well-off borrowers seem to be attracted to credit from ACLEDA, PRASAC or Hattha Kaksekar. This segmentation of credit markets ensures that the impact on competition is reduced. A few villages, however, have reported quite good success with Acleda, which has managed to expand market share. Some evidence of on-lending has also been noted, rich or medium borrowers obtaining funds from ACLEDA and in turn lending them to poor and destitute households. Such processes should have some dampening effect on informal lending rates and on market expansion. Such "successes", however, were found to be very few.

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# Chapter 9: Local Governance and Poverty Reduction

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## Chapter 9: Local Governance and Poverty Reduction

### 9.1. Governance Challenges in the Tonle Sap

This chapter surveys the critical role that local governance plays in poverty reduction efforts in the Tonle Sap region. The view that emerges from the PPA villages is that many of the poor and the destitute are not benefiting from Cambodia's rapid economic growth, and often appear to be beyond the reach of public policy. This observation poses serious challenges for the government and its development partners in delivering effective poverty reduction outcomes in line with the objectives set out in the National Strategic Development Plan (NSDP) aimed at meeting Cambodia's Millennium Development Goals (CMDGs). Such issues lie at the very heart of questions concerning the role and authority of local government in Cambodia and the relationships between local institutions and other sub-national (e.g., district, provincial) and national institutions, as well as civil society organizations. These issues also raise questions concerning the accountability and responsiveness of local governance institutions to people, as well as the ability of local governments to mobilize resources and implement poverty reduction efforts according to the situation and needs of the poor and the destitute. This chapter focuses on the key issues concerning local governance in natural resource management and conflict resolution, infrastructure development and service delivery, and personal and public security. It also considers the role of civil society organizations and discusses the gender dimensions of governance.

The PPA study shows that the poor and the destitute are increasingly dependent on land and water based natural resources to sustain their fragile livelihoods. Several years of drought and flooding, along with poor soils and a lack of water management capacity, however, has eroded farming productivity, while people's traditional access to forests and fisheries is subject to the pressures of a growing population and to conflict with local elites and powerful actors from outside the village. As a result, a greater number of the poor sell their labour locally or migrate elsewhere within the country or to Thailand and Malaysia in search of employment.

*"There has been no more land for newcomers in this village. Up to 2004, there was still little vacant land that landless people or newcomers could grasp. Now everywhere land has been owned by people even from outsiders. During dry-season in March and April if you come here you would see it full of smoke as villagers just cut and burned the forest to prepare it for shifting rice cultivation." (Farmer FGD, Kombaar village, Siem Reap)*

*"The government has reformed fishing lots and given the lot in Chamnar Krom to villagers. So far there a 2 people from another commune who invade this area with business fishing. No one can stop them, even the commune council and police went to meet them. They must have big connection with district officials. So we would request to go above authority over the commune level to help solve this problem". (Participant, Chamnar Krom commune workshop, Kompong Thom)*

*... "The external trader requested a type of timber that they need, and then we cut for them and sold there. The trader transported by themselves, we are just labourers for wood cutting." (Labour FGD, Sralau village, Kompong Thom)*

*"During the year, poor family which headed by a woman can produce the paddy only enough for feeding their living demand for a period of 2 or 3 months. During these last two years, the rice yields were damaged due to the drought and its output can support the family demand for only one month. Thus, we have to send our*

*children to work at garment factory". (Female-headed household FGD, Banh Chkoul, Kompong Chhnang)*

The PPA study also shows that the poor and the destitute lack access to important infrastructure, such as clean drinking water, and are unable to afford basic social services, including education and health care. As a result of the high costs associated with education, the children of poor households, especially girls, tend to stop attending school at an early age. Although such problems affect all poor households, young girls and women are especially prone to leaving school early, if they start at all. The high costs of healthcare are pushing more of the poor and the destitute into downward spirals of selling off assets such as land to pay off the debt and health care costs. Women, including those of female-headed households are especially vulnerable to the lack to affordable healthcare when they borrow money and lose land due to debt.

*"There is a shortage of water in the dry season because there is only one public well in the village. Those who have money can afford to build a water pump. For those who don't have one, they don't want to ask for permission from pump owners to collect water very often because they think the owners will not be happy. Now they buy water for consumption. They find it hard to earn money to buy water". (Destitute Female FGD, Balang village, Kompong Cham)*

*"About 20 households of this part of the village are unable to borrow any money from others due to they are too poor and have no business or assets or property for mortgages. These households are really in vulnerability when they have any problem with health." (Widows FGD, Toul Ta Ek village, Battambang)*

*"All the young women want to be well educated, but they cannot afford to do so because they are very poor. There were some young women quitting their study when they were in grade 7 owing to illness. But they later asked for permission to continue their studies...their teachers demanded money from them before they allowed them to continue. Since they were very poor, they could not pay ... As a result, they had to stop". (Young female FGD, Tomprong village, Kompong Cham)*

*"Mentioning the issue of selling land we have seen that in the village all well-being groups (medium, poor, destitute) have done so. The poor and the destitute sold their land for paying health treatment, debts, and eating...if we just count briefly, we found about 12 cases of selling by the poor and the destitute". (Mixed open FGD, Roka village, Siem Reap)*

*"We are poor and we have nothing to depend on besides land, so when we face any tough problem such as health concern we might sell it for surviving solution...actually we don't want to do that, but we have no choice". (Landless FGD, Tomprong village, Kompong Cham)*

The PPA study also shows that many people perceive that personal security is fragile and that the poor and the destitute are especially vulnerable to various forms of domestic and public violence. Women's fear of rape, and parental fears associated with the perceived lack of safety sending their daughters to school, have been a constant refrain in the PPA villages. In all the villages, people have observed instances of youth and gang violence, while in some villages people have also observed drug and substances abuse among youth. Domestic violence against women is perceived be closely associated with poverty.

*"They have not sent their children to school because they worry about their safety – they might drown somewhere they do not know or there might be someone who mistreats their children, yet none of the cases had happened. Moreover, the most important reason is that they do not have enough money or boat for their children to travel to school". (FGD, Kompong Our village, Kompong Chhnang)*

*"Such activities can be disruptive to local economic activities and interfere with social services such as school. I want to say that my Khla Kropeu village has poverty and gangsters, and now there are many thieves, we lost our cows and buffaloes, chicken and pigs, almost every day. Sometimes, when people ask their children to sell some things, they are blocked, beaten, and robbed by the gangs. When on the way home from studying English, our children are beaten and threatened for money... My people dare not go and do their business. Our children nowadays have left their study behind since we need them to look after the animals while we are earning our livings". (Representative of Khla Kropeu village, Anlong Tnaut commune workshop, Pursat)*

*"There are some young children who enter and smoke Yama in their school during vacation. No one has been cracked down on their activities". (Toul Ta Ek Village Report, Battambang)*

Corruption and bribery are endemic and have been virtually institutionalized as a hallmark of local governance. While rich and medium income households are also subject to local level corruption, the poor and the destitute are especially vulnerable to its harmful effects. In many respects, corruption is the primary institutional mechanism by which the poor and the destitute are denied access to natural resources, social services, and legal redress of grievances involving theft, personal violence, and conflicts. As a result, corruption erodes the capacity of the poor and the destitute to improve their livelihoods and contributes directly to their downward spirals into poverty. In short, corruption distorts the balance of power in favour of the powerful and better off, and decidedly against the interests and well-being of the poor and the destitute.

*"One villager has seen a group of people using electro fishing gear and reported it to the commune police. The police caught and fined them 100,000 – 1,000,000 riels according to the standard of living of the criminal. Afterwards they sold the electro fishing gear to get money for their own pocket or ordered their own people to use the illegal gear for fishing". (Fishing FGD, Treay village, Siem Reap).*

*"When a gangster group has quarrel with each other, police will not find the solution unless they were paid with money. If the conflict was finalized, police generally demand half the amount of money for the damage". (Ban Chkoul Village Report, Kompong Chhnang)*

The PPA study also shows that local institutions of governance can work well when the problems or issues in question are local in the sense that the disputants are from the same village or locale, and when disputants are more or less of equal social status or rank.

*"Between 1999 – 2002, several cases of small conflicts have occurred such as rice field boundaries and inheritance from parents. With reconciliation from the village chief the disputes have been solved". (Agriculture FGD, Roka village, Siem Reap)*

*"Since land prices have gone up, there are about ten households that have problems with disputes. It just concerns the boundaries. The commune council created a commission for solving those conflicts. The commission members were selected villagers who have high education and voluntary participation." (Participant, Treay commune workshop, Siem Reap)*

*"Previously, there were many gangsters but presently the number of gangsters has decreased because village and commune officers and police work together to advise and prevent them doing something wrong, and to keep their eye on their activities at ceremonies". (Commune council member, Pou commune workshop, Kompong Chhnang)*

The ability of local governance institutions to resolve conflicts begins to break down, however, when problems involve people of unequal rank or social status or involve parties or

institutions from outside the village or immediate area. Village and commune authorities, as well as local police, will then often side with the stronger or more powerful, or those who will pay bribes or provide special favours. This pattern is consistent across all villages.

*"After the cruel violence, the victims did not ask the village chief to solve their problems because they do not have money to pay for the sue fee to the clerk, amounted 5000 riel". (Kombaar Village Report, Siem Reap)*

*"We are local authority, village and commune, have prohibited villagers from cutting down the forest, but they do not follow because the people who cut down the trees are powerful and high-ranking. Some villagers sell their labour to those people, while others log the forests for sale and for house construction. We do not take action because we have no power to arrest those powerful people"... (Commune council member of Ngoul, Kompong Thom)*

*"It is a social issue and I myself am very concerned about it since there are powerful and high-ranking people behind this. If I want to take measures or do any other thing about addictive drugs, I must have the order from those high-ranking and powerful people. The officials do not dare to do something without orders lest they may upset the higher authorities, for presently the judges are could arrest and detain or release whomever they want to". (Deputy chief of district police, Battambang)*

At the same time though, the commune councils are perceived to have worked effectively in areas such as rural infrastructure involving the construction of roads and bridges.

*"In the past, the village had only a road for ox carts and it was very difficult for transportation...no trading was conducted in the village... but the village currently has a good road which enables the villagers to transport rice to Phaav market more easily and a lot of traders have come in and out of the village for selling fishing, and transporting rice and cattle every day". (Elderly FGD, Balang village, Kompong Cham)*

*"Good roads have facilitated in school-travelling and communicating between the villagers and physicians when they get sick occasionally". (Mixed male FGD, Nikom Khnong village, Battambang)*

The PPA study also identifies several areas where collaboration between local governance institutions and civil society organizations has yielded encouraging positive results. For example, in the areas of rural credit, vocational training, and domestic violence, NGOs have played an important role in providing information or other resources in support and collaboration with local authorities.

### ***Summary: Accountability and Responsiveness***

The PPA study shows that the implementation and enforcement of public policies is often undermined by the fact that local officials are routinely confronted with conflicting policy objectives, inadequate information, scarce resources, ambiguous authority, and a sometimes uncooperative citizenry. Local officials are also frequently under pressure from powerful local elites or higher officials for special favours and services. Monitoring mechanisms are also weak and often do not reflect the situation of the poor, who are excluded or otherwise unable to articulate their needs. Such problems reinforce traditional patterns of local governance structured along patron-client relationships in which local level officials understand that they are accountable to those above them or more powerful individuals rather than to those below them, including local people.

Despite some important indications of progress in areas such as infrastructure development and health care provision, the general impression is that the poor and the

destitute have little power with which to influence policy making at the national level or demand better services and justice at the local level. They are routinely excluded from decision-making processes, receive few responses to requests for help, and have virtually no opportunities for the redress of grievances and conflicts, especially in cases involving local elites or outsiders. The lack of real participation and opportunities for response and redress is disempowering and contributes to a widening schism between the poor and the destitute and the governance institutions that are expected to serve them. The result is growing distrust on the part of the poor and the destitute toward local governing institutions, which undermines the institutional foundation upon which good governance rests. There is a general perception that the poor and the destitute tend to avoid government, while relying on civil society organizations and social networks for support. That the poor and the destitute may view certain government institutions as part of the problem, rather than the solution, should concern government agencies and other development stakeholders.

## 9.2. Natural Resource Management

The need for improved management of natural resource assets in the Tonle Sap region is of vital importance for the poor and the destitute as they are especially dependent on access to natural resource assets for their livelihoods. At the same time, the natural resource base throughout the region is dwindling and being degraded by a variety of factors, including local demographic pressures and external demand that is largely urban based, for land and natural resource products such as wood as fish. As noted above, the importance of equal access to natural resources is also mentioned as one of the key areas in the 2006-10 NSDP.

Based on the PPA findings, the most important policy and governance objectives associated with land and water based natural resources concern sustainable management and conflict resolution. These policy objectives should focus on ensuring that the poor have access to productive natural resources and that the laws and regulations concerning natural resource assets are enforced equitably without regard to rank, status, or wealth.

### *Land Tenure Security*

Of all the issues pertaining to rural livelihoods raised by people in the PPA villages, land tenure security stands out as one of the most important. More and more poor people are losing land for various reasons. The most frequent reason concerns "distress sales" after a member or members of family experience a "health shock." The rich and the medium income households can cope better with these shocks as they have some savings in case of emergency. The poor, however, do not and as a result end up selling off land assets and/or borrowing, often at very high interest rates.

*"Mentioning the issue of selling land we have seen that in the village all well-being groups (medium, poor, destitute) have done so. The poor and the destitute sold their land for paying health treatment, debts, and eating...if we just count briefly, we found about 12 cases of selling by the poor and the destitute". (Mixed open FGD, Roka village, Siem Reap)*

*"we are poor and we have nothing to depend on besides land, so when we face any tough problem such as health concern we might sell it for surviving solution...actually we don't want to do that, but we have no choice". (Landless FGD, Tomprong village, Kompong Cham)*

The incidence of land loss due to such distress sales can be reduced with the improvement of the health care system by providing cheap medicines along with better quality services to the poor and the destitute. As a matter of policy, credit should not be considered a solution for providing healthcare services. If people must borrow money, it should be at reasonable interest rates with provisions that maintain land tenure.

Despite the fact that many people initially applied for land titles during the 1990s, the poor generally lack land titles or other documentation because they have not been able to afford the high informal costs associated with obtaining land titles.

*"The local authority had requested villagers to apply for land registration for land use in 1986. Some of us did and got the receipt for that application, but so far none of us received any title yet". (Agriculture FGD, Roka village, Siem Reap)*

One problem associated with a lack of secure land titles concerns the fact that the poor do not have access to formal credit as they often not able to meet formal lending institutions collateral requirements.

*"We are very poor. We have no agriculture land so creditors do not provide any loan to us". (Poor and destitute FGD, Santre village, Pursat)*

One of the objectives of the government's ongoing Land Management and Administration Programme (LMAP) is to address this and other land related issues by issuing one million land titles during the first 5-year phase of the project. The LMAP programme is operational in four of the six PPA provinces. One of the PPA villages, Balang, in Sambo commune, Banteay district, Kompong Cham province has been involved in the LMAP land titling efforts. LMAP teams surveyed the community in 2003, but titles had not yet been issued at the time of the PPA study because a large-scale irrigation scheme had since been introduced in the area.

CDRI research<sup>56</sup> shows that the potential impact land titles have on poverty reduction in the rural sector depends on the degree to which titles can be used as collateral for loans for productive purposes, such as agricultural and small business investments. The potential impact on poverty reduction also depends on targeting and sequencing land-titling efforts. For example, the poor tend to live in areas where it is difficult for LMAP teams to issue titles quickly. As the program is monitored and evaluated largely based on the number of titles issued in a given period of time, administrators tend to focus on areas that are easier to do. Such areas often have lower poverty rates than other areas, so the impact on poverty reduction may not be optimal. If the government intends to make poverty reduction an important criteria governing site selection, then rather than focus solely on the number of plots that are issued titles as the primary performance measurement, the quality of plots in terms of poverty reduction and conflict resolution should also be awarded performance points.

Another important issue associated with land management and governance concerns conflict resolution. It is important to observe that in some of the PPA villages, people do in fact appeal to local authorities for help in resolving certain kinds of land conflicts. It appears that low intensity conflicts such as boundary and inheritance disputes can be effectively resolved at either the village or commune level.

*"Between 1999 – 2002, several cases of small conflicts have occurred such as rice field boundaries and inheritance from parents. With reconciliation from the village chief the disputes have been solved". (Agriculture FGD, Roka village, Siem Reap)*

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<sup>56</sup> See CDRI, Land Titling Baseline Survey Report: Rural Phase 1, forthcoming

*“Since land prices have gone up, there are about ten households that have problems with disputes. It just concerns the boundaries. The commune council created a commission for solving those conflicts. The commission members were selected villagers who have high education and voluntary participation.” (A participant at Treay commune workshop, Siem Reap)*

Local officials, however, are generally not able to resolve problems that involve higher authorities or more powerful interests. This is especially so in the case of land concessions, as observed in Khla Kropeu village in Pursat.

This past 5 years we are vulnerable due to the company diverting water source into their company’s land and not being able to access the forest, even our animals have no grass field and water. Before we could go into the forest and have water for rice cultivation (Mixed women FGD, Khla Kropeu village, Pursat)

### **Forests**

During the 1990s, central forest management in Cambodia was highly focused on timber production in large-scale concessions. The system created many conflicts between concessionaires and communities depending on forests, and was terminated in December 2001, when a moratorium on timber logging was declared. Since that time, however, implementation of alternative management models has been limited and most forests outside protected areas have been left in a management vacuum. Post-concession forests throughout Cambodia must currently be characterized as ‘open access’ areas that are highly vulnerable to conversion to other land uses.

The current management situation observed in the forest villages of the PPA study also appears to be an ‘open access’ situation, in which especially powerful stakeholders can extract short-term benefits without being accountable for the environmental and social implications of their ‘mining’ actions. At the local level, local people understand government policies mainly through their interactions with commune and district authorities or outsiders, including high-ranking officials.

*“Our members in the household increased, we need more agriculture land for our children after they got married, so we have converted forest land into agriculture land and local authorities did not ban us.” (Participant, commune workshop, Santre village, Pursat)*

Some villagers complain that the local authorities do not respond to their complaints when conflicts have arisen with companies. Villagers also often reported that they must pay unofficial fees or fines to the police or other officials if they want to transport wood to markets, although similar actions are not taken towards powerful outsiders or companies. People perceive that laws to protect forests are only strictly enforced against poor local people who cannot afford to pay the informal fees needed to make sure they are not arrested. The enforcement of current governmental policies at local level is therefore neither consistent nor transparent, and there is an urgent need for better governance in the sector to make all stakeholders, including both poor and powerful, accountable for their illegal and unsustainable activities.

*I have paid 300,000 – 400,000 riels per month to police and 50,000 riels to village authority in order to get permit for cutting wood by chainsaw. As I paid them regularly, village authority always let me know in advance when there was any mixed team (environment, forestry controllers) come on mission to seize chainsaws. One whose chainsaw was seized, then that person had to pay about the same price to redeem it from the authority. (Informal interview with a man who made business by cutting in Kombaar village of Khvav commune, Siem Reap)*



*Logging was transported to market by ox-cart at night time. However, they have to pay bribes to all units along the way to destination (Informal FGD, Khla Kropou village, Pursat)*

All PPA forest villages reported that outsiders play a significant role in logging and clearing forests. The role of powerful outsiders currently involved in logging seriously constrains opportunities of local people to gain benefits from forests. Since the moratorium on timber logging, economic land concession holders and outsiders related to high-ranking officers are the main outside actors involved in logging and forest clearing activities. Villagers report that they are afraid of being arrested and hence do not engage much in timber logging. Local benefits from forests are therefore mainly from collection of non-timber forest products.

*"From 1998 until present, the forests near Sralau village, such as Ou Ta Kuy and Ou Thom, which villagers used to log before they were completely cleared, and those places have become farmland and cashew plantation". (Male FGD, Sralau village, Kompong Thom)*

*"Wood cutting started since 1993 with 90 percent of villagers of both sex with all categories of households and they chopped down all big wood, but NTFP collection still continues up to now." (Mixed open FGD, Khla Kropou village, Pursat)*

The current negative trend in forest resources reported by all PPA villages suggests that the current moratorium leaving most forests in an 'open access' situation in forests will not conserve forests and their important safety net functions. Locally, there is an increasing demand for agricultural land and domestically, and there will continue to be a demand for timber. Sadly, it appears that in some locations it may now be too late preserve forested areas.

*"The forest has been devastated. The poor of the village have been hired for cutting and moving wood out of the forest. They have received very little money for their labour, therefore the poor get poorer and poorer and at last they will no work to earn their living any more as there will be no wood in their area". (Participant, Khvav commune workshop, Siem Reap)*

*"The logging of the forest now has been decreasing and completely destroyed at the time the government posted a strong ban on it." (Participant, Khvav commune workshop, Siem Reap)*

These observations underscore the need for urgent attention on the part of the government to preserve the remaining forested areas and ensure that the poor have access to such areas. To enhance the role of forests in poverty reduction, the forestry sector needs to implement locally based forest management models. This process is slowly evolving through the development of community forestry, but the process so far has been slow and must be accelerated and scaled up. Also, the development of community forestry has mainly been focused in degraded forest areas where the potential benefits from forests are very limited.

### ***Fisheries***

Prior to late 2000, PPA villagers report there were substantial conflicts over fish resources between lot owners and local people and between lot owners and rice farmers over the utilisation of flood plains for fisheries and agriculture and fishing rights. In late 2000, the fisheries sector was reformed to reduce the number of conflicts and improve access to fishery resources by small-scale fishers. The government allocated over 56 percent of commercial fishing lot areas to local communities. In 2006, there were about 440 community fisheries established across Cambodia, covering 0.54 million hectares, mostly around the Tonle Sap lake.

The PPA study shows that the benefits of community fisheries are not equitably distributed. For example, the rapid growth of community fisheries has led to problems of participation of local people in the local election process. Usually, each village in the fishery

community nominates a number of representative villagers to vote for community fishery leaders and committees. This is an indirect election process that only partly represents the voices of the villagers, and as a result the leaders may not always be transparently elected and accountable to all community members. Some leaders of the community fishery areas are also reported to allow outsiders with illegal fishing gear to fish within the community areas as well as to collect fees that are not transferred to the community account. Some also allow the use of illegal fishing methods such as electro-fishing, if they are paid “commissions”.

Community fisheries also involve many villages that have historically utilised the fishing grounds as a CPR under traditional arrangements. Some villages report that their access to fishing has declined due to the establishment of community fisheries because of disputes over borders of neighbouring community fisheries, and lack of management of the areas that were supposed to be used for fishing by local communities. Some communities that do not live close to the fishing grounds report they have been left out of the process and subsequently denied access to the new community fisheries.

*“The government has reformed fishing lots and given the lot in Chamnar Krom to villagers. So far there are 2 people from another commune who invade this area with business fishing. No one can stop them, even the commune council and police went to meet them. They must have big connection with district officials. So we would request to go above authority over the commune level to help solve this problem”.* (Participant, Chamnar Krom commune workshop, Kompong Thom)

Fishing areas released for ‘open-access’ have mostly benefited better off households, outsiders, fishery officers, powerful officials and the military. Poor and destitute households have not been able to benefit from these resources in the same way. Capital resources are used to increase fishing effort and pay fees to fishery unit staff and to the military. Usually the better off fishermen can upgrade and modernize their fishing gear. Some of these fishermen do not comply with Fishery Law in order to harvest fish with illegal fishing gear, and pay bribes to people at technical institutions like the Department of Fishery and the staff of the Ministry of Environment. Police, military police, soldiers and others also collect informal fees from the fishermen.

*“In the past, we didn’t see electro-fishing gear used to catch fish, so people earned normally by using plunge basket or other equipment to catch fish, which is just enough for a soup. But today we see the electro ones – when the fish come out, the electro take all of them”.* (Village representative, Santre commune, Pursat)

Worse off households rarely benefit from open access fishing areas, because they lack capital investment for fishing gear, and cannot afford the general operating costs, including bribes. Furthermore, as they have only small, insecure boats, they worry about storms that prevent them from fishing in open-access areas far from their villages. In some areas, the better off villagers/fish traders loaned out illegal fishing gear like electric shock gear to poor fishermen and the fish catch is shared in return. Although this may benefit the poor fishermen, the sustainability of such practices is highly questionable.

*“Since the fishery community has been formed, only the rich and medium households are able to earn more as they have big capital to invest, as we are not able to gain from this reform, we feel that we have bigger space for fishing, but we get less.”* (Poor female FGD, Treay village, Siem Reap)

In addition to lack of accountability and transparency, the community fishery itself may become a barrier to the worse off households and to other poor outsiders who depend on fish as the major source of income. Traditionally, some worse off households from Balang village (Kompong Cham), used to fish in the Tone Sap Lake to supplement their incomes. Most of them are landless. But the rules of the community fishery prohibited them entering the fishing areas because they could not afford to pay the fees to the community fishery.

*"If Kompong Our still continues fishing, there will be one problem, poverty, because... natural resources, especially fish decrease. For example, in the gillnets of 100 meters could catch 5 kg, but now 200 meters hardly catch 3 kg since 2003 since there have been many illegal fishing activities. So, I have one idea, which is to cause them to change their occupation by doing both agriculture and fishing as to reduce poverty". (Village chief, Kompong Our commune workshop, Kompong Chhnang)*

Since the fishery reforms were implemented, some people from other villages have also been able to access larger fishing areas during the dry season and earn more income as well as process more fish for home consumption.

In this sense, the distribution of benefits among villagers has been uneven. In general, the worse off households from the fishing villages received less benefit from the fishery reform largely because of barriers to accessing formal and informal credit. In contrast to the poor and the destitute, those better off in the village have better access to credit, which enables them to upgrade fishing gear and thus benefit more from the increase in access to common property fishing grounds.

*"cannot compare, it is totally different equipment using between poor and rich... We have only small rowing boat, they have powerful engine boat. We borrowed money fish traders or shop vendors to buy small traditional fishing gear such as fish hooks, net or materials to make bamboo vertical cylinder traps. The rich can afford to buy big modern fishing gear with their own money". (Fishing FGD, Treay village, Siem Reap)*

*"Poor never be easy regarding capital, we borrowed money from fish trader to buy material such as fishing net and hooks and pay back with fish at lower rate about 100-200 riels per kg. For the medium well being households, they have more nets and hooks, they can catch more fish and they can sell directly to traders who give them high price". (Fishing FGD, Preaek Sramaoch village, Siem Reap)*

### **Summary: Natural Resource Management**

Land tenure is one of the most pressing issues in the Tonle Sap region. An increasing number of poor households are losing their land because of health care costs and high interest debt. In this sense, credit should not be considered a solution for providing health care costs as a matter of policy. As for the government's systematic land titling program, every effort should be made to accelerate the rate of progress throughout the Tonle Sap region, while targeting and sequencing project areas where the impact on poverty reduction is likely to be greatest. As it will take considerable time to reach all areas of the Tonle Sap region and the rest of the country, it is imperative that legal measures are developed to recognize and protect people's traditional or customary rights to land that have put to productive uses for a certain period of time. That people may not have paper documenting their ownership should not be the only factor that determines their tenure rights. All too often the lack of such paper serves as a convenient excuse for land grabbing and other forms of expropriation.

Corruption at the local level is one major reason why community based approaches to forestry and fisheries management have not been effective in enforcing rules and regulations governing access to and control over natural resource assets. A second significant problem concerning natural resource management in the Tonle Sap region is a lack of clarity of concerning roles and responsibilities on the part of local authorities and other official institutions. Such problems involve overlapping and conflicting mandates for various enforcement bodies, and affect both land and water based natural resources.

*"Our village has encountered the confusion of chaos of crackdown on illegal fishing activities. There is not clear designation of which illegal activities are the responsibilities of which authorities and which activities require cooperation. Thus, the fishery authorities, the armed forces, and the local authorities are in conflict*

*when they launch a crackdown.” (Commune chief, Thmar Kaul district, Provincial Workshop, Battambang)*

The problems associated with unclear and conflicting mandates and authority are exacerbated by poorly demarcated jurisdictions. For example, there is often considerable confusion concerning fishing lot boundaries. Many villagers routinely observed that they were unaware of the actual boundaries, but some officials have disputed this observation.

*“Relating to the people’s words that the fishing lot boundaries are not clearly delineated, I would like to say that in fact we have done the delineation already. When we set up poles designating the boundary, we invited the district governor, the commune chief, and the village’s elderly to attend. So we should change the point written that the fishing lot boundary is not clearly delineated, and write that villagers have not yet understood the delineation, since the commune and village chief chiefs joined the delineation”.*

But a village chief from Kompong Leng district observed that, *“Relating to unclear fishing lot boundaries, the authorities invited the village chief and elders when they measured the boundary, but did not invite when they set up boundary poles. And I did not know how they set them up.”*

The lack of clear boundaries and poorly defined jurisdictions of authority also undermine efforts to strengthen forest management. For example, according to a provincial official from the Department of Land Management in Kompong Chhnang,

*“The unclear identification of state land is one issue of governance. The forestry administration would like to take 2002 forest identification, which was photographed from the air. From 2002 to 2005, the forest has changes since people have no land for growing and therefore they clear the forest for doing dry season rice farming”.*

Despite these very serious problems, there is evidence that shows that some local officials have taken action to enforce the laws and regulations governing natural resources in the region.

*“Three police and 13 village guards have played very good roles to protect the commune, especially to stop people using illegal fishing gear and catching wildlife. In 2002-03, police had many achievements such as confiscating and destroying electric inverters. The persons who use this equipment are mostly from outside the village”. (Participant, Treay commune workshop, Siem Reap)*

Nevertheless, there is a persistent impression that the laws and regulations are generally applied to the poor who can neither afford to pay bribes and unofficial fees nor have the power and privilege to disregard the laws, as do many local elites or outsiders. Community-based approaches to forestry and fishery management require that the laws and regulations governing access to and control over forest resources are rigorously applied to all, regardless of rank, status or power. As long as the laws and regulations governing natural resources continue to be violated with impunity by powerful external interests, no management approach will be effective.

The issues associated with the governance of natural resources are complex and raise a number of important questions concerning the most effective institutional arrangements for implementing and enforcing laws and regulations governing natural resource management at the sub-national level. There are several sets of governance relationships that must be clarified and resolved. First, what is the most appropriate and feasible role for the commune councils to play in enforcing the regulations and laws associated with land, forestry and fisheries management. For example, if the forest administration is to promote community-based forestry management approaches, what role can and should the commune councils actually play with limited authority, resources, and technical capacity? A similar set of

questions also applies to the community fisheries. What jurisdiction do commune councils have over community fisheries, or should community fisheries be accountable to some other level of the administration either at the district or provincial level? Should commune councils have the power to arrest and detain offenders, or do they solely report offences to higher up authorities and then wait for action?

Second, what should be the relationship between the commune councils and local governance at the police and military institutions? One of the most consistent observations from the PPA concerned the fact that local authorities consistently defer to or avoid involvement with the police and military. Third, what then is the most appropriate level of enforcement? Can and should the management functions of implementation and enforcement be separated, and if so, how can this be most effectively arranged?

Finally, what is the most feasible timeframe for strengthening these institutional arrangements? Based on the observations from the study, the need for improving the managing the natural resources is urgent. The current governance arrangements are not sustainable and there is a very real sense that the consequences of a rapidly degraded resource base will be the foundation of far reaching social consequences for the poor and destitute throughout the Tonle Sap region.

### **9.3. Infrastructure and Service Delivery**

#### **9.3.1. Infrastructure**

In nearly all of the PPA villages, certain aspects of rural transport infrastructure appear to be improving, but are still not adequate. Roads and bridges are one area in which local government is making significant progress, and many villagers recognize this accomplishment. The important impact of roads and bridges on stimulating poverty reduction by linking the poor to markets and social services (e.g., health, education) cannot be overestimated. Building more roads and bridges, and maintaining them, can be of great significance to the livelihoods of villagers across all well-being rankings.

*"In the past, the village had only a road for ox carts and it was very difficult for transportation...no trading was conducted in the village... but the village currently has a good road which enables the villagers to transport rice to Phaav market more easily and a lot of traders have come in and out of the village for selling fishing, and transporting rice and cattle every day". (Elderly FGD, Balang village, Kompong Cham)*

*"Good roads have facilitated in school-travelling and communicating between the villagers and physicians when they get sick occasionally". (Mixed male FGD, Nikom Knong village, Battambang)*

*"Education and health services are related to roads. During the rainy season, there is no road". (Samraong village chief, Kompong Leng district, Kompong Chhnang)*

Irrigation is another key component supporting agricultural development. Based on what people said during focus group discussions in the PPA villages, there is an urgent need for more investment in irrigation. In this sense, the government (e.g., the NSDP, 2006-10), the World Bank and other stakeholders are certainly correct in their policy orientation of allocating more resources in this direction.

*"In our village, the villagers need water to do farm works; the village faces draught and floods; some villagers cultivate rice every year but their capital is empty because of water; we are poor because of water shortage". (Chief of Sambo commune, Kompong Cham)*

As government officials and donors plan and design irrigation projects, careful consideration must be given to how such projects will be managed to ensure sustainable use

and equitable access by all. The two most critical management components concern financial resources for operations and maintenance and conflict resolution.

*“When there is a shortage of water for dry season cultivation, they cannot do anything to immediately deal with the problem. And they cannot get the helping hand of the community chief because he has no right to intervene. He needs an agreement by community members in order to help in this problem. Sometimes their dry rice spoiled because the water delivery was too late.” (Fishermen FGD, Balang village, Kompong Cham)*

*“Irrigation is a big conflict for our village...as we take water from the Baray canal and “78 dam” reservoir and they are far from our dry season rice field...people along the canal pull all the water and it hardly comes to our field” (Farmer FGD, Kouk Trach village, Siem Reap)*

In addition to transport and irrigation infrastructure, improvements in public sanitation and clean drinking water are imperative. One of the most striking features of the PPA study is the consistency with which access to clean drinking water was identified as a serious problem in nearly all villages. Not only do poor sanitation and a lack of clean drinking water cause serious health problems for many villages, especially the poor and the destitute, they must also spend considerable amounts of time, effort, and money obtaining clean water.

*“Relating to water use, all the villagers use the water in Sangke River, but only a few villagers drink boiled water. In the past, the villagers used to put Kloromin (antibiotic drug) in the water for drinking or other use, but they have stopped using it up to the present since some of them had a stomach ache because of drinking that water. Others said that they have stopped using the drug because the water became so unpleasant that they could not drink it”. (Treay Village Report, Siem Reap)*

*“There is a shortage of water in the dry season because there is only one public well in the village. Those who have money can afford to build a water pump. For those who don’t have one, they don’t want to ask for permission from pump owners to collect water very often because they think the owners will not be happy. Now they buy water for consumption. They find it hard to earn money to buy water”. (Destitute women FGD, Balang village, Kompong Cham)*

### **Summary: Infrastructure**

Generally speaking, the construction of rural roads and bridges seems especially well suited for the commune councils. There are several reasons for this. One is that such projects are fairly divisible in the sense that number and scope of activities can be easily scaled according to the resources available. In this sense, the resources disbursed through the commune/sangkhat fund have been useful in supporting small-scale infrastructure projects. Second, although such projects may require engineering know-how and equipment that are beyond the capacity of the commune councils to acquire and maintain, they can be contracted for with private sector companies. The organization of contractual arrangements with private companies generally lies within the capacity of most commune officials. Third, although the contracting processes may not always be transparent and competitive, the results are visible and can be somewhat easily monitored. The visibility of such projects may be of special interest to council members seeking re-election as they wish to demonstrate their accomplishments to voters while in office.

The inputs concerning clean water and sanitation are somewhat different. Like roads and bridges, water wells and latrines, for example, are discrete projects, the number of which could be scaled according to the resources available. However, unlike roads and bridges, water wells and latrines, for example, may be subject to capture by local elites. Water wells and sanitation facilities also require maintenance, and in some cases spare parts may not be easily available or it is difficult to mobilize cash resources or labour to make repairs and

maintain. Special facilities need to be established to ensure that the benefits and costs of such inputs are evenly and fairly distributed. Latrines, for example, could be located on school grounds where a greater number of people have an obvious access. This being said, these types of projects seem ideally suited for collaboration between commune councils and civil society organizations and should be a focal point for priority action.

Unlike roads and bridges, or water wells and sanitation, irrigation infrastructure presents a far more complex array of challenges for local governance institutions at both the village and commune levels. While certain small-scale systems may be feasible using commune/sangkhat funds, it is likely that only one or two villages in most instances could be served. In all likelihood, though, the construction of irrigation infrastructure would involve many villages and require a considerable degree of financial and organizational capital inputs, both of which would most likely be beyond the capacity of the local officials. In the case of medium and large-scale projects that cut across commune boundaries, a higher level of institutional authority would be required. The collection and allocation of user fees to support operations and maintenance also must be well managed in a transparent matter. The evidence from several PPA villages suggests that conflict resolution is another area of priority concern. Such conflicts must be resolved in a fair and equitable manner according to objective rules and regulations governing water rights. Appropriate institutional venues for resolving such conflicts must be identified in advance.

It appears that more appropriate areas for commune inputs concern rural transport, clean drinking water and sanitation, and in some case small scale irrigation. In this sense, the funds available to the commune should be increased based on prior performance and planning based on projected poverty reduction impacts. Issues associated with targeting and sequencing of development inputs also need to be assessed. Donors and government planners should target specific area for priority attention concerning rural transport, water and sanitation, or irrigation to be implemented through local institutions. When feasible, civil society organizations need to be approached with requests for help with technical know-how and advice. In some case, such as rural transport, contracting with private sector actors is appropriate, while in other areas, such as public-private partnerships may be more feasible. In other instances, such as veterinary services, such activities may be best left to the private sector, perhaps with technical support from the district or provincial technical offices.

### ***9.3.2. Service Delivery***

Social service delivery is an essential component of local governance for reducing poverty and promoting the well being of the poor and the destitute. As noted above, several important indications of progress were observed in several PPA villages. The general impression, however, is that the poor and the destitute continue to lack access to affordable social services, including healthcare and education.

#### ***Healthcare***

Access to health centres and medical treatment continues to be an important issue for most villagers in the PPA villages, especially to the poor and the destitute, who are generally in poor health and often sick. Access to health services remains severely limited because they simply cannot afford travel expenses to distant health centres and the costs of medical treatment. Due to the expense of modern medicines, most of the poorest people instead use traditional medicines.

*“When the destitute are ill, they first go to buy medicine at grocery stalls. If they have money, they will visit the private doctor who works at the health centre. Those who have no money visit traditional healers or buy traditional medicine for treatment. If the condition does not improve, they only have to wait to die”. (Destitute Male FGD, Balang village, Kompong Cham)*

Although the number of children receiving vaccinations has increased over the last five years, some children and pregnant women from poor and the destitute households fail to take advantage of these services if, for example, they are away in the forest looking for wood, or otherwise occupied. Another problem concerns the low level of education among many of the poorest, which affects their capacity to understand the benefits and processes associated with modern medicine and healthcare.

Health education is also important. For example, most people in villages around the Tonle Sap drink water directly from the lake. In the dry season, the water becomes shallow and muddy and most drink the muddy water untreated, which causes many kinds of diseases, especially diarrhoea. Boiling water is inexpensive since villagers can collect firewood for free, but they do not make the effort to do so, or they lack knowledge of sanitation. It is striking that some villagers do not understand that drinking uncooked water can cause various kinds of diseases.

*“Villagers drink contaminated water that cause women to fall sick with leucorrhea (vaginal discharge) and uterus problems. The male villagers are usually sick of diarrhea, stomach ache, and of typhoid” (mixed open FGD, Preaek Sramaoch, Siem Reap)*

More education and awareness building is needed in this regard, as the linkage between sanitation and health is extremely important. One way to approach this would be to devote more resources to television awareness campaigns, as the dissemination of health information through the visual media seems to have been effective in other areas. For example, women in Kouk Trach village in Siem Reap and Srei Ronguet village in Kompong Thom reported learning about the need for blood tests for HIV/AIDS from the Khmer language TV.

The most serious impediment to good health care for the poor and the destitute concerns the costs associated with medical attention. In nearly all the PPA villages, people observed that they can not afford routine health care and avoid it whenever possible. In the cases of some women, for example, they put off seeking medical attention until their problem reaches crisis stage, which then costs even more to treat. As has been observed elsewhere, the poor and the destitute must routinely seek credit and/or sell off assets in order to cover informal fees and the costs of medicines. It is in this way that corruption within the health sector perpetuates the cycle of poverty among the poor.

*“When our children felt sickness, we had no money so we went to borrow money with interest rate of 15 percent so that we could bring our children to the hospital. Sometimes we bring our children to private clinic and asked favour from the doctor to give us time for finding money to pay him later.” (Poor and Destitute FGD, Nikom Knong village, Battambang)*

*“My daughter’s family is poor. She got a card from an NGO for accessing free health treatment at the district hospital. One day she reached the hospital, her disease needed to be operated on and they asked for 110,000 riels. If she did not give them that amount they will not operate on her. She had to borrow money from the moneylender for paying them... I don’t know what to say about the value of the card for free service...” (Kombaar village, Khvav commune workshop, Siem Reap)*

Policy makers and donors frequently think in terms of a triangular relationship between health, indebtedness, and landlessness. On the basis of the PPA observations, public



sanitation and clean drinking water should be added to this formulation to establish a rectangular conceptualization of poverty factors.

### **Education**

Access to education remains quite limited in rural Cambodia, especially for girls. The data from the 24 villages suggests that four main factors decide the level of education received by children: family financial status, the educational background of parents, the distance from home to school, and gender. Generally speaking, the significance of education is valued differently according to household well-being, and it is disheartening that some parents, mostly the poorest, do not see any return from investment in education. In most of the PPA villages, there are only primary schools, and those children who continue with their education must commute long distances from home. The fact that some children have to commute 10 km to school raises serious concerns about safety, particularly for girls. Low teacher salaries discourage many people from becoming teachers, and when they do they must ask for money from their students, which increases the costs associated with education and pushes students from the poor and the destitute households out of school.

*"...Villagers want to have a secondary school in the area, and I have sent this request to the Ministry of Education, Youth, and Sports, but they replied that there are no teachers to send here so they can't make it. My concern is that I am afraid after the school is set up, there are no students to come study as they are too poor. So far, the numbers of registered students in Primary School dropped down to 60 percent after taking the first semester of the school year." (Chroy Sdav commune council member, Battambang)*

In most cases, attending high school means staying away from home in a provincial town. The number of school years for children in water resource-based villages drops if compared to those of children in land resource-based villages owing mainly to difficulties in commuting to and from school.

*"They have not sent their children to school because they worry about their safety – they might drown somewhere they do not know or there might be someone who mistreats their children, yet none of the cases had happened. Moreover, the most important reason is that they do not have enough money or boat for their children to travel to school". (FGD, Kompong Our village, Kompong Chhnang)*

No vocational training schools were evident in any of the 24 PPA villages. However, in a few areas NGOs were playing an important role in human development by providing training on some basic skills. Such opportunities, however, are not always available to the poor and the destitute as they often do meet selection criteria concerning education and literacy. For example, in Kouk Trach village near Siem Reap town, there is a silk weaving operation that employs many women from around the area. Most are better-educated women from the medium income and rich households. In other areas, the poor and the destitute do not participate in such opportunities even when they are specifically targeted.

*"In order to help villagers, the authorities had tried to get NGOs to provide vocational training such as sewing, weaving, and motor repair, but the destitute households did not go to attend". (Chroy Sdav commune council member, Battambang)*

Along with healthcare, the situation regarding girls' education is of particular concern and is discussed below concerning the gender dimensions of poverty.

*"...All the young women want to be well educated, but they cannot afford to do so because they are very poor. There were some young women quitting their study when they were in grade 7 owing to illness. But they later asked for permission to continue their studies...their teachers demanded money from them before they*

*allowed them to continue. Since they were very poor, they could not pay ... As a result, they had to stop". (Young female FGD, Tomprong village, Kompong Cham)*

### **Summary: Social Service Delivery**

With respect to local governance, questions associated with service delivery are of a different nature as it generally involves sectors that are subject to the allocation and distribution of resources from the national level via sub-national units. The sectors of health and education also involve matters that would be largely beyond the technical capacity of most local officials. The poor and the destitute are certainly excluded from health and education services, but not so much because of disputes or conflicts as in the case of natural resources, but rather because they cannot cover the costs associated with accessing the services. In other cases, it may be due to the fact that such the services are too far away, or that they lack information and knowledge about accessing such services.

Special provisions, therefore, need to be designed to promote better access to health and education services on the part of the poor, especially women. A greater share of the national budget must be urgently allocated for such services. Health insurance schemes for the poor and destitute need to be piloted in the region and education scholarships for boys and girls of poor households need to be expanded. Primary and secondary school buildings and teachers need to be provided in more remote villages, and more dormitories at other schools need to be provided for boys and girls who must leave home in order to attend school.

These sectors do not fall under the purview of the commune councils, as the provincial education department generally manage education, while health services are managed through the operational regions. In the case of mobilizing resources for physical inputs, such as school buildings, there is considerable scope for collaboration between local authorities and NGOs, as well as other donors. The case of vocational training may also be different. Although it is more likely that the private sector or civil society actors may be more involved in providing financial and technical, and it would of more targeted assistance, commune councils and local officials could be involved to some extent help to help identify and target priority areas for action.

## **9.4. Public and Personal Security**

One of the most startling findings of the PPA concerns the vulnerability of the poor and the destitute to problems of public security at the local level, including youth and gang violence, violence directed at girls and women (e.g., rape, domestic abuse), drug and alcohol abuse, and in some villages, widespread theft. These problems are often deeply inter-related. For example, in some villages young men are more prone to committing violence or theft when taking *yama*, or committing rape after watching pornographic videos. In some instances, the problems of public security are so pervasive as to disrupt people's daily activities, including marketing and schooling.

*"Such activities can be disruptive to local economic activities and interfere with social services such as school. I want to say that my Khla Kroupeu village has poverty and gangsters, and now there are many thieves, we lost our cows and buffaloes, chicken and pigs, almost every day. Sometimes, when people ask their children to sell some things, they are blocked, beaten, and robbed by the gangs. When on the way home from studying English, our children are beaten and threatened for money... My people dare not go and do their business. Our children nowadays have left their study behind since we need them to look after the animals while we are earning our livings". (Representative of Khla Kroupeu village, Anlong Tnaut commune workshop, Pursat)*

*"In cases of rape, this is because of sex VCD and coffee video shop, which show sexy movies. Our force has been trying hard with the help of local authorities to*

*crack down on such activities; however, there are still some places that are doing it secretly". (Police Official, Provincial Workshop, Pursat)*

Many PPA villages reported concerns about public violence, especially fighting by young men. As noted in Chapter 5, the destructive behaviour of young men is often tolerated and endured by families and communities, whereas a much higher standard of behaviour, reinforced the threat of loss of reputation, is expected of girls. Again, perpetrators were unlikely to be punished, although some young men, in particular those from poorer families, were sometimes imprisoned or fined for these actions. Many communities reported wanting police and local authorities to take action to address this threat to security.

*"When some fights happened in the village during the dance party, the village chief and the police officers would intervene. This had brought many problems: the parents spent much money for the damages; therefore, they sometimes had to sell off their cattle; the parents of both conflicting group had lessened their relationships; it made the village disorder." (Balang Village Report, Kompong Cham)*

However, local authorities and police were also reported in several instances to demand payment to resolve these kinds of conflicts.

*"When a gangster group has quarrel with each other, police will not find the solution unless they were paid with money. If the conflict was finalized, police generally demand half the amount of money for the damage". (Banh Chkoul Village Report, Kompong Chhnang)*

A major part of the problems associated with public security concerns the lack of enforcement or punishment. For example, police often act only when paid to do so, which in turn makes their services or lack thereof, subject to the highest bidder. This effectively excludes the poor. At the same time, even when the police are ready and willing to intervene, they are oftentimes afraid to do so if the cases involve people from high ranking or otherwise powerful families.

It is a social issue and I myself am very concerned about it since there are powerful and high ranking people behind this. If I want to take measures or do any other thing about addictive drugs, I must have the order from those high-ranking and powerful people. The officials do not dare to do something without orders lest they may upset the higher authorities, for presently the judges are could arrest and detain or release whomever they want to... deputy chief of district police.

In some cases, though, the police and authorities appear reluctant to intervene because such action produces a backlash of public opinion against them. This raises concerns about the role that citizenship plays in good governance. In some instances, the police and armed forces have tried to intervene, but only received disrespect from people in return.

*"People have become bad after the integration. It's really complicated and unsolvable. We always say police institutions don't take care much for their work, but it's not true. When they take action or crack down on a problem, they are cursed and talked about behind their back... Nowadays, it comes to a state of gentleness; commune chief and police dare not do anything. Today they don't want the police authority, they just want to call out to this organization and that organization, so this is the first mistake that makes those young children bad". (Chief of Anlong Tnaut commune, Krokak district, Pursat)*

In other cases, however, local officials can be effective in reducing gang-related violence when they act in concert with one another or somehow involve the community in seeking solutions.

*"Previously, there were many gangsters but presently the number of gangsters has decreased because village and commune officers and police work together to advise*

*and prevent them doing something wrong, and to keep their eye on their activities at ceremonies". (Commune council member, Pou commune workshop, Kompong Chhnang)*

*"The strategy to prevent the gangsters from provoking fights when dancing is to set up a youth group of prevention in the village". (A Village Chief, Chrey Bak commune workshop, Kompong Chhnang)*

Of particular concern in many areas was the increased incidence of drug use among the youth. In some areas, particularly the urban village of Toul Ta Ek in Battambang, drug abuse appears rampant.

*"There are some young children who enter and smoke Yama in their school during vacation. No one has cracked down on their activities". (Toul Ta Ek Village Report, Battambang)*

During the commune workshops, local authorities were very aware of the dimensions and scope of the problems associated with drugs, and offered constructive observation about how it could be curtailed. At the same time, there was some degree of resignation in the face to obstacles in the form of powerful elites.

*"To stop drug trafficking there should be cooperation between the local and higher authorities. Drug trafficking could be limited if such cooperation was attained, Gambling, large and small scale, takes place in every village, and the low-rank officials do not dare to arrest them either". (Deputy chief of district police)*

In many communities, violence against women was viewed largely as a problem of poor and destitute families. Often community members and local authorities appear reluctant to intervene in these conflicts. Often the couple is "reconciled" with little impact in terms of behaviour change by the perpetrator.

*"After the violence occurs, the settlement of it is the reconciliation with the fingerprinted promise. The purpose of resolution is to make the doers change their ways. However, a few still commit this kind of violence." (Treay Village Report, Siem Reap)*

*"Some of them are involved in violence in their families owing to financial problem. They ask the village chief to settle their cases. But the village chief can only reconcile them." (Tomprong Village Report, Kompong Cham)*

*"Occasionally, violence causes injury, so the local authorities (chief of the village) advise the couple for many times to stop committing violence and the couple promises to stop committing it but when they get drunk they still commit violence, therefore, it has become their habit." (Kompong Thkoul Village Report, Pursat)*

While domestic violence is illegal under current Cambodian law, legal remedies are very rarely available. When conflicts are taken to local authorities, the main remedy is "reconciliation", however participants in the PPA study acknowledged that this was rarely successful. When reconciliation fails, some women seek divorce. Commonly, women who had sought a divorce spoke about the difficulties of obtaining a divorce, in particular when their husband opposes their decision. They also spoke about informal payments required by police and local authorities. In some cases, the woman simply gives up (see the quote in the gender chapter in DV section).

Fear of rape was raised by female participants and by parents of girls in all villages in the PPA study. Actual cases of rape were also cited in some villages. Although rape is a crime under Cambodian law, the perpetrator is rarely punished. Monetary compensation is often used to 'resolve' the conflict. Participants in the PPA also cited cases where the woman was forced to marry the perpetrator. Some women also reported marital rape, although there was

no remedy for these women as husbands are viewed as having the right to sex whenever they choose.

In cases of domestic violence victims were unlikely to seek criminal prosecution for the perpetrator, while in cases of rape, undertaking criminal proceedings was seen to be shameful, and it is also costly in particular for poor families. Similarly, when divorce cases are taken to the courts, the time involved and costs are prohibitive for most women.

*"After the cruel violence, the victims did not ask the village chief to solve their problems because they do not have money to pay for the sue fee to the clerk, amounted 5000 riel." (Kombaar Village Report, Siem Reap)*

*"Although, they have suffered from such kind of violence, the wives don't dare to complaint the matter to another especially the local authority because they are afraid that their husband will beat them again." (Samraong Village Report, Kompong Chhnang)*

### **Summary: Public and Personal Security**

The issues associated with public and personal security are complex and vexing. The primary impression one has of such issues concern the lack of enforcement of laws and regulations, and in some instances the actual lack of laws that proscribe certain actions. This lack of enforcement must be understood in the context of a society structured largely along patron-client relationships and in which people of local status and rank are expected to respect and defer to those higher rank and status in all interactions. Consequently, as with conflicts and disputes concerning natural resources, local authorities can sometimes solve security related problems when local problems involve people of similar status or rank (usually lower). In cases involving people or interests of differing status and rank, and power, authorities will invariably defer to the more powerful individual, family, or group or avoid taking action against powerful high ranking officials or influential people. As a result, in cases such as those involving gang violence and substance abuse, low ranking officials are reluctant to take action against individuals or groups that may be associated with powerful figures in the armed forces or other people of status and rank. In such situations, people may feel that there is no use to report crimes or bring up grievances for fear of retribution or simply from a feeling that nothing will happen. As a result, many crimes may go unreported, and when they are reported they are not resolved.

In cases of violence against women, governance systems fail the victim at every level. The offence often is not seen as criminal or serious, the perpetrator is not punished, and the victim experiences shame and social stigma. Disturbingly, this situation is often seen as the status quo: women in the PPA study did not raise greater intervention by local authorities as a request. It is, however, important to observe that in five villages, domestic violence was said to be decreasing. It is unclear exactly what factors led to the decrease, although there is clearly increased awareness about domestic violence in these and other PPA villages, partly due to the intervention of an NGO acting in collaboration with local authorities.

It is also not always clear which institution has the legal mandated authority to act in certain situations, and there is a real need for clarity of roles among local authorities, the police, and the military in terms of enforcing various laws and regulations. There is also a need for stricter penalties when certain laws are violated. In other situations, certain institutions may have legally mandated authority to act, but often will not because they lack the actual power to do so. A good example of this of this concerns the urgent need for action against those who are involved in selling drugs to young people. In several cases, local people and officials know very well who is involved, but will not take action because they are afraid to do for fear of retribution. Such action erodes people's respect for and faith in the law and governing institutions, and has a corrosive effect on public morale and spirit.

### 9.5. The Role of Civil Society Organizations

The PPA shows there is wide scope for collaboration and partnership between local authorities (e.g., commune councils) and civil society organizations, or non-governmental organizations (NGOs). Such collaborations, including inputs from NGOs, have yielded positive results in several areas.

For example, in five of the PPA villages, the incidence of domestic violence was reported to have decreased as a result of NGO and community intervention. This may indicate an important emerging trend in some communities towards viewing domestic violence as a community problem rather than a private matter between husband and wife. There is a clear need for more research to identify the factors and circumstances that helped promote these positive outcomes and determine the degree to which such models can be replicated elsewhere.

In the case of access to affordable credit and savings opportunities, there are encouraging examples that show the poor and the destitute can and do successfully save and borrow when the right governance mechanisms are in place. A case study undertaken for the PPA by the NGO Padek in Siem Reap province shows that women who participate in such groups also benefit in ways other than obtaining affordable credit. For example, such groups provide an important learning environment for women making the transition from borrowing in the informal sector to participating in the formal sector. Women's participation in such groups also helps strengthen social capital at the local level, which in turn helps build people's capacity for local governance. There are valuable lessons for the formal lending institutions to learn regarding the important role that group lending can play in flexibly meeting the credit requirements of the poor and the destitute. There is also some anecdotal evidence suggesting that when such opportunities are available to the poor, they prefer not to borrow from local moneylenders, which has the affect of reducing interest rates in the informal lending sector. During the PPA workshop process, local government officials endorsed such approaches.

*"The Padek process has worked well in two communes of Varin district, ADRA is also working like Padek. The two communes and ADRA with self-help groups enjoy better living standards." (Varin district governor, Provincial Workshop, Siem Reap)*

*"...In general, we borrowed money from the village bank for buying fertilizer for our rice field or buying fishing gear, to rear animals, to pay for treatment or to solve problems of food shortage". (Poor and destitute female FGD, Nikom Knong village, Battambang)*

The success of certain SHGs, however, does not come easily and requires considerable input and guidance from supporting organizations as well as an enabling policy environment. As a result, such efforts are not likely to be achieved during short-term project cycles, but rather require sustained efforts over time from donors and implementing agencies.

*"For the use of loan credited by UNICEF, the members of the loan foundation did not distribute to all the villagers, especially Vietnamese, because they reasoned that the amount of the loan was limited so they could not distribute to all of the households. The second reason was that some unkind members of the credit foundation did not allow some households to borrow as they did not believe they would be able to repay the loan". (Participant, Phat Soday commune workshop, Kompong Thom)*

From a policy perspective, more action is needed to enable such groups to become more self-sustaining and less reliant on outside agents over the longer term. One approach would be for the Rural Development Bank (RDB) to provide lower cost loans to semi-formal groupings, such as SHG federations. These associations would require legal recognition by

the official institutions. A precedent for this kind of approach comes from other CDRI research that shows how a farmer association received financial credit from the RDB.<sup>57</sup>

In the absence of government support for extension services, NGOs have been filling knowledge gaps about agricultural cropping and animal production. While these kinds of inputs are important and useful, they are often fragmented in the sense that the areas receiving such inputs generally depend on the NGOs own targeting priorities. A more systematic approach is needed for targeting the provision of extension services in conjunction with other inputs and services. This is something that local government institutions can and should play a lead role in planning and organizing.

*"There is no technical or vocational training in Srei Ronguet. Only Mlub Baitong has come to teach people how to make compost and home gardens...." (Mixed open FGD, Srei Ronguet village, Kompong Thom)*

Health education is also important. Some NGOs are active in educating people about health problems. While the overall situation is grave, some positive developments do stand out. For example, in villages such as Basaet and Nikom Knong of Battambang province, Dey Roneat of Pursat province, Kompong Our and Banh Chkoul both in Kompong Chhnang province, villagers have received proper health education, and some children and pregnant women receive vaccinations.

*"People in the village have had access to health education related to sanitation and clean drinking water. Moreover, children under 5 years of age have received immunization against diseases, and pregnant women have also been given injection. In additions, those women have been educated on how to take care of babies. These services are provided by the health center personnel every month..."*

*"The health centre personnel have also educated local midwives to immediately send the women to the hospital when they have problems during birth delivery. The local midwives have also been trained by medical personnel from hospitals in Skun and Cheung Prey district on birth delivery". (Female headed household FGD, Balang village, Kompong Cham)*

As mentioned earlier in the section concerning infrastructure and service delivery, one of the most important inputs for improving public health concerns clean drinking water. NGOs were observed in several villages to have played an important role in providing clean drinking water. It is important to again observe that such inputs seem to be especially well-suited for collaborative efforts between civil society organizations and local government.

*"ADRA helped dig 11 wells and Mlub Baitong helped dig one well, which can clean water to local people for use. However, some wells are dry in the dry season while only some have water in every season". (Mixed open FGD, Srei Ronguet village, Kompong Thom)*

No vocational training schools were evident in any of the 24 PPA villages. However, in a few areas NGOs were playing an important role in human development by providing training on some basic skills. Such opportunities, however, are not always available to the poor and the very poor as they often do meet selection criteria concerning education and literacy. For example, in Kouk Trach village near Siem Reap town, there was a large silk weaving operation that employed many women from around the area. Most were better-educated women from the medium and rich households. In other areas, the poor and the very poor do not participate in such opportunities even when they are specifically targeted.

*"In order to help villagers, the authorities had tried to get NGOs to provide vocational training such as sewing, weaving, and motor repair, but the destitute*

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<sup>57</sup> Nou Keosothea, "Emerging Structures of Agricultural Cooperatives in Cambodia", in *The Cambodia Development Review*, Vol. 10:1, January – March 2006, CDRI, Phnom Penh.

*households did not go to attend". (Chroy Sdav commune council member, Battambang)*

### **Summary: Civil Society Organizations**

It is clear that civil society organizations have an important role to play in providing certain development inputs, social service delivery, and disseminating information and knowledge. It is also important to observe that civil society organizations and local government have certain comparative advantages with respect to one another. For example, NGOs often have a comparative advantage in terms available resources, technical information and know-how, and the capacity to flexibly target and work with difficult or hard to reach groups. NGOs, however, are dependent on donor support and as a result tend to work on a project cycle basis. On the other hand, local government institutions, such as the commune councils and district offices, have a sustained institutional presence at the local level that covers a broader area and scope of activity. In this sense, local government have a comparative advantage in terms of their capacity to collect information and plan and monitor development inputs and services. In certain sectors, local governance institutions also have the authority to monitor development inputs and service delivery and can do so over sustained period of time.

Given these respective comparative advantages, there is a real need for civil society organizations to work closely with local governance institutions in appropriate areas concerning developing inputs and service delivery. In this sense, there is a real need to clarify the modalities governing such working relationships. It is also important from a governance perspective that issues of accountability and responsiveness are clarified in terms of the relationship between civil society organizations, local government, and the people served. For example, when a project is completed by an NGO, matters pertaining to responsibilities and financing for operations and maintenance (e.g., drinking water wells) may not be sufficiently clarified with local government and the people served. In the absence of advanced planning and dialogues, such inputs may deteriorate over time from a lack of maintenance and repairs.

It is also important to observe that civil society organizations and NGOs may be motivated by their own or donor driven objectives that are not necessarily in line with the situation and needs of local people. In this sense, civil society organizations and NGOs may not always be sufficiently accountable to local people or local governance institutions. There is there, a real need to clarify and strengthen the direction and orientation of accountability linkages between civil society organizations, local governance institutions, and the needs and situation of the local people, with special focus on the poor. In this sense, better horizontal and vertical coordination of efforts within both the government and the donor community, along with more harmonized efforts between government, civil society organizations, NGOs, and donors is essential for providing better targeted inputs and services for the poor.

## **9.6. The Gender Dimensions of Governance**

While women's participation in decision-making at the community level was not explored in any depth in the PPA study, it is evident that women have less say in the decisions which affect them at both the household and community level, than do men. Low levels of education, traditional expectations of women as quiet and subservient, especially in public, and women's responsibility for both productive and reproductive work limit women's ability to participate in decisions that affect their lives. Given that women are acknowledged to possess good negotiating and bargaining skills, this represents a waste of talent and resources that could be harnessed for household and community decision-making.

In addition to participation in decision-making, a lack of public spending on essential infrastructure and social services has specific affects on women's lives. Inadequate funding for education, including lack of locally available schools and the poor quality of teaching, contributes to low education levels of girls and women, in part because the poorest families



cannot afford the costs including informal payments for both their girls and boys, and also because travelling away from home to attend school is perceived to be risky for girls.

Similarly, poor public health provision has specific impacts on women's lives. Women rely on traditional medicine and private providers and report poor quality treatment, lack of adequate drugs and medicines and the common practice of informal payments in the public health system. Consequences include delaying treatment until the last possible moment and lack of access to skilled obstetric and pre-natal care among the poorest women, as well as ongoing health problems due to common ailments which go untreated or which repeatedly recur.

As discussed above, one of the most significant issues relating to governance reported in all communities concerned violence, including public violence (often fighting among young men) and violence against women. In many communities violence against women was viewed largely as a problem of poor and destitute families. While domestic violence is illegal under current Cambodian law, legal remedies are very rarely available and community members and local authorities often appear reluctant to intervene in such conflicts. When conflicts are taken to local authorities, the main remedy is "reconciliation", however participants in the PPA study acknowledged that this was rarely successful with little impact in terms of behaviour change by the perpetrator.

*"After the violence occurs, the settlement of it is the reconciliation with the fingerprinted promise. The purpose of resolution is to make the doers change their ways. However, a few still commit this kind of violence." (Treay Village Report, Siem Reap)*

*"Some of them are involved in violence in their families owing to financial problem. They ask the village chief to settle their cases. But the village chief can only reconcile them." (Tomprong Village Report, Kompong Cham)*

*"Occasionally, violence causes injury, so the local authorities (chief of the village) advise the couple for many times to stop committing violence and the couple promises to stop committing it but when they get drunk they still commit violence, therefore, it has become their habit." (Kompong Thkoul Village Report, Pursat)*

When reconciliation fails, some women seek divorce. Commonly, women who had sought a divorce spoke about the difficulties of obtaining a divorce, in particular when their husband opposes their decision. They also spoke about informal payments required by police and local authorities. In some cases, the woman simply gives up (see the quote in the gender chapter in DV section).

Fear of rape was raised by female participants and by parents of girls in all villages in the PPA study. Actual cases of rape were also cited in some villages. Although rape is a crime under Cambodian law, the perpetrator is rarely punished. Monetary compensation is often used to 'resolve' the conflict. Participants in the PPA also cited cases where the woman was forced to marry the perpetrator. Martial rape was also reported by some women. There was, however, no remedy for these women, as husbands are viewed as having the right to sex whenever they choose.

In cases of domestic violence victims were unlikely to seek criminal prosecution for the perpetrator, while in cases of rape, undertaking criminal proceedings was seen to be shameful, and it is also costly in particular for poor families. Similarly, when divorce cases are taken to the courts, the time involved and costs are prohibitive for most women.

*"After the cruel violence, the victims did not ask the village chief to solve their problems because they do not have money to pay for the sue fee to the clerk, amounted 5000 riel." (Kombaar Village Report, Siem Reap)*

*"Although, they have suffered from such kind of violence, the wives don't dare to*

*complaint the matter to another especially the local authority because they are afraid that their husband will beat them again.” (Samraong Village Report, Kompong Chhnang)*

In cases of violence against women, governance systems fail the victim at every level. Often the offence is not seen as criminal or serious, the perpetrator is not punished, and the victim experiences shame and social stigma. Disturbingly, this situation is often seen as the status quo: women in the PPA study did not raise greater intervention by local authorities as a request. In the five villages mentioned above where violence was said to be decreasing, it was unclear exactly what factors led to the decrease, although there is clearly increased awareness about domestic violence in these and other PPA villages.

### **Summary: Gender and Governance**

The most serious governance issues from a gender perspective relate to participation in decision-making at the local level, access to public services and protection from violence, as well as redress when violence occurs. There are several key policy recommendations. First, financial incentives such as scholarships, and provision of meals, books and other materials which poor families cannot afford, are needed to increase girls' participation in education. Second, improved access to affordable health care, including specialist obstetric care and pre-natal check-ups, needs to be provided in the village where possible, to reduce maternal mortality and improve health outcomes. Third, the implementation of the new domestic violence law is essential, including implementation of preventative measures designed to encourage local authorities to intervene in cases of domestic violence. There is also a great need for stricter penalties and enforcement for perpetrators of domestic violence and rape. There also needs to be a scaling up of interventions by NGOs and local authorities that have successfully reduced domestic violence in some communities.

## **9.7. Conclusion**

The Tonle Sap region is at a crucial turning point where important decisions must be made about the future course of social and economic development. The PPA study has identified many areas where improved governance at the local level is required to achieve the government's poverty reduction objectives. The most important priority areas concern the need for (1) more allocation and better targeting of agricultural and rural development inputs, (2) strong and impartial enforcement of laws and regulations governing access to and control over natural resource assets, (3) more allocation and better targeting of social services, especially clean water and healthcare access for women, as well as expanded education and vocational training opportunities for all youth, with a special emphasis on women and girls. Other priority areas for action concern the need for the enforcement of laws that promote public security, with particular attention to violence against women and drug use among youth. Overall, there is a real need to reduce the pernicious effects of corruption and strengthen the responsiveness of national policymakers and local officials to the problems and needs of the poor and the destitute. Without strengthening public sector accountability, efforts to reduce poverty and improve the well-being of the poor and the destitute in the Tonle Sap region, and elsewhere in the country, will not be effective.

The delivery of services in support of agricultural and rural development is highly fragmented in the PPA villages. There are several instances in which villages receive virtually no services or support and many where villages receive only one or two types of input (e.g., road, extension services) from either government and/or NGO sources. Although such inputs are important, there would be a greater impact on well-being and poverty reduction if a complementary package of services were provided. This reinforces the need for better planning and coordination at all levels between government, donors and civil society organizations. For example, LMAP land titling activities could be targeted where irrigation

infrastructure is being introduced, while at the same time health, credit, and extension service providers could be encouraged to establish operations in the same areas.

Although national policies governing natural resources are designed to promote the sustainable management of land and water assets, poor implementation and enforcement at the local level are promoting the rapid degradation of the natural resource base and undermining people's respect for public institutions. As a result, the poor and the destitute, who have traditionally relied on natural resources for a significant share of their livelihoods, are increasingly forced to sell their labour locally or migrate elsewhere within the country or to Thailand and Malaysia in search of employment. What is urgently required is stronger and more equitable enforcement of the rules and regulations that already constitute the policy framework governing natural resource management. There is also an urgent need to reconsider how conflicts are managed and resolved in ways that provide the poor and the destitute with access to fair and impartial resolutions. Such action should involve both local conflicts at the village level as well as conflicts involving outside interests, including the rich and powerful.

The situation concerning the delivery of public services for the poor and the destitute is also a priority for action. The poor and the destitute, especially women, are routinely excluded from education, vocational training, and health care services because they are not able to pay for such service or they do not meet selection criteria. As a result, the situation of the poor, and especially the destitute, becomes self-perpetuating. The poor and the destitute are also excluded from social services because they may not understand such services and lack information about how to obtain them.

Two important related questions emerge at this point. One concerns the relationship between the design and implementation of public policies that will benefit the poor and the destitute. The other concerns the relationships between the sub-national and national governance institutions. The view that emerges from the local level is that the ineffectiveness and lack of fairness associated with public policy in the Tonle Sap region Cambodia are largely matters of implementation and enforcement. This suggests that more attention must be devoted to strengthening local institutions in ways that promote and enable more public participation, including women, reduce corruption, and increase public sector accountability and responsiveness. Steps must also be taken to improve dialogue between the people and their governing institutions in ways that build mutual trust and respect.

There are several ways for this to take place. As for natural resource management and law enforcement, the roles, responsibilities and authority of the commune councils, police and military need to be clarified. Mechanisms for resolving confusion about or conflicts over the mandates concerning such institutional arrangements need to be established at the appropriate sub-national or national level. Empowering the commune councils to raise own source revenues and plan in response to local needs is another essential component of building stronger governance institutions at the grassroots. It is important to bear in mind that reforms in such directions will take time and must be supported by ongoing policy research in which government, donors, and the research community collaborate in the design and implementation and analysis of research. Any such process must include a strong capacity building component for local and national officials concerning the role and use of evidence-based policy making.

Another set of questions concerns ways that the poor and the destitute can be more effectively targeted for policy. In the area of social services, including health and education, special provisions need to be designed that promote greater access on the part of the poor, especially women. A greater share of the national budget must be urgently allocated for clean water and public sanitation, healthcare, education and vocational training, and public transport. One avenue for channelling increased resources to the local level would be to increase the annual amount of inter-governmental transfers to the commune/sangkhat fund. A

certain portion of such transfers could also be designated for certain priority activities, such as clean water.

This in turn raises questions concerning project-based approaches that frequently involve the donor community and civil society. One set of issues concerns planning and coordination, while another set concerns the relative effectiveness of large-scale and small-scale projects. In both cases, better horizontal and vertical coordination of efforts within government is required along with more harmonized efforts between government and international donors. It is also clear that the state, private, and civil society sectors all have certain strengths. The challenge for policymakers and other stakeholders in the Tonle Sap region, as in other regions of the country, is how to design and strengthen collaborative arrangements between each sector in ways that the comparative advantages of each are complementary in support of ecologically sustainable pro-poor social and economic development.

Policy related research should play an important role in informing government and donor planners concerning targeting and sequencing of agricultural development and social service inputs. Such research should be aimed at identifying and explaining the factors and circumstances that enable and promote successful implementation outcomes that correspond with policy intentions. For example, there are several PPA villages where affordable credit and health care are provided by NGOs or government, or both acting in concert with one another. There are also other villages where domestic violence against women has decreased as a result of activities on the part of NGOs that build better awareness of the problem among local officials and the communities. These success stories need to be studied and better understood in order to determine the factors and circumstances that promote success and the degree to which such efforts can be replicated elsewhere.

The Tonle Sap PPA study is very timely and highly relevant for policymakers, the private sector, civil society organizations, the research community, including CDRI, and Cambodia's development partners. The study provides rich information and insights that complement other recent policy research aimed at poverty reduction. This material includes the 2004 Cambodian Social and Economic Survey (CSES), the World Bank's 2006 Poverty Assessment, and CDRI's two other poverty studies, the Moving Out of Poverty Study (MOPS) and the Poverty Impact of Regional Economic Integration Study (RETA). Second, it helps establish a policy research framework that listens to, considers, and responds to the experiences and opinions of the poor and the very poor in Cambodia's heartland. Third, together with other relevant studies, the Tonle Sap PPA helps identify a longer term research agenda aimed at strengthening local capacity for monitoring progress toward the government's poverty reduction priorities as outlined in the National Strategic Development Plan (NSDP) and Cambodia's Millennium Development Goals (CMDGs). In this sense, the Tonle Sap PPA represents an important step forward in informing and promoting more effective policies and practices for reducing poverty in the Tonle Sap region as well as throughout Cambodia.

The Tonle Sap PPA, therefore, identifies issues that go to the heart of the planning and implementation aspects of the government's NSDP and the CMDGs. At the national level, there is an urgent need for the government and its development partners to better target and coordinate development inputs in support of pro-poor development in the agricultural and rural sectors. The study also clearly demonstrates that institutions of local governance have a crucial role to play in implementing and enforcing the government's policies governing natural resource management, social service delivery, and conflict resolution.



## Appendices

### Appendix 1. Standardize names of PPA 24 villages

| N. | Village                | Commune (Khum)           | District (Srok) | Province               |
|----|------------------------|--------------------------|-----------------|------------------------|
| 1  | <b>Balang</b>          | Sambo (361)              | Srok Ba Theay   | <b>Kompong Cham</b>    |
| 2  | <b>Tomprong</b>        | Troap (364)              | Srok Ba Theay   | <b>Kompong Cham</b>    |
| 3  | <b>Srei Ronguet</b>    | Chamnar Krom (924)       | Staung          | <b>Kompong Thom</b>    |
| 4  | <b>Pou</b>             | Tbaeng (956)             | Kompong Svay    | <b>Kompong Thom</b>    |
| 5  | <b>Koah Ta Pov</b>     | Phat Soday (959)         | Kompong Svay    | <b>Kompong Thom</b>    |
| 6  | <b>Pechacrei</b>       | Peam Bang (917)          | Staung          | <b>Kompong Thom</b>    |
| 7  | <b>Sralau</b>          | Ngoul (986)              | Sandann         | <b>Kompong Thom</b>    |
| 8  | <b>Treay</b>           | Po Treay (1030)          | Puok            | <b>Siem Reap</b>       |
| 9  | <b>Kouk Trach</b>      | Khnat (1027)             | Puok            | <b>Siem Reap</b>       |
| 10 | <b>Roka</b>            | Lovea (1029)             | Puok            | <b>Siem Reap</b>       |
| 11 | <b>Kombaar</b>         | Khvav (1091)             | Chikreng        | <b>Siem Reap</b>       |
| 12 | <b>Preaek Sramaoch</b> | Kompong Khhlaiing (1010) | Soth Nikum      | <b>Siem Reap</b>       |
| 13 | <b>Basaet</b>          | Ta Bonn (719)            | Sangke          | <b>Battambang</b>      |
| 14 | <b>Toul Ta Ek</b>      | Toul Ta Ek (693)         | Battambang      | <b>Battambang</b>      |
| 15 | <b>Toul Ta Thon</b>    | Chrey (736)              | Mong Russey     | <b>Battambang</b>      |
| 16 | <b>Nikom Knong</b>     | Chroy Sdav (714)         | Thmar Kaul      | <b>Battambang</b>      |
| 17 | <b>Santre</b>          | Santre (831)             | Phnom Kravanh   | <b>Pursat</b>          |
| 18 | <b>Plov Loung</b>      | Kanho (800)              | Kondeang        | <b>Pursat</b>          |
| 19 | <b>Khla Kroupeu</b>    | Anlong Tnaut (817)       | Krokar          | <b>Pursat</b>          |
| 20 | <b>Kompong Thkoul</b>  | Onnsa Chom Bok (816)     | Krokar          | <b>Pursat</b>          |
| 21 | <b>Dey Roneat</b>      | Me Tuk (810)             | Bakan           | <b>Pursat</b>          |
| 22 | <b>Samraong</b>        | Po (894)                 | Kompong Leng    | <b>Kompong Chhnang</b> |
| 23 | <b>Banh Chkoul</b>     | Chrey Bak (877)          | Ro Lea Ppear    | <b>Kompong Chhnang</b> |
| 24 | <b>Kompong Our</b>     | Khon Rong (846)          | Boribor         | <b>Kompong Chhnang</b> |

#### Notice:

- Names of communes, districts and provinces are referenced to Anoukret N. 40 ANK – BK, except in the case of “Kompong”
- Numbering beside the names of communes are the commune numeral numbering of Anoukret N. 40 ANK – BK.

Names of Villages are referenced to the village database of NIS 2003 (as Anoukret did not have village names)

## Appendix 2. Tonle Sap PPA: Field Guide

### I. Thematic focus and research questions

### II. Site selection and sampling

*Selection of villages*

*Sampling at the village level*

### III. Study process

*Duration*

*Sequence*

Preparation

Introduction

FGDs

Individual Interviews

Reporting back to the village/verification

Preparation for the commune level workshop

Commune level workshop

Preparation for provincial workshop

Provincial workshop

Outputs

### IV. Checklist of issues and methods for FGDs

### V. Checklist of issues and methods for individual interviews

### VI. Documentation

*Field notes*

*Daily reports*

*Site report*

*Commune report*

*Provincial report*

*Synthesis report*

### VII. Roles and responsibilities

*Researchers*

*Team leaders*

*Research Assistants*

### VIII. Material to take along to the field

#### I. Thematic focus and research questions

#### II. Site selection and sampling

*Selection of villages*

*Sampling at the village level*

There will be three types of interaction at the community level during this study: FGDs, individual interviews, and discussions as the opportunity presents itself (chat with female vendors, chat with men at the local tea shop, etc).

| Type of interaction  | Number per village site                  |
|----------------------|--|
| FGD                  | 14                                       |
| Individual interview | 12                                       |
| Other discussions    | depending on the opportunities available |

**FGDs**

A total of 14 FGDs will be carried out at the village level. These will be selected as per the following:

- Men (open for all-any male member of the community can take part)
- Women (open for all-any female member of the community can take part)
- 2-3 FGDs along particular source of livelihood (fishing community, rice growers, forest produce collectors and seller, etc) –separate by gender were necessary
- Landless men and women
- Female heads of households
- Poor and vulnerable men
- Poor and vulnerable women
- Older men and women
- Young women
- Young men
- Any special group that may exist in the village, including ethnic minorities

**Individual interviews**

A total of 12 in-depth and open-ended individual/household interviews will be carried out at every site. Six of these households will be selected at random from the different categories generated during the well-being ranking analysis. The six selected households will be selected in proportion to the number of households determined in each category. Following is an example based on the results from the field practicum in village Kaoh Ta Pov, Kompong Thom Province:

The well-being ranking analysis in village Kaoh Ta Pov provided the following results:

| Household Category | Number of households |
|--------------------|----------------------|
| Rich               | 30                   |
| Medium             | 30                   |
| Poor               | 45                   |
| Destitute          | 24                   |
| Total              | 129                  |

From the above results we can see that we have to divide our sample of 6 households into four categories. In this case we will draw our sample in the following manner:

| Household Category | Number of households | Number of sample households to be selected |
|--------------------|----------------------|--|
| Rich               | 30                   | 1  |
| Medium             | 30                   | 1  |
| Poor               | 45                   | 3  |
| Destitute          | 24                   | 1  |
| Total              | 129                  | 6  |

In order to select a random sample of households from each of the four categories we need a list of all the households in each category. Since we have to select only one household from the rich, medium and destitute categories, we can decide to pick household number 15 from each of these three separate lists. We also need three households from the poor category. In this case we can select household numbers 13, 26 and 39 (i.e. every 13<sup>th</sup>



household in the list). If for any reason the selected household is not available (they may be away from the village), we select the next household on the list.

The remaining six individuals/households will be selected from the following categories:

- Female head of household
- Landless household
- Household with a disabled person
- Household based on ethnicity, or any special feature of that particular village
- Household that has moved out of poverty in the last five years
- Household that has moved into poverty in the last five years

### **III. Study process**

#### ***Duration***

The complete fieldwork process at any village site will take about 17 days.

| <b>Activity</b>   | <b>Number of days</b> |
|---|-----------------------|
| Travel  | 1                     |
| FGDs and individual interviews in the village                               | 8                     |
| Report writing  | 4                     |
| Preparation for commune workshop, and reporting back to the village         | 1                     |
| Commune workshop  | 1                     |
| Regroup with the other team in the province to review and share experiences | 1                     |
| Contingency   | 1                     |
| Total   | 17                    |

Please note that the number of days earmarked for each activity is only indicative and in practice there should be flexibility in how this time gets used during the fieldwork (i.e. if FGDs and interviews for any reason are not completed in the given 8 days, we can use another day to complete the task).

#### ***Sequence***

##### ***Preparation***

Since most of the study villages were covered during the field practicum, there should be some background information available on each of the selected villages from their respective reports. This information should be studied before leaving for the village. General information that has already been collected should be noted. Information that needs to be verified or probed further should be highlighted.

The roles and responsibilities of the team members should be decided before starting the fieldwork. The team should also discuss a tentative plan for the fieldwork.

Before starting the fieldwork in a village, the team should call on the commune council and inform them of the study process and also sound them about the commune level workshop, the dates for which can be confirmed later.

##### ***Introduction***

Since the teams have visited most of the selected villages during the field practicum, the communities should already have some knowledge about the study. However, full introductions should be given before starting the fieldwork at any location. Sometimes we

need to repeat the full introductions before starting a FGD or individual interview as some of the members in the group or the individual being interviewed may not have been present at the previous meetings. Introductions should include:

- Personal introductions (names)
- Information about the study
- Objectives, and how the study results may be used
- Study process (FGDs and interviews, commune and provincial workshops)
- Duration
- Make it clear that no immediate benefits/projects will come to the village as a result of this study

It is important to be transparent about the study, and provide any information that the community may want to know. At the same time it is critical that no false expectations are generated in this process.

## **FGDs**

### *Individual Interviews*

It is usually best to carry out the individual interviews towards the end of the fieldwork at any location. This way all the general issues in the village become clear, and the individual interview can be used as an opportunity to explore specific issues in detail.

### *Reporting back to the village/verification*

### *Preparation for the commune level workshop*

### *Commune level workshop*

### *Preparation for provincial workshop*

### *Workshop at the Province level*

### *Outputs*

## **IV. Checklist of issues and methods for FGDs**

## **V. Checklist of issues and methods for individual interviews**

### **Individual interviews**

Themes and issues to be covered during individual interviews

- Individual/household life story (time line): When did the household come into existence, how has it changed over the years, why has it changed, what are the key events/changes experienced by the household,
- Livelihood analysis (including all members of the household, indicating differences by gender and age): household size, assets owned by the household, changes in asset ownership, assets they have access to (from relatives and neighbours), sources of livelihood, outflows, periods of stress, coping strategies, how is a normal year different from a bad year?

- Changes experienced in the last ten years (shocks and emergencies; how did they cope with these emergencies; have livelihood strategies changed in the last ten years; have some members moved out from the household; have some new members joined the household);
- Social and economic relations with other households in the village (is there interdependence among households; are economic activities of households linked to each other; are there social networks in the village that this household is part of; are there networks that this household feels left out from; how do these networks work, i.e. on the basis of clusters, relatives/kinship, friends, political affiliations, ethnic groups, etc.
- Expectations for the future

## **VI. Documentation**

*Field notes*

*Daily reports*

*Site report*

*Commune report*

*Provincial report*

*Synthesis report*

## **VII. Roles and responsibilities**

- Researchers
- Team leaders
- Research Assistants

## **VIII. Material to take along to the field**

- Large sheets of paper
- Marker pens
- A-4 size paper
- Colored chalk
- Scissors
- Masking tape
- Rubber band (to secure the rolled up sheets of paper)
- Folders (to file the daily and site reports)
- Pens
- Pencils
- Eraser
- Stapler and staple pins
- Bag to carry all the material (a plastic shopping bag will do)

### Appendix 3. Tonle Sap PPA: Research questions

#### 1. What are the social and economic dimensions of poverty in the Tonle Sap region?

- How do men and women articulate their respective experiences with and perceptions of well-being and poverty? Is there a difference in how men and women perceive well-being and poverty?
- How have household well-being and poverty changed over time? Have some households moved up or down economically in the last ten years? How/why?
- What are the factors and circumstances that push people/households into or out of poverty? What are the constraints in moving out of poverty?
- Which categories do the female headed households belong to? Why? How has this changed over the years?
- What are the factors that make a person/household vulnerable? When is a person vulnerable? Do men and women experience vulnerability differently?
- What are the things/aspects of life that would make someone content in life?
- Is there any kind of insecurity at the community level? Have levels of security/insecurity changed over the years? How? Why? What are the causes of insecurity? Is there any form of crime and violence at the community level?
- Do men and women face different types of insecurities and/or violence at the community and/or household levels? Is insecurity (and/or violence) experienced differently by ethnicity or economic status of the individual/household?
- How do households from different categories interact with each other? Are any individuals or households excluded from any social events? Who is excluded? Why?
- What are the types of social networks that exist in the community? What kind of transfers and support systems work within these networks? Are these networks different for different categories of households?
- What are the main health problems faced by the community? Have these changed over the years? How accessible is healthcare (is access different by gender, ethnicity, economic category)? How do health issues impact well-being? Any suggestions for improvement?
- What are the levels of formal and informal education in the village? Have these changed over the years (enrolment, drop-outs)? Are these different by gender or ethnicity? Does level of education have any relation with well-being? Any suggestion for improvement?
- How does this village compare with others in terms of well-being and poverty?
- What do men and women from different categories of households propose in order to resolve the problems associated with poverty, and their livelihood security? How do the different groups prioritise their suggestions/needs?

## **2. What are the main livelihood activities/strategies in the Tonle Sap region?**

- What is the typology of livelihoods in the village (main sources of livelihood in the village)? What is the proportion of households involved in different livelihood sources?
- How are livelihoods different for different categories of households? Differences by gender? Differences by ethnicity?
- What are the different productive assets owned by different categories of households?
- What is the size and mix of livestock owned by different categories of households in the village? Have livestock holdings changed over the years? What are the main constraints faced by livestock owners? How does livestock ownership influence other livelihood strategies and land use pattern?
- How have livelihoods changed over time? (What has changed and how? Why did these changes occur? What has been the impact of these changes?)
- Are some livelihoods more secure than others? Why? Are some households more secure than others? Why?
- What are the types and periods of stress in livelihoods?
- Have there been any shocks to people's livelihoods?
- How do different categories of households cope with stress and shocks? Are coping strategies different by gender/economic category/ethnicity?
- How do livelihoods in this village compare with those in neighbouring villages?
- How are livelihoods in this village affected by activities and events in other villages/communes?
- Are there any up-stream and down-stream linkages with other villages? Are there conflicts over the use of natural resources which cross village boundaries? How is the use of natural resources in this village affected by that in other villages?
- How many people/households migrate from the village? What is the typology of migration - destination, gender, individual/household, timing, duration, and purpose (the activities they are involved in)? How much are they paid for different types of work?
- Are patterns of migration different for men and women? For households from different categories? In which cases do only men or women from the household migrate? In which cases does the entire household migrate?
- How has this pattern changed over time?
- How is this pattern likely to change in future?
- How is migration organised and structured?
- Are there any issues related with safety and rights of people who migrate to different places?
- Have any people or households moved into the village in the past 10 years? Why? Did this have any impact on the village?

### **3. What is the relationship between natural resources and livelihood strategies in the Tonle Sap region?**

- What are the natural resources available to the people in the village?
- Who has access to and control over these resources? Is there any difference in access to resources by gender, ethnicity or economic category of the household?
- How has this changed over the last ten years?
- Has any land in the village been sold in the last five years? How much? Who sold the land? Why? Who purchased the land?
- How is this situation likely to change in the future? Why?
- What will people's response be to this change (in terms of coping and adjusting)?
- What are their suggestions for improvement?
- How can they as individuals contribute towards realising these improvements?
- What are the opportunities and constraints in realising these suggestions?

### **4. How do informal and formal institutions shape and influence the relationships between livelihood strategies and access and control over natural resources?**

- What are the different formal/informal institutions that play a role in people's lives and livelihoods? How do people rate these institutions?
- Which of these institutions are easily accessible? Is access determined by gender, ethnicity, or economic status?
- Do people have any control or influence over these institutions? Is this different by gender, ethnicity or economic status?
- Which of these institutions support people during crisis? What kind of support do they provide?
- What are the different sources of credit? Why do people seek credit (productive or consumption purposes)? How much do people borrow? How do they manage debt? Is there a difference in access and use of credit by gender, ethnicity or economic category?
- What are the traditional systems of managing natural resources? How are these formed and maintained? Do these traditional institutions also play a role in maintaining social relations?
- What are the different types of conflict related to land, fisheries, and forests at the village and commune levels? Are there different types of conflict according to gender, ethnicity or economic status?
- How have these conflicts changed over time?
- How do people resolve these conflicts?
- What are the traditional mechanisms for resolving such conflicts? How have these changed over the last 10 years?
- What are the formal mechanisms for resolving conflict? How have these changed over the last ten years?
- How have people used these formal and informal institutions in the last ten years?

**5. How do changes in market circumstances and trade practices affect household livelihood strategies?**

- How many households are involved in market, trade and/or small businesses? What products and commodities are traded? Do they trade in raw or processed commodities? Are there any differences according to gender, ethnic groups, or economic status?
- Where are the markets located (local, national or international)?
- How has marketing and trade activities changed over time?
- How do people finance trade? Do people have access to credit?
- What are the constraints and opportunities regarding trade?

**6. How do government policies and development strategies related to natural resources influence people's livelihood strategies?**

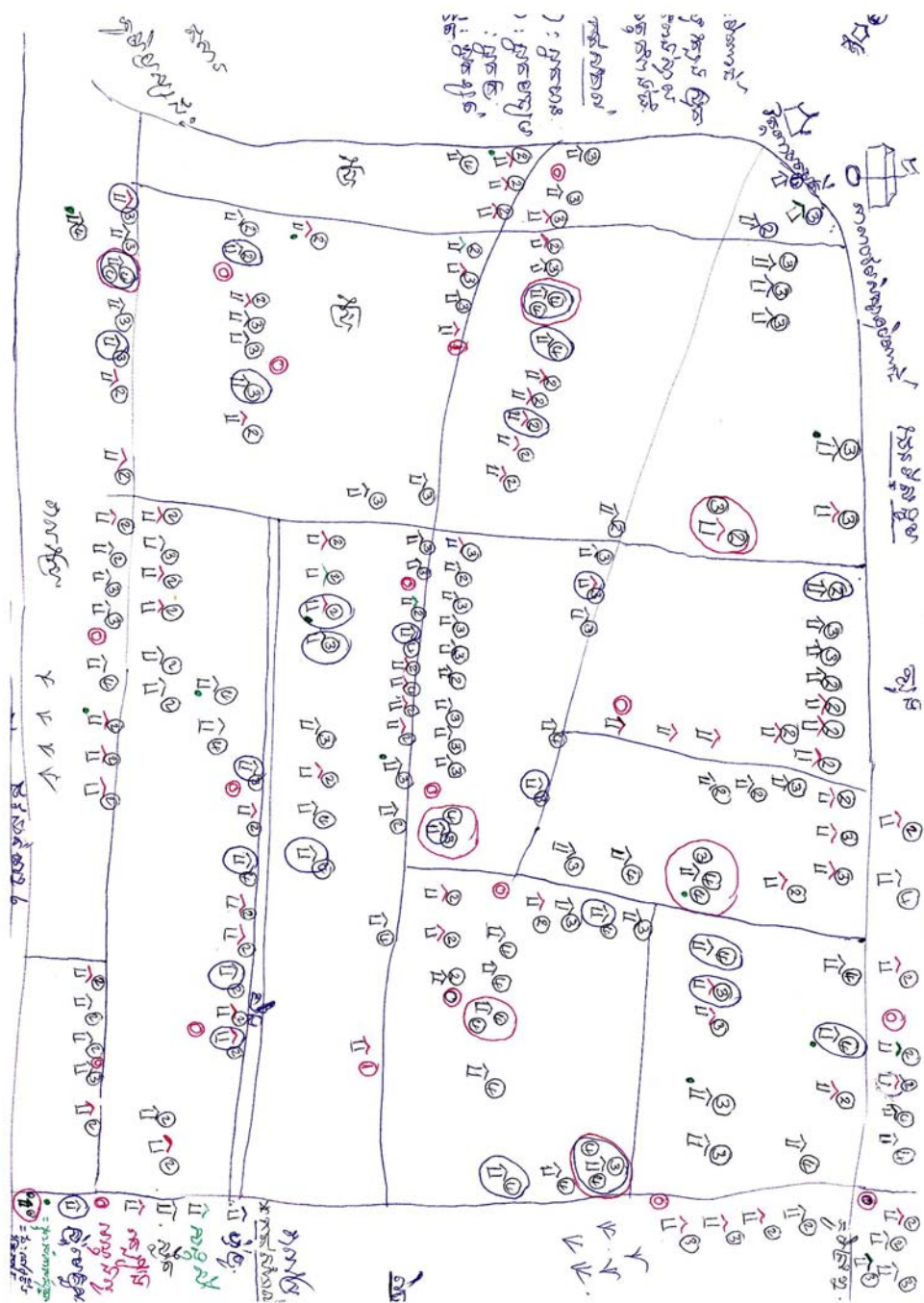
- How are people/households affected by government's land concessions? Is the impact different by gender, ethnicity, or economic status?
- Do people feel secure about their land? Why?
- How are the people/households affected by government's forestry concessions? Is the impact different by gender, ethnicity, or economic status?
- How are people affected by government's fisheries reform in 2001 (when the government released 50% of fishing lot for local communities around the Tonle Sap)? Is the impact different by gender, ethnicity, or economic status?
- What are the primary sources of information about government policies and services?
- What factors and circumstances enhance or impede the ability of men and women to access social services and development infrastructure? Are these different by gender, ethnicity, or economic status?
- How do men and women perceive the role of the government (local/national) in their lives? In what ways is it relevant, and in what ways is it not relevant?
- What are the main/most important policies/regulations that affect natural resources? How are such policies/regulations implemented, and how does it affect the sustainability of resources and impact people's livelihoods?
- What role can the government play in enabling local producers become more competitive locally as well as regionally?

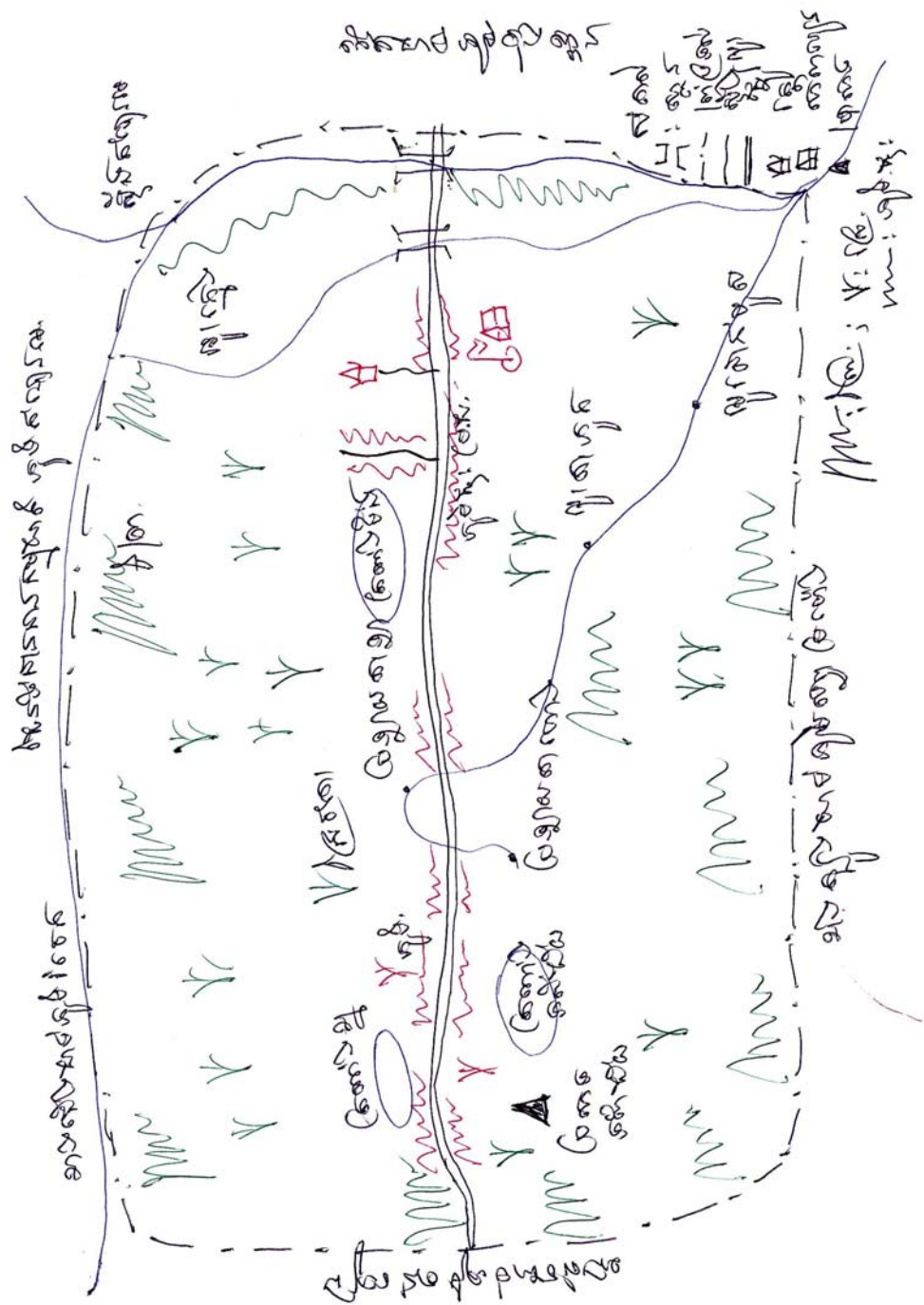
**7. What are the perceptions and expectations of young men and women about their future prospects and those for their children?**

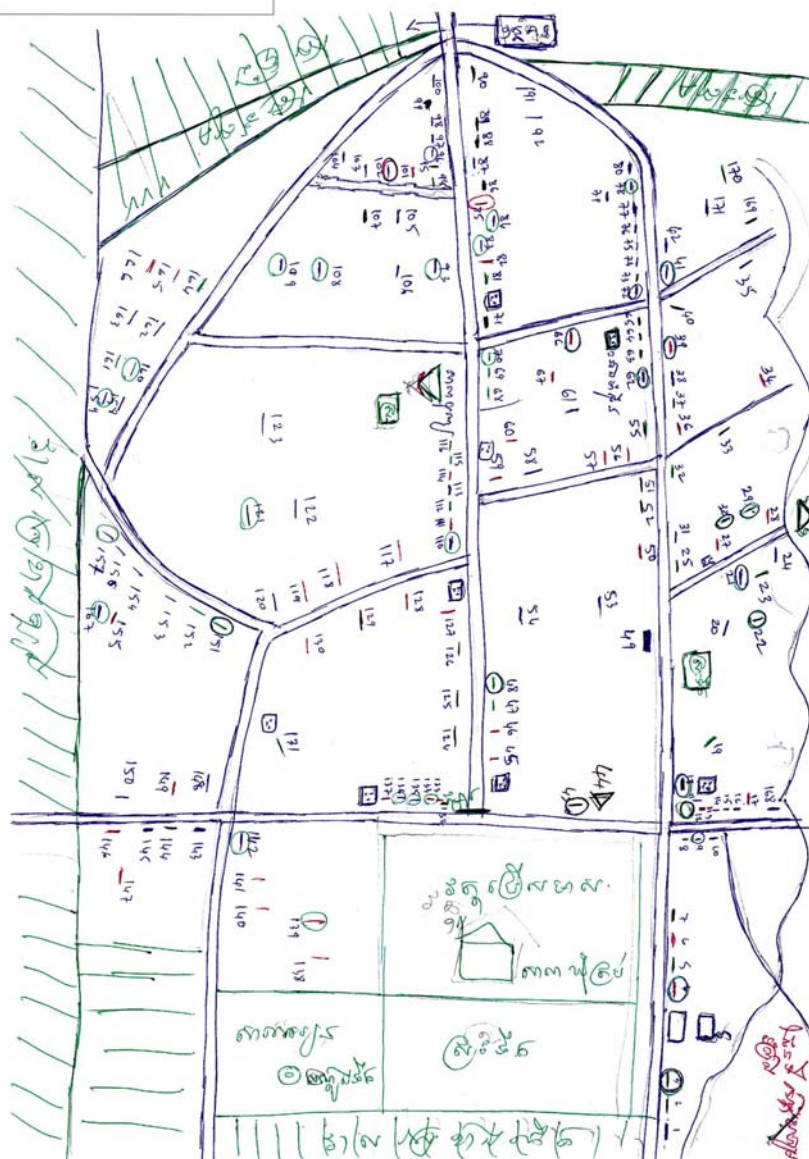
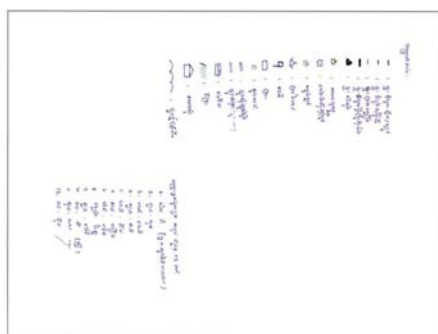
- How do they perceive their opportunities and constraints in the village? What do they think are their options? How do they get information about their options?
- What are their hopes and fears for the future?
- What factors will influence their decision to stay or leave the village in future?











**Appendix 5. Members of PPA Team**

| Nº | Name                    | Position                                  | Others         |
|----|-------------------------|---|----------------|
| 1  | Dr Brett Ballard        | Acting Research Director                  | Author, Editor |
| 2  | Dr K.A.S Murshid        | Consultant                                | Author         |
| 3  | Mr David Wharton        | Consultant                                | Author         |
| 4  | Mr Christain Sloth      | Consultant                                | Author         |
| 5  | Ms Ingrid FitzGerald    | Consultant                                | Author         |
| 6  | Dr Cory Naz             | Consultant                                | Author         |
| 7  | Mr Phim Runsinarith     | Research Associate                        | Author         |
| 8  | Mr Lim Sovannara        | Research Associate                        | Author         |
| 9  | Mr Sok Chamroeun        | Provincial Team Leader                    |                |
| 10 | Mr Kheang Sovann        | Provincial Team Leader                    |                |
| 11 | Ms Chhay Pidor          | Research Assistant                        |                |
| 12 | Ms Dav Sokunthea        | Project Assistant (Part time)             |                |
| 13 | Ms Chim Charya          | Project Assistant (Part time), Enumerator |                |
| 14 | Mr Leng Sam Ath         | Enumerator                                |                |
| 15 | Ms Ros Channak          | Enumerator                                |                |
| 16 | Mr Chhoun Chanthoura    | Enumerator                                |                |
| 17 | Ms Som Dany             | Enumerator                                |                |
| 18 | Ms May Sreylon          | Enumerator                                |                |
| 19 | Ms Chim Chariya         | Enumerator                                |                |
| 20 | Mr Hang Daravuthy       | Enumerator                                |                |
| 21 | Mr Neang Sothoubounarin | Enumerator                                |                |
| 22 | Ms Khun Chandavy        | Enumerator                                |                |
| 23 | Mr Men Sam On           | Enumerator                                |                |
| 24 | Mr Yous Samrith         | Enumerator                                |                |
| 25 | Mr Keo Ouly             | Enumerator                                |                |
| 26 | Mr Chheang Vantha       | Enumerator                                |                |
| 27 | Ms Peang Phansy         | Enumerator                                |                |
| 28 | Mr Tang Kruy            | Enumerator                                |                |
| 29 | Ms Hang Vanara          | Enumerator                                |                |
| 30 | Ms Chen Sophorte        | Enumerator                                |                |
| 31 | Mr Chann Sopheap        | Enumerator                                |                |
| 32 | Ms Ouk Leakhena         | Enumerator                                |                |
| 33 | Mr Long Chintha         | NIS Team Leader                           |                |
| 34 | Mr Vy Heang             | Enumerator (NIS)                          |                |
| 35 | Mr Try Meng Seang       | Enumerator (NIS)                          |                |
| 36 | Ms Mam Bona             | Enumerator (NIS)                          |                |



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