

# Agrarian Situation in Contemporary Cambodia: Overview of Case Studies in Cambodian Villages

**Sedara KIM, CDRI researcher, looks into the mechanisms and processes of agrarian change and how Cambodian households are coping with this change.\***

## Introduction

Cambodian villages were not exposed to modernisation until the advent of the colonial era. Much later, in the 1990s, after surviving different ideological regimes and wars, a cash-based economy began to take root. This began to change the socio-economic fabric in rural Cambodia. Until recently, the village was still a basic unit of rural life and it represented the essential basis of identity and organisation within which agriculture and other activities were undertaken. Cambodian villagers stereotype themselves as very different from urban dwellers: they do not leave their paddy fields easily.

Today, agrarian communities in Cambodia exhibit a broad spectrum of change across all ecological zones in the country. Non-farm activities are growing in importance, the number of cash transactions are rising, marketing activities are increasingly visible, people migrate more often, mechanisation is replacing animal draught power, and there is a shift to alternative crops. However, the agrarian situation and rural livelihoods are still far from integrated in the national economy. Moreover, few structural advances have been made at the national level. The agricultural sector still accounts for 85 percent of the total rural employment. The changes nevertheless require an examination of the emerging rural economy. Moreover, to understand the agrarian society in Cambodia, it is important to consider the emerging institutional mechanisms governing access to and control over resources, as well as the link with outside economic and political forces.

The objective of this article is to elaborate the mechanisms and processes of agrarian change and to articulate how households are coping with this change. Due to limited space, only a few key points will be highlighted here. These include a discussion of agriculture and mechanisation, migration and off-farm employment, credit schemes, and social organisation.

## Choice of Study Sites

The selection of villages for the study was based on a number of considerations: ecological variation, extent of rice production, migration, prevalence of small business activities, rice surplus and rice deficit areas, and avail-

ability of and access to natural resources. Rice surplus was found in Prey Veng and Battambang provinces, where villagers are able to obtain the surplus from inundated paddies. In both villages there, fishing also provides significant income. In Kompong Speu, the village chosen is one of the poorest and also has no forest resources. In Kandal the ecosystem is rich in fresh fish in waters along the alluvial areas of Mekong. Villagers also practise receding rice cultivation. Similar patterns of survival are also seen in Prey Veng. In Kampot the study was oriented toward non-rice cultivation. People depend on sea fishing, salt farming and petty businesses in the provincial town. Lastly, the Kompong Thom village is located within the forest. The villagers are experiencing a drastic fall in their living standards due to a decline of forest products and constraints imposed by forest concessionaires.

The different case studies presented here illustrate the diversity within peasant communities in Cambodia; these characteristics uniquely define each area even though rice is the predominant agricultural product. The research and case studies were conducted using anthropological methods in the fieldwork.

## Agriculture and Mechanisation

Rice cultivation is the dominant farming system in Cambodia; *Chamkar* (plantation gardens) is another. As opposed to rice monoculture, the *Chamkar* is a polyculture, composed of vegetables, cash crops and fruits. The emergence of *Chamkar* itself represent a major diversification from rice cultivation.

The availability and quality of land, forest, and water resources determine the levels and types of activities and livelihood pursuits. A number of village studies and surveys conducted in the past provide some historical perspective on food security, agriculture, marketing of rice and mechanisation in agriculture. Recent studies based on empirical evidence describe the condition of agriculture in the village in relation to larger processes. The latter suggest that Cambodia has to an extent plunged into the realm of "quasi-capitalism" since the early 1990s (Kim 2001). Cambodian farmers have not yet fully adapted to capitalism modes of transaction such as deployment of wage labour, adoption of mechanisation, production for the market – mainly the *Chamkar* crop – and utilisation of modern infrastructure.

Agricultural activity is diverse across different regions in the country, depending on the agro-ecological zones. Due to lack of irrigation in the rice deficit villages in Kompong Speu, Kampot and Kampong Thom, rice is grown only in the rainy season and mainly for family consumption. Land preparation begins in April for the expected onset of rains, transplanting usually takes place between July and September, and rice is harvested in December and January. In this type of cultivation the harvest yield is relatively low, about 800-1200 kg per hectare. In order to enhance yields from poor quality lands farmers normally use chemical fertilisers. Long dry spells in these areas are frequent during the rainy season, raising farmers' anxieties.

\* This article forms a part of a larger study on Land and Food Security, being conducted by CDRI.

Many farmers face a rice shortage in the lean months. Some seek employment in cities or elsewhere. In the rice deficit areas mechanisation is not significant because there is lack of sufficient rice-land where machinery can be deployed. The main human labour for rice cultivation in these areas comes from family members and labour reciprocation from the community; draught power is provided through bullocks and buffaloes.

Rice in fertile areas is cultivated with the deployment of wage labour and machines (e.g. in villages of Prey Veng and Battambang). The two villages studied in each of these two provinces produce a rice surplus. In Battambang, villagers practise flood recession rice since the areas are flooded annually from Tonle Sap waters. In addition, farmers can manipulate floodwaters to cultivate dry-season rice cultivation, which normally begins in late-January and is harvested in May. In Prey Veng, farmers cultivate dry-season rice, which begins from December-April. The average yield is 2-3 tonnes per hectare. In Kandal, farmers also cultivate dry-season rice but the village under study is located in a rice-deficit region, hence farmers also rely on fishing. In Kampot too, besides rice cultivation, farmers fish to earn extra income.

Mechanisation, where it has come, has not only enabled large landowners to expand their scale of operations; it has also resulted in restructuring agrarian activities. The effect of the introduction of mechanisation in agriculture (e.g. tractor, two wheel-tiller, water-pump, threshing machine, and transportation means) exemplifies the changes in agriculture. However, such practices are not widely prevalent and exist only in rice surplus areas such as in the villages in Battambang and Prey Veng which were included in this study. The accumulation of production resources is related to land ownership and farm size. Machinery owners face some difficulties because all of the machinery, spare parts, diesel, and technology are imported from Thailand or Vietnam. The cost of maintenance is high because of the use of old machinery. Diesel prices increase almost every year, which also raises the cost of production. In Cambodian villages only few households own machinery; a majority of the farmers are dependent on renting machinery for ploughing and transportation. Consequently, poor farmers often find themselves caught in a desperate cash shortage. Also, some farmers have stopped raising cattle because of disappearing grasslands and lack of time. In Battambang, security of animals is also an issue. In the main rice-producing areas, machinery owners access outside markets and can also make profits by renting agro-equipment. They further earn income by being rice middlemen. However, even better-off farmers sometimes face constraints and lose agriculture profits, such as in times of serious flooding. This has occurred in two consecutive years, 2000-01.

Fluctuations in the price of rice have had serious implications for Prey Veng's rice surplus farmers. For ex-

ample, during harvest time one kg of unhusked rice sells for only 270 Riels, while during the rainy season the price rises to 400 Riels/kg (Sok et al 2001). This problem is less prevalent in Battambang because of a continuous demand from Thailand where the price of rice is more stable. Paddy farmers however, have no control over rice prices which are often determined by the better-off rice millers who export the product to Thailand. In Prey Veng, some wealthy rice dealers export rice to Vietnam. The government appears to have no clear policy to stop this localised rice monopolisation. Thus, farmers are also disadvantaged by existing trade practices, high fuel taxes and high costs of other inputs.

Modernisation of agriculture has emerged mostly in villages in Battambang and Prey Veng, though only in a small segment of better-off households. The cash-economy marginalises many landless peasants, female-headed households, and the indebted. In order to cope with their deteriorating situation many poor farmers have shifted to migrant work, locally as well as abroad.

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#### ***Migration Work and off-farm Employment***

Those farmers who own small rice land plots or have no farmlands are critically dependent on various kinds of off-farm/off-seasonal jobs. In Cambodia, there are few

jobs available in the village that farmers can fall back upon, though some meagre work could be found in rice cultivation and moving earth for a wage. In some areas in Kandal and Kompong Speu, people move to Phnom Penh where urban employment can be made as *moto* drivers, garment factory workers, and other unskilled jobs. Normally, villagers journey to the capital city for temporary work during the dry season or the period between transplanting and harvesting. The earnings are used for repairing houses, paying for medical expenses, meeting food shortages, repaying debts, and so on.

Landless rural workers are willing to accept all kinds of low-wage jobs because they need the cash and food to survive the lean period, and most of them are unskilled. Many young labourers, especially in Battambang province, cross the border into Thailand seeking employment. The daily wage in Thailand is 80-100 baht/day (US\$ 2-2.5) for clearing land and labouring on fish farms. Migrant workers are however, unable to sustain their families on migrant work alone due to the high brokerage bribes (at least 3000 baht) required to be paid at the border. In order to pay such large amounts, farmers often borrow money from local moneylenders at interest rates of 10-15% per month, using their farmland as collateral. Only some are able to borrow from relatives at lower interest rates. Workers might come to visit their families once every three months. A few send money back via friends in the village. Many villagers complained that it is very difficult being a migrant worker in Thailand: sometimes they are arrested by the Thai police or cheated by employers, or at times they contract fatal diseases such as malaria and dengue. In Kro Sang vil-

lage, Battambang province, three villagers died after returning from Thailand and many were taken ill.

In Kampong Speu and Prey Veng, young women venture out to work in garment factories in Phnom Penh. They earn between US\$ 60/month to US\$ 80 per month if they work over-time. Five young women from Kampong Speu and seven from Prey Veng village work in garment factories in Phnom Penh. They send money back home to alleviate the family food shortage. In Kampot, many people are locally employed in rice cultivation, digging and moving earth, and in salt farms. The average wage is 4000-5000 Riels/day.

The food security of villagers in Kampong Thom is largely dependent on logging and collecting forest products such as rattan and resin. Aside from foraging in the forest, many household members engage in selling labour for rice cultivation and clearing farmland from which they earn 2500-3000 Riels/day. With the declining access to forest products, villagers face a difficult economic situation.

Normally, in addition to wage labour in the village and exploitation of natural resources, people take up other forms of employment as transportation providers, rice middlemen, fish dealers, grocery shop keepers and small scale traders, especially in Kampot and Prey Veng provinces. The prospects of generating enough revenue from local wage labour for family subsistence are limited by the lack of jobs available in the village, low wage rates, and the seasonality of work. A certain amount of initial cash is required in order to accumulate more cash to open small businesses and invest in livestock or cash crops. For this, farmers often borrow and eventually become indebted. Hence, migrating abroad for jobs, per force becomes an important survival strategy.

#### ***Credit Schemes and Money-lending***

Most farm products are picked up and sold by middlemen in the village who travel to and from cities. These middlemen are mostly farmers who have considerable business acumen and possess money to invest. Case studies conducted in the course of the research indicated that these better-off rural dwellers are accumulating money through credits/loans, input supplies, machine services and small trading activities. As money lenders in rural communities they are efficient at collecting repayment and are usually willing to accept usufruct rights on farmlands or family assets as collateral, in the same way as was practised during the 1960s (Ebihara 1968).

In the main rice-producing areas research findings show that there are two types of credit schemes. The first is an institutional credit programme usually organised by NGOs. The second is implemented by private moneylenders who are normally either wealthier villagers or traders in the market places. While the latter lend at higher interest rates, from 15-20 percent per month, this is often the only means available to many farmers.

State-initiated programmes of institutional credit schemes are still scarce while NGO organised credit schemes are few in number (Ovesen 1996).

While many villages do not have access to institutional credit, some institutional credit from ACLEDA and Help Age existed in those villages where the research was conducted, in Kampong Speu, Kampot, and Battambang. In Kompong Speu, one NGO has set up rice banks and credit schemes. In Battambang, another NGO has initiated a rice bank and lends fertilisers. However, few villagers have accessed the programme; many of the poor are reluctant to participate for fear of having no rice or money to pay back. Some NGO-initiated credit programmes charge interest of up to 5 percent a month, which is considered cheap by local standards, but still high in absolute terms.

Indebtedness has long been recognised as a major problem of Cambodian peasants for many generations (Ovesen 1996). The high cost of medical expenses, labour, and agricultural inputs such as fertiliser and diesel means that Cambodian farmers make very little profit from their production. The price of rice and seasonal fluctuation in the rice price, as well as poor marketing facilities and infrastructure also increase farmers' vulnerability. In addition to this, periodic shocks in the form of crop failures, drought, and floods such as those which for the last two years have damaged crops in Battambang, Kampong Speu, and Prey Veng, increase the fragility of rural livelihoods and food insecurity among farmers. As a consequence many farmers repeatedly experience food shortages and are obliged to borrow from moneylenders in order to overcome the family food shortage or to meet other critical expenses. This drives many vulnerable families into 'chronic indebtedness'. When peasants are unable to pay back their debts creditors might acquire all or most of their harvest and/or land.

Mortgaging farmland was found to be common everywhere in the study areas, and should be a source of concern as it often leads to disenfranchisement. In many parts of rural Cambodia, living conditions do not appear to have improved much. Increasing landlessness has forced many to migrate to cities in search jobs. These factors may in the future lead to deepen social discontent within Cambodian society.

#### **Social Organisation**

Socio-political forces are critical both in understanding the agrarian situation and in analysing the estrangement of rural society from the national economy. The Cambodian community is intertwined with informal institutions such as kinship networks and friendship. Kinship is still a basic socio-economic unit that binds people together. In anthropological literature, this indigenous mode of structuring the flow of resources so that it is shared by kinship with different families and friends, and other patron-client relations, are referred to as *generalised-*

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*reciprocity* (Kim 2001). To date, little attention has been paid to the impact of this on rural society. At present there is no system of rural taxation. The local political elite nevertheless extract resources, mainly by imposing intermittent demands. Many influential people at commune and village levels can access good farmlands and also own large rice lands. Local authorities have strong bargaining power; and although village chiefs are the lowest in government rank they often wield considerable power. People need authorisation from the village or commune chiefs to hold a ceremony, to let their sons be ordained and for marriage. For these, payments are made which the commune and village authorities claim are necessary to supplement their expenses.

Exposure to the market economy since the early 1990s has created unequal wealth distribution among peasants in contemporary Cambodia rural society. Local elite and protectorates have emerged: those who own large rice lands (5 or more hectares) and mechanised equipment, and have access to markets and outside economic forces. Rice lands are also acquired however, by people who have good connections and financial links with relatives outside Cambodia. All of these factors contribute to distortion and social stratification in the village social fabric.

### Recapitulation

This article presents a variety of complex agrarian changes that affect food security and rural livelihoods in Cambodia. The introduction of mechanisation in some

areas, and migration to Thailand, are new phenomena that did not exist in the pre-1970s era. A high rate of indebtedness caused by health related problems, crop failures, lack of institutional credit schemes, depletion of natural resources, fluctuation in the prices of agricultural inputs, and lack of local employment options, are critical factors that have a direct impact on the household economy. Research findings also reveal that traditional social organisations are undergoing changes in the face of modernisation as well. The present situation allows a minority to accumulate wealth while the majority of peasants are becoming increasingly vulnerable. This deterioration of rural livelihoods contributes to social discontent within communities.

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