

Underdog Emerging: Cambodia's Development in the 21st Century

Written by Colin Cronin

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COLIN CRONIN, JUL 20 2009

Small developing countries that have been historically caught up in great power politics often seem to be exotic destinations for academic and travel books rather than real and concrete places. Cambodia is one such example. As an insignificant part of the international system, it is difficult to appreciate what is happening there without seeing it for yourself. But Cambodia is a microcosm of development, and the changes that are happening there by no means trivial.

By any measure, Cambodia is a poor country. Its per capita GDP (at purchasing power parity) hovers around \$2000, placing it among Sudan, Côte d'Ivoire, and North Korea.[1] Compared to the economic development of its neighbor Thailand there is a world of difference. Thailand, while not one of the four principal Asian Tigers, certainly had its place in the "Asian Miracle." From the mid-1980s until the financial crisis of 1997, Thailand had average growth rates above 9%. After the collapse of the baht, Thailand was able to regain some of its former strength as its weak currency encouraged exports. Today it boasts an economy that easily eclipses every other country in Southeast Asia, with the exception of Malaysia.

However, Thailand is also racked by political unrest to a degree that is absent from Cambodia. The political crisis stemming from late 2005, when groups opposed to former Prime Minister Thaksin Shinawatra started organizing against him, spiked into serious unrest last year with the removal of another prime minister, the occupation of the Government House, and the seizure of Suvarnabhumi airport. Several months later, the political chaos resulted in the cancellation of the ASEAN+3 summit in Pattaya, and the subsequent ambush of the Prime Minister of the Interior Ministry. For decades, Thailand has also been plagued with a separatist insurgency in the southern Pattani region, dominated by ethnic Malays. Since the escalation in 2004, the conflict has claimed thousands of lives and fomented some tensions between Thailand and Malaysia.

On the other hand, one of Cambodia's greatest achievements has been its maintenance of political stability, within and outside of its territory. The Paris peace accords were signed in 1991 and enacted by the elections of 1993. Under the UN Transitional Authority in Cambodia (UNTAC) and the UN High Commissioner for Refugees, then Prince Norodom Sihanouk and the Cambodian government repatriated those displaced by the Khmer Rouge and the violence during the Vietnamese occupation. An overwhelming majority of eligible voters participated in Cambodia's 1993 elections (nearly 90%).[2] Since that time, political stability has really only been disrupted once: during the military of coup of 1997 when Norodom Ranariddh and Hun Sen (co-prime ministers at the time) clashed. Nevertheless, civil violence has dropped tremendously as the country has legitimately incorporated former antagonists into the political system. Nothing approaching the scale of Thailand's political crises exist in Cambodia.

Outside its borders, Cambodia has been able to maintain fairly good relations with its neighboring states, especially considering the intensity of the social and political hostility felt by some Cambodians towards the Thai and Vietnamese. The conflict with Thailand over Preah Vihear last year was arguably its most serious border dispute in recent history. Although the anti-Thai riots of 2003 led to the damage of the Thai Embassy and some businesses, it is worth keeping in mind that such protests also occur in developed countries (for example, this year's G20 protests in London which also wrecked havoc on many businesses). Certainly, tensions remain between Cambodia and its

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neighbors, especially Thailand. Yet Cambodia has been able to manage these relations quite well to prevent such tensions from exploding. Preah Vihear has left soldiers dead on both sides. But a look at other regions of the world where substantial preexisting tensions have not been managed effectively – such as sub-Saharan Africa and the Middle East – reminds us of how the situation could be much worse.

Another good sign of Cambodia's development is the increasing level of education, at least in the cities and among the younger population. It is not uncommon for students with either substantial savings or good scholarships to study at more than one university to earn multiple degrees. Increased coordination between primary, secondary, and higher institutions with counterparts in other countries has increased the availability of educational and student exchange programs. English is becoming widely taught, and students often try to study with a private tutor outside of the classroom to improve their language skills. Many Cambodians that I met had far superior English comprehension and speaking ability than Japanese students of the same age. This was surprising to me considering that Japan's education system is very well regarded. Of course, it is not that the Cambodian system is better than the Japanese, but rather that the Japanese (and Chinese) emphasis on memorization – which is crucial to the learning of Chinese characters and Kanji – is not particularly effective at improving speaking and comprehension.

But whatever the reason, the fact is that Cambodians are learning English at a rate that dwarfs some of their fellow students in more developed Asian countries. Chinese also has a large presence in the country, owing to immigration from southern China over many decades. Chinese characters can be found throughout Phnom Penh, and I encountered a number of shop owners who could converse easily in Mandarin. French is still around but much rarer than in Ho Chi Minh City. The availability and exposure of these languages means that students can grow up speaking at least two or three languages. Such tools are invaluable for navigating not only different markets but also different societies.

Unfortunately, these remarkable improvements in education have yet to reach most of the older generation and rural population. In addition to this, there are several major issues that must be dealt with if the country is to continue to develop and improve the people's standard of living.

1. Corruption

Corruption is by far Cambodia's most serious problem. In 2008, Transparency International ranked Cambodia the third worst country for corruption in the Asia-Pacific region – ahead of only Afghanistan and Myanmar.[3] John Johnson, the public affairs officer at the US Embassy in Phnom Penh, has also commented on corruption as being the greatest problem in the country.[4]

A high centralization of power by Hun Sen and the Cambodian People's Party has fostered an environment where connections are the end all and buy all of currencies. Ironically, this has led to a massive decentralization of power in that the person in control of a situation is usually the authority on the ground at that moment. Many things hinge upon how happy – and thus how generous or lenient – a government official may be on any given day. That is a tremendous amount of power to wield.

High levels of corruption are anathema to attracting foreign investment. They also lead to misallocation and bottlenecks of financial resources for public services. To improve many of the sectors in the country – transportation, urban infrastructure, rural development, education – the corruption issue must be solved. Yet, the main obstacle here is that corruption is not actually viewed as being such. Instead there are simply "fees" to pay in order to get something done. This is nothing novel; corruption has been viewed before as the grease that allows the cogs of a system to turn. But this is deadly when paired with such widespread and intense corruption. While changing this attitude is necessary for sustainable development, the conceptualization of corruption as simply the way things work seems to be ingrained in the subconscious of the country. It will remain one of the country's greatest challenges.

2. Health

Although mortality rates have fallen and life expectancy has increased in the last 10-15 years, public health services

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remain poor in quality and accessibility. About 75% of health spending is private and out of pocket. The government spends only about half as much as donors. Throughout the country there is a shortage of needed skills and a distribution of staff that ignores population realities. To maintain development, the government must improve its capacity for ensuring human security.[5]

3. Management of Environmental Resources

Natural resources are crucial part of Cambodia's development since agriculture and forestry contribute nearly 40% to GDP. Lack of good governance over agricultural expansion has caused rapid deforestation and degraded Cambodia's ecosystems. These natural habitats form a strong pillar of support for the tourism sector (another major contributor to the economy). Furthermore, preserving ecosystem services such as waste decomposition and carbon sequestration will be crucial to dealing with increased pollution as urban centers industrialize and grow in size.

4. Social Development

While Cambodia remains socially conservative, the country has already felt the impact of cultural globalization. Phnom Penh is a cosmopolitan city, with a diverse mix of linguistic and cultural groups. You can find restaurants of all styles here: Khmer, Chinese, Indian, Greek, Turkish, Italian... and even KFC. Such exposure, especially to symbols of American culture like American Idol, has already started to challenge traditional norms. Young people are still largely confined by these norms, but some are starting to break certain taboos. The challenge for Cambodian society lies in figuring out how to retain the best characteristics of its culture while remaining open to the influx of new ideas. Overcoming this challenge will strengthen civil society and lay a solid foundation for sustainable economic and political development to be built upon.

Colin Cronin is a graduate of the University of Puget Sound, where he studied political science and music performance. He participated in a student exchange program to Cambodia in May and June of 2009.

[1] U.S., CIA, "Country Comparison: GDP - Per Capita (PPP)" *The World Factbook*, <https://www.cia.gov/library/publications/the-world-factbook/rankorder/2004rank.html> (accessed June 16, 2009).

[2] Inter-Parliamentary Union, "Elections Held in 1993," under Parline Database > Cambodia > Election Archive, http://www.ipu.org/parline-e/reports/arc/2051_93.htm (accessed June 16, 2009).

[3] Transparency International, *CPI 2008 Regional Results: Asia Pacific*, downloaded from http://www.transparency.org/policy_research/surveys_indices/cpi/2008/regional_highlights_factsheets (accessed June 16, 2009).

[4] Personal correspondence, tour /discussion at the US Embassy, Phnom Penh, Cambodia, June 26, 2009.

[5] See links available at World Health Organization, "Cambodia," country profile, <http://www.who.int/countries/khm/en/> (accessed June 16, 2009) and The World Bank, "Health, Nutrition & Population in Cambodia," under Countries > East Asia & Pacific > Cambodia > Development Topics, <http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/EASTASIAPACIFICEXT/CAMBODIAEXTN/0,,contentMDK:20365338~menuPK:293886~pagePK:1497618~piPK:217854~theSitePK:293856,00.html> (accessed June 16, 2009).