Political and Economic Update

The year 2003 began with violence in Cambodia, as angry mobs attacked the Thai embassy and Thai-owned businesses in the capital and Siem Reap early in the year. The riots were sparked by comments made by a Thai TV-actress, who allegedly suggested that Angkor Wat had been stolen from the Thai. During the violence, rioters burnt the Thai embassy in Phnom Penh, causing severe damage. Over 700 Thais, many of them investors and business owners in the country, had to be evacuated by the Thai military. Bangkok demanded around USD50 million in compensation for the damage caused. Moreover, Thai protesters demonstrated their anger by burning Cambodian flags in the streets.

The Cambodian government was quick to apologize to Thailand and offer reparations, but Thais remained suspicious amongst accusations that the violence was fanned by the Hun Sen faction in hopes of stirring up nationalist sentiment prior to the country’s elections in July. The incident highlighted both the centuries of ethnic conflict between the Cambodian and Thai people, and the economic disparity between the two countries today. Parts of Cambodia’s infrastructure, such as the mobile phone network, are run by Thai companies, and many Thai investors are active in establishing and running businesses in Cambodia. Although the investments bring economic growth, Cambodians feel as if their more affluent Thai neighbours look down on them and plunder the country for economic gain.

Observers were unsure as to how long resentment between the two peoples would linger even after the headlines died down.

Nonetheless, cooperation between the Cambodian and Thai governments did continue after reparations were made. On 31 May 2003, Cambodia and Thailand signed both a Memorandum of Agreement...
Understanding (MOU) on Cooperation in the Employment of Workers and an MOU on Bilateral Cooperation to Eliminate Trafficking in Children and Women. The employment MOU calls for the establishment of a regulated labor migration scheme for Cambodians working in Thailand, covering such areas as recruitment, return upon expiration of employment contract and labor protection guidelines. The MOU on trafficking prevention provides for cooperation in the provision of services to trafficking victims and aims to establish mechanisms to decrease trafficking. It also covers legal reforms and the prosecution of traffickers and spells out prevention strategies such as educational programs. A joint task force is to be created for implementing the MOU, which will hopefully strengthen ongoing cooperation between the two countries in the future.

In July, the country’s general elections resulted in a mixed victory for Hun Sen. Although he gained a majority, for 11 months the government was paralyzed by a political deadlock with the runner-up, Funcinpec. The impasse wasn’t resolved until July 2004, when Hun Sen formed a coalition with Funcinpec and the government was finally ratified. The new government, however, brought sharp criticism from international observers, who noted that the number of top posts with the government jumped from 200 to 334, while the cabinet posts doubled. Cambodia’s own King Norodom Sihanouk encapsulated the problem on his website by comparing Cambodia with France – Cambodia was 1/3 the size of France with 1/4 of its population – then writing, “Government: France, 2004, 44 members. Cambodia: 20 July, 2004, 334 members. Any comment from me would be superfluous.”

Hun Sen created the extra posts to satisfy both his own party and Funcinpec, but observers say the outcome will be an oversized political elite that the country can ill afford. A World Bank study last year ranked the country’s “bribe tax” among the worst in the world, reporting that payments by companies to public officials “are frequent, mostly or always required to ‘get things done’”; this is a burden for the average citizen in a country where nearly half of the 13 million people survive on less than USD1 per day.

The political deadlock of 2003 also stalled the progress of the prosecution of senior leaders of the Khmer Rouge. In May 2003, the fifth round of talks between the UN delegation and Cambodia’s Task Force led to a draft agreement which was finalized in June. The agreement was to establish a special tribunal for the trials; however, Cambodia’s National Assembly first needed to ratify the deal. Unfortunately, this was impossible for the 11 months the country remained without a functioning parliament; the situation created uncertainty about the tribunals and the financing, which was expected to be raised from international donors. The agreement was ultimately ratified on 19 October 2004, months after the coalition government began functioning. It is hoped that the process can now go forward.

Despite political stumbles, the country marched on with its trade goals. Cambodia became the 148th member of the WTO on 13 October 2003, although the WTO had to extend the country’s ratification deadline due to Hun Sen’s failure to form a new government. While Cambodian supporters of WTO entry hailed the country’s entry as a necessary step towards becoming a strong competitor in the global market, critics such as Oxfam International point out the many concessions the country was forced to make – concessions giving up many of the protections afforded to Least Developed Countries (LDCs) in the Doha agenda. Painful concessions include the country’s agreement to conform with the Trade Related Aspects of Intellectual Property Rights (TRIPS) by 2007 – despite Doha giving LDCs until 2015 to comply – which critics say will impact the country’s population of people living with HIV/AIDS by making it harder to access cheap generic drugs such as ARVs. According to Oxfam, another disadvantageous concession was in agricultural tariffs – particularly important in Cambodia, where close to 80% of the population works in the agriculture sector. In the event that Cambodia needs to protect its agriculture sector against imports, its WTO accession package puts a 60% ceiling on its tariff. This compares quite unfavorably with the EU’s 252% allowance and the US’s 120% wall.

Nonetheless, the Cambodian government felt that WTO accession was necessary to help upgrade its crucial garment industry, which makes up a large proportion of the country’s exports, ahead of the pending abolishment of quotas under the MFA. The Ministry of Commerce stated that WTO membership will give the country a chance to increase its sales to
the apparel markets in the developed world. The country also hopes increased foreign investment will follow its WTO membership. In any event, Cambodia's accession to the WTO necessitates sweeping reforms, including new tax and investment regimes, commitments to further progress on legal and judicial reform, and greater transparency and reform regarding state-owned enterprises. Although a great challenge, many hope that the country's commitment to the WTO will help improve Cambodia's thus-far dismal record of corruption and lack of transparency.

Cambodia's economic growth has been driven in large part by its garment and textiles industry, which accounted for 30% of GDP 2003. Cambodia has over 200 garment factories. In 2003, Cambodia's total amount of foreign trade and export was less than USD1.7 million, of which garment export accounted for USD1.5 US million. The rapid development of the local garment export industry creates more than 200,000 employment opportunities and contributes greatly to the country's economic growth. Another big industry in the country is the services sector, particularly the expanding tourist industry. Although hit by SARS in 2003, it rebounded later in the year, accounting for 35% of GDP. Foreign direct investment also took a hit due to the lengthy political instability following the 2003 elections. There has been a declining trend in garment exports due to the global economic slowdown and preferential trade agreements, but the industry will face even greater challenges when the MFA will result in the abolition of quotas. This will force Cambodia to compete with large-scale producers such as China and India.

Another challenge facing Cambodia in coming years is its teeming labor force. About 60% of the population is under 20 years of age, and will be entering the workforce over the next 10 years. The Cambodian government has set industrial goals

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<th>2003</th>
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<td><strong>January</strong></td>
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<td>(29) Row breaks out between Cambodia and Thailand over purported comments by a Thai actress regarding Angkor Wat. Mobs stormed the Thai embassy and Thai businesses, causing the Thai government to demand compensation. The border between the two countries was temporarily closed. The Prime Minister later issued an apology and offered to reimburse the damage.</td>
<td>(22) Cambodian union leader Chea Vichea is gunned down in Phnom Penh.</td>
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<td><strong>February</strong></td>
<td><strong>April</strong></td>
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<td>(8) Thai officials re-open the Cambodia-Thailand border, but for trade purposes only.</td>
<td>(10 – 11) Report by Human Rights Watch alleges ethnic minority Montagnards were wounded and killed in fighting which broke out during a protest for religious freedom and land rights.</td>
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<td><strong>March</strong></td>
<td><strong>September</strong></td>
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<td>(5) Cambodian Prime Minister Hun Sen orders the closure of the Cambodia-Thailand border crossing, citing the safety of its citizens as the reason.</td>
<td>(13) Cambodia becomes the 148th member of the WTO.</td>
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to absorb this labor force, including continuing to develop labor-intensive industry, to promote the development of agribusiness, to develop industries based on the utilization of natural resources, and promoting small and medium enterprises, among others. The country will also need to improve its basic infrastructure, such as its road and bridge infrastructure, airports, seaports, water supply, power distribution and telecommunications system. Further, Cambodia will need to develop the education and productive skills of its citizens, particularly its rural population.

Migration Update

In 2004, the Mekong Migration Network (MMN) conducted a study on migration focusing on the quality of life of migrant workers in the Greater Mekong Subregion (GMS) including Cambodia. The results of the research was published in the Resource Book: Migration in the Greater Mekong Subregion. The following is mainly an abstract of the relevant parts of the book.

Cambodian Migrants Overseas

While approximately 10,000 Cambodians migrate to Malaysia to work as domestic workers, construction workers, factory workers and sex workers, the primary destination of Cambodian workers continues to be Thailand. According to the 2005 statistics provided by the Employment Department of Thailand, 109,250 Cambodian migrants had registered for a work permit with Ministry of Labor. The number of Cambodians who had previously registered for a temporary residence card was 183,541 as of July 2004.

The Thai government has been implementing policies to allow undocumented migrant workers to register for a work permit since 1996. However, a large number of migrants do not avail themselves of the Thai registration process for a variety of reasons. Many migrant workers have not even learned of the registration process, and those who did know reported that they had not heard of it until 2003. Also, those migrants who were aware of the registration believed that the registration fee was too high, and would not be all that helpful in the event of a dispute with their employer, for example. Those migrants also believed that the registration would require the intervention of their employers, and viewed their employers as unconcerned and unhelpful. In any event, many migrants said they had to pay THB500 per month to the police, around THB500 for electricity and water, and whatever was left had to go to pay for food and accommodation; there was little if any money left for registration.

Cambodian migrant workers generally hold low-
skilled jobs in Thailand, with many working in construction, agriculture and fishing-related industries. The 2004 MMN research indicated that Cambodian migrants in Thailand largely continue to face the same issues and needs previously reported in AMY 2002-2003 and in Migration Needs, Issues and Responses in the Greater Mekong Subregion: A Resource Book.

There is also a minor but noteworthy migration flow from Cambodia into Vietnam for the purpose of begging. Beggars are often children or mothers with children. They travel alone, or with a facilitator (such as a relative or village elder), mostly to Ho Chi Minh City. Children go to Vietnam for a period of three to four months before returning to Cambodia to give their earnings to their families. One respondent interviewed for a study conducted by IOM said it is possible for a child to earn between USD12.77 – 44.72 in this way. Children often return more than once, and their siblings may also come to Vietnam.10

Migrants in Cambodia
While Cambodian workers migrate to Thailand and other Asian countries, Cambodia is also a home to a large number of Vietnamese immigrants and migrant workers. There is lack of reliable/realistic data on these migrants, but it is estimated that at least 150,000 Vietnamese migrants reside and work in Cambodia. Cambodia is also used by trafficking syndicates as a transit country to third countries.

A large proportion of Vietnamese migrants who work in Cambodia come from provinces near the border such as An Giang, Tay Ninh, Kien Giang, Dong Thap and Long An, although there are also some migrants who come from provinces in the north. Generally, migrant workers in Cambodia can be grouped into three categories. The first group work as tradesmen in professions such as carpentry, and may become small business owners themselves. The second group generally works as low-paid hired laborers, with low levels of education and who often come from poor households. The third group work as sex workers, and also generally come from poor families with low levels of education.

Respondents of the MMN study in Cambodia reported that the majority of Vietnamese laborers and craftsmen work for established Vietnamese business owners, rather than for Cambodian employers. Laborers living with their families in Cambodia usually perform jobs such as masonry and carpentry.
Vietnamese Sex Workers in Cambodia: Quality of Life Study

As part of the MMN study focusing on the quality of life of migrant workers in Cambodia, researchers surveyed respondents in and working with the Vietnamese sex worker community in Svay Pak. The following is an abstract of that study.

Sex workers’ wages are split 50/50 with the owner, and they generally work flexible hours from afternoon until midnight. Respondents reported that the number of clients received and amount of time spent with clients depend on their agreement with the owner. According to NGO staff working with sex workers, the average income is around USD200 per month; as the fee per client is around USD2.50 each, this means the sex workers are receiving at least three to five clients per day. However, usually sex workers commence employment in debt, generally borrowing about USD200 – 300 as an advance sent to the family. Respondents report that it is quite difficult to repay the debt, particularly if they experience a number of unexpected expenses such as for bail in the case of arrest.

Sex workers generally live together in groups; some live at the brothel. Respondents interviewed reported that their living conditions were relatively comfortable, although one recent arrival reported experiencing theft while she was sleeping. Sex workers generally do not live with their family, although some may have relatives such as siblings or cousins who work in the same brothel.

As sex workers engage in high-risk sexual activity, they are extremely vulnerable to HIV/AIDS and STIs such as gonorrhea, syphilis, vaginitis, and the like. Risk of infection comes not only from their clients, but also from having sex with their boyfriends. While they may learn preventive methods during work, when having sex with their boyfriends they reported not taking any precautions. This also increases their risk of pregnancy.

Those who catch diseases are often subject to an inferiority complex, and worry greatly about returning to their hometowns. They are directly impacted by traditional concepts of dignity and social status, and do not dare to talk about their past or disease. In addition, they do not have money for treatment, so those with diseases often experience deteriorating conditions. Some sex workers reported going to local clinic centers in Vietnam when they were ill, while others would merely go to pharmacies for medication, particularly for minor ailments such as headaches or the flu.

Sex workers’ entertainment activity is largely watching television at their brothels when there are few customers. They sometimes are allowed to go with their customers to Phnom Penh or elsewhere, but they cannot really relax as they have to serve the customers. Those who are able to leave the brothel reported visiting cafes, cosmetic shops, food stalls and clothes shops around Svay Pak.

Undocumented sex workers covet residence registration documents, as they can then cross the border more freely. The workers also believed it would help them in the event of a raid, a huge fear for undocumented workers. Sex workers are very much afraid of being arrested by the police. Migrants in this group mainly have difficulties in getting residence registration, however, and as their job is illegal and unprotected, they are scared that they could be sold to other brothels.

Some migrants among sex workers want to return Vietnam when they have saved enough money, while others plan to open a café, barber’s shop or tailor shop. These migrants, however, account for only a small number of those surveyed. The majority of the respondents reported having no idea about their future.

Their income ranges from USD4 – 7 a day depending on the specific type of work. All respondents reported getting a day of rest on Sunday.

90-95% of Vietnamese laborers in the study reported renting a house or room in Vietnamese communities. Migrants generally lived on or near the work-site, utilizing the bathroom facilities built in the working place. Some migrants who can not afford this will rent a small tent. Many of the Vietnamese migrant workers live with their families in Cambodia; in fact, many are joining their relatives and extended families who have previously settled in the country. Those who have relatives remaining in Vietnam will send monthly remittances to their families back home sometimes through employers or other contacts, and sometimes directly...
themselves during visits. Families with children worry about their child’s schooling, as tuition fees in Vietnamese schools in Cambodia are beyond their means, so parents have only the option to enroll their children in local Cambodian schools; this may cause difficulties for the children in adjusting in Cambodian schools as well as in Vietnamese schools when they return home. Children may also face the risk of being undocumented if their parents are undocumented migrants in Cambodia, leading to a lack of opportunities in education and employment in the future.

Migrant workers’ health is often negatively impacted by overcrowded conditions, exacerbated by their lack of health education. Some may engage in high-risk entertainment activities on payday, including frequenting gambling dens, bars, restaurants, or brothels. These activities cause some of them to become addicted to alcohol or drugs, or infected with STIs or HIV/AIDS. Eventually, infection may spread to their wives, children or lovers. When they become ill, Vietnamese migrants rarely if ever obtain medical treatment in Cambodian hospitals, particularly due to language problems; undocumented migrants are also far less likely to go to hospitals. Another factor is price; poor migrant laborers often cannot afford the charges. One migrant worker reported going to the hospital with a head injury, but upon being informed of the USD30 charge, he immediately left the hospital without treatment. Vietnamese migrants often buy medicine and obtain medical treatment at Vietnamese chemists or Vietnamese doctors, but the charges are still very high, and the doctors are not highly qualified. Some of them may sell medicine without prescriptions or packaging. Some migrants with serious illnesses return to Vietnam for treatment, as the costs are much lower.

Some migrants in Cambodia plan on returning to Vietnam, whereas others prefer to settle down in Cambodia. Taxi drivers, for example, prefer to stay in Cambodia as they have a lot of advantages in their work. Public transportation in Cambodia in general, and in Phnom Penh in particular, is not developed yet. Furthermore, 4-wheel vehicles here are relatively cheap, so they can easily buy one to earn a living.

** Trafficking **

Early in the year, a US official in the Office to Monitor and Combat Trafficking warned Cambodia the country needed to increase its efforts to combat trafficking; in 2002, the country was ranked with 15 other countries believed to be doing the least to fight trafficking. The official threatened aid restrictions if the country did not comply. Current trafficking statistics in Cambodia highlight the problem. At an IOM press briefing, the organization reported that significant numbers of Cambodian men, women and children have been trafficked into working in the sex industry, as domestic workers, construction workers or beggars within Cambodia and in neighboring countries, primarily Vietnam and Thailand. NGO studies estimated between 40 – 60% of over 14,000 sex workers in Cambodia enter the profession involuntarily. Further, Thailand deports between 800 to 1,000 Cambodians monthly; 50% of these are children who were on the streets of Bangkok and other major cities.

The government did make efforts during the year to combat trafficking. Following a raid on a notorious brothel in Svay Pak, during which 37 girls were rescued, a Phnom Penh court charged 13 Vietnamese with human trafficking and conspiracy to prostitute children in April. Ten of the girls were between the ages of 5 and 10, while the rest were 10 to 16 years old. The government also participated in several anti-trafficking programs in cooperation with INGOs, as described below.

** Responses **

As mentioned above, Cambodia and Thailand have signed the MOU on Cooperation of Employment of Workers which aims to regulate the migration flow. However, as of 2004, the existing migration flow from Cambodia to Thailand is almost exclusively through undocumented channels, as there is no legal migration channel available to ordinary workers.

Further, Cambodia has not yet ratified the International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families or the ILO convention #97 (Migration for Employment) and #143 (Migrant Workers) although it has ratified most of other core UN and ILO conventions relating to women, children and workers.
Meanwhile, there are a number of counter-trafficking initiatives in Cambodia.

**Government and IGOs**

In April 2003, 125 immigration officers from the Cambodian Department of Immigration took part in an IOM capacity building program targeting increased migration management capacity. The program offered training on migration and security, document security and fraud detection. In July, the IOM launched another training program for around 1,000 Cambodian immigration officers. This program will provide basic migration management training as well as computer literacy and profiling, along with information on migration and international laws.\(^{16}\)

The Ministry of Women and Veteran Affairs (MWV A), as well as the Cambodian National Committee for Children chaired by the Ministry of Social Affairs, Labour, Vocational Training and Youth Rehabilitation (MoSALVY) have been participating in projects to prevent trafficking in women and children. It cooperates with UNIAP and also UNICEF and IOM on various projects. One program carried out by the MWV A with IOM, for example, was a nationwide television campaign on anti-trafficking measures, which aired on primetime TV in June 2003. The MWVA also began a three-year information campaign in March 2003 to combat trafficking; the campaign will also be used to collect and analyze data for future advocacy campaigns of policy development.\(^{17}\)

ILO/IPEC funded several projects in 2003 in coordination with local NGOs. One project works with Agir pour les Femmes en Situation Precaire (AFESIP) to provide rehabilitation assistance to trafficking victims. This assistance includes informal education, vocation training and income generating activities. ILO/IPEC funded a similar project at the Thai-Cambodian border with Cambodian Children and Handicap Development (CCHDO). ILO/IPEC also helped build the capacity of the Cambodian Women’s Crisis Center (CWCC) to provide rehabilitation assistance to child victims of sexual exploitation. With the Cambodian Centre for the Protection of Children’s Rights (CCPCR), ILO/IPEC funded an integrated prevention, protection, and rehabilitation programme for girls at risk and victims of sexual exploitation in Sihanouk Ville.\(^{18}\)

ILO/IPEC is also carrying out its TICW program, which is currently conducting research and rapid assessments in sending and transit provinces including Prey Veng, Sva Rieng, Kampong Cham and Banteay Meanchey, as well as receiving areas, like Phnom Penh/Kandal, Sihanouk Ville and Siem Reap.\(^{19}\)

**NGOs**

Cambodian Women for Peace and Development (CWPD), in collaboration with Program for Appropriated Technology in Health (PATH) Cambodia and Thailand, and Center for AIDS Rights (CAR) runs the PROMDAN project, through which it aims to educate migrant workers and potential migrant workers, both on-site in Thailand (Rayong) and in home communities in Cambodia (Prey Veng).

Legal Support for Children and Women (LSCW) was founded following a year of research and analysis on particular conditions afflicting children and women in Cambodian society. They are working to promote gender equality, protect children and women from all forms of exploitation, push for the respect of their rights, and increase children and women’s awareness of those rights.

Other responses by NGOs regarding migrants in Cambodia mainly focus on migrant sex workers and victims of trafficking. CARAM Cambodia provides assistance for Vietnamese sex workers by holding training courses on participatory learning action for peer educators, disseminating information regarding safe sex and preventive methods against HIV/AIDS, teaching basic Khmer, and assisting sex workers who have contracted STIs for hospital visits.

KHEMARA Cambodia provides free health services to sex workers, including free medical examinations twice a month and free medication for less-serious STIs. It also conducts skill workshops, language classes, awareness-raising on the dangers of STIs/HIV and training in safe sex.

**Endnotes**

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17 Scalabrini Asian Migration News.
