



## Development without Conformity: Impacts of Large-Scale Economic Development on Indigenous Community Livelihoods in Northeastern Cambodia

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**Abstract** Large scale economic development (LSED) has undergone rapid policy and sectoral reform in Cambodia. LSED is expected to generate revenues to support economic growth and development at both macro and micro levels. Yet, it is questionable about benefits and risks of such natural resource-consumptive and extractive development for the host areas, especially indigenous people (IP). IP communities in Northeastern (NE) Cambodia are vulnerable to such development. This region has been put under agricultural economic land concession, forest concession, and mining concession. The conversion of forestlands and farmlands into commercial cash-crop and agro-industry plantations as well as logging and mining zones has led IP communities to have limited access to land and natural resources. This caused to reduced livelihood capabilities (resources, knowledge and skills, activities, and protective security) and distressed cultural diversity and integrity and socio-demographic fabric of IP. By using sustainable livelihood approach/framework (SLA/F), this paper aims to investigate IP livelihood problems and identify LSED opportunities and strategies in Northeastern Cambodia and their impacts on IP livelihoods.

**Keywords** large scale economic development, SLA/F, indigenous communities, community capabilities, integrated economic and community development

### INTRODUCTION

Growth, conservation, ownership rights, poverty reduction, capacity, equity, empowerment, participation, collaboration, precautionary approaches and governance considerations are embedded in most conceptualizations of sustainable development (Bryant and White, 1982; Agyeman et al., 2003; Bouapao, 2005). These considerations have placed importance on rural community development in order to reduce the imbalance caused by urban-oriented growth mechanism which generates dichotomy between rural and urban areas (Hirsch, 1987). The concept of rural community development allows (poor or marginalized) rural communities to participate in and benefit from economic growth and development. Their participation allows them to improve their economic and social lives and intervene in resource redistribution and consumption for the betterment of their quality of life and conservation (Chamber, 1983; Hirsch, 1987; Buller & Wright, 1990; Bouapao, 2005).

Successful community development needs to be grounded on the three pillars of sustainable development, while equitable access to and sustainable utilization of community resources should not be overlooked (Roberts, 1979; Green and Haines, 2001; Blackstock, 2005; Ashley and Maxwell, 2001). Yet, economic imbalance, social inequality and marginalization of the poor usually trigger over exploitation of resources, although over-consumption of natural resources is central to the

challenge of sustainable community development. Environmental injustice and economic inequality in rural development cause more poor people suffer from loss of livelihood assets, opportunities, and traditional knowledge. This happens when developers and planners do not pay much attention to local social structure/system and immediate needs of communities (Agyeman et al., 2003).

There are many factors that affect community livelihoods (capabilities, assets, and activities) and community enthusiasm to accept changes in their livelihoods, as well as the dynamic relationship between these. In response, the Sustainable Livelihood Framework (SLF) has been adapted by an increasing number of researches as a tool for analyzing complex livelihoods of people (Scoones, 1998; DFID, 1999; Ellis, 1998). The SLF is seemingly parallel to the Sustainable Livelihood Approach (SLA), and is used as a holistic, structural approach to identify influential factors that are centered on people and important in contributing to community livelihood diversification and livelihood sustainability supported by existing activities (Neth, 2008). The Department for International Development (DFID) (1999) and Carney (1998) articulated that this framework could be used by researchers, planners and developers who deal with a complex human subject, especially in rural areas, where people live in pressing social and environmental conditions. This tool helps these stakeholders with a range of perspectives and capacities to participate in structured and coherent study and deliberate over the factors that influence community livelihoods, their relative significance and the way in which these factors interact.

This paper uses theories and concepts of sustainable livelihood approach / framework (SLA/SLF), communal land management by modernized legal approaches and culture / right of indigenous community over resource access / use / management to discuss and produce research findings from a holistic analysis of literature, policy papers, reports of previous empirical studies, and primary data collected from fieldworks in Dak Dam commune.

## **OBJECTIVE**

This paper aims to: (1) investigate indigenous community livelihoods by stressing their livelihood shocks, capabilities, and strategies; (2) identity of large scale economic development opportunities and strategies in Northeastern Cambodia; and (3) determine impacts of large scale economic development on indigenous community livelihoods.

## **METHODOLOGY**

This study used both primary and secondary data. Documentary review and analysis were carried out with relevant theories, concepts and empirical facts from previous research findings as well as other sources. As part of a comprehensive, extensive study in NE Cambodia, Dak Dam Commune in Mondulkiri (MDK) Province was selected as a case study area due to its unique characteristics and irreplaceable condition as an overlapped concession area in the IPs communities which lead to complex IPs livelihood problems, overlapped mandate and conflict of interest, controversial government-company-community relations, dynamic land use change, and community responses based upon IPs collective knowledge and activism. The area has been put under many resource-extractive plans, ranging from commercial logging and community forestry (CFs) since in the late 1990s (McAndrew and Il, 2009), ELCs (economic land concessions) and mining license, since in the mid 2000s (Guttal, 2006; Neth *et al.*, 2011), and social land concession for communal land titling, since in the late 2000s (Neth *et al.*, 2011). Primary data were collected from several methods, such as: (1) household survey in the three villages (Pou Chhorb, Pou Andreng, and Pou Les); (2) in-depth interviews and focus group discussions with local authorities, village elders and IPs community leaders; and (3) expert interviews with reps of concerned institutions and academia.

### **Description of research site**

Dak Dam is located in southeastern MDK province and administratively registered as one of the

two communes of O'Reang District. Despite being home to abundant natural wealth, Dak Dam possesses less cultivated land area than other communes in MDK. Yet, more than 73% of its total population is engaged in irrigated and non-irrigated rice farming. In addition, crop cultivation, such as corn, soya bean, mungbean, peanut, cassava, sweet potatoes and sesame also play crucial role in Dak Dam's rural production and local livelihood system (Neth *et al.*, 2011). Most of the agricultural activities in the area are rain-fed and depend largely on local traditional wisdom (*ibid.*).

The majority of the population belongs to Phnong ethnicity. Their occupations range from rice and crop cultivators to non-timber forest products (NTFP) collectors (including resin collection), hunters, and paid workers in nearby plantations (Neth *et al.*, 2011). A few Khmer households are also found to have settled in Dak Dam, most of who are newcomers from across Cambodia. These newcomers migrated into Dak Dam in search of agricultural land and business opportunities with highland indigenous communities who have less experience in business.

## **RESULTS AND DISCUSSION**

### **Community livelihood problems**

Indigenous people living in Dak Dam are seen to be very impoverished, vulnerable and susceptible to new economic development plans. Because of its large land area, easy access to the provincial township, fertile agricultural lands, and high mining resource potential, a vast part of Dak Dam's territory have been put under LSED plans. The extensive land conversion into agricultural and agro-industrial plantations and mining zones together with the influx of lowlanders, land speculation, and land encroachment have resulted in limited access to natural resources by the indigenous locals in Dak Dam. Forest resources and by-products have been main sources of their livelihoods for generations. Limited or the loss of access to these resources is not only translated into reduced livelihood capacity or livelihood loss, but it also affects local cultural diversity and integrity as well as the socio-economic, demographic and cultural fabric of the Phnong ethnicity.

### **Current environmental problems**

The lack of representation within the provincial and national authorities together with language barriers makes the indigenous Phnong become a disadvantaged group in their own area. The geo-political conduct of the government and the growing interest of investors are often seen as lack of clarity and sensitivity to local culture and livelihoods. These leave local communities in Dak Dam at high risk of further violations, intimidations, livelihood loss, and socio-cultural corrosion. The designation of the area for macro-economic purposes by disregarding local needs, and the conclusion of concession agreements (between the government and companies) without consultations with local communities have triggered negative impacts on the locals as well as on the business environment. For the communities, on the one hand, these actions could be translated into complete contempt for local wellbeing, culture and livelihoods that depend upon available lands and resources. On the other hand, the companies have been reported to face constant disruption to their operations (e.g., the community shows resistance in the forms of public condemnation, strike and counteract) which could retard concession processes or even distress companies' properties and interests.

### **Community's system and right**

Current LSED-oriented policies considerably affect local livelihoods and culture. This could set off declined community's capabilities (resources, skills, knowledge, activities, and rights), declined community livelihood strategies, and depletion of natural resources (land, water, and biodiversity). Especially, it weakens community's system (i.e., traditional management system) which eventually results in limited collectivity and community's customary rights.

At present, community's system and rights are being influenced by external and internal

factors. Externally, geo-politic development policies of the Royal Government of Cambodia (RGC) have shed light on agro-industrial plantations and mining activities in Dak Dam since in the early 2000s. These investments are conflicting with indigenous communities interests and reducing the extent of legal and legitimate communal land tenure and people's rights to use natural resources, especially forest resources. Moreover, the expansion of the investment lands on local ancestral land and sacred forests infringes on community's rights, and such disrespect of local culture sparks off constant changes upon local cultural norms and practices. The investment atmosphere in Dak Dam which is compliant with modern legalities and legitimacies has gradually provoked on-going conflicts with the customary norms practiced by local IPs. These conflicts are increasing over space and time, particularly on concessionary lands that overlap indigenous territories.

Nevertheless, several major internal factors are deforming community's system and limiting community's rights. They are: (1) informal rules (social capital); (2) alternation of basic religion and culture; and (3) poor institution of community which makes it more dependent on external assistance. Formal and informal social structures and relations formed in Dak Dam have been important in terms of providing social safety net, trust building, livelihood facilitation, conflict resolution and management, and reducing transaction costs of conventional economic activities. However, it is observable that the collective structures of social relations in Dak Dam has been changing when the increasing number of IPs want to have individual property rights over traditional communal lands.

### **Economic impacts of LSED**

Despite stressing negatively, a minority of respondents also perceived agro-industrial and mining development as opportunities. Their primary attention is devoted to the possibilities for new jobs, such as mine workers, paid laborers in agricultural plantations, although such jobs often prove to be labor-intensive, low skilled, dangerous, less numerous, and less suitable to IP inhabitants. At present, because of the geo/socio-cultural conditions (land-based activities) and close proximity to the working areas, particularly in the adjacent plantations and bauxite mine, this is a good fit between such jobs and the living environment. Agro-industrial and mining development in Dak Dam also was remarked to have a possibility to inject capital flow for social development.

The concept of extractive exploitation of mineral resources and the agro-forestry environment are not perceived as economically attractive options for the majority of the IPs in Dak Dam. Local key informants and group discussants perceived current economic development in the forms of economic land concession and mining exploration activities as a negative change agent which can also lead to economic threats for the entire locality. Those who are mainly dependent on land and natural resources might be threatened by new geo-politic policies and land law via limited access and use rights of the IPs over available resources, while those with low income or limited livelihood alternatives might be pressured by rising costs of living.

The alteration of the IPs' economic system was perceived as an undesirable impact of current LSED which could impose burdens on vulnerable and poor community members, whose voices are often unheard. People were afraid that jobs created by current and future agricultural leases / land concessions and the mines may trigger greater influx of outsiders into the areas, let alone the low-skilled and unskilled IP inhabitants to have less ability to compete in new labor markets. Moreover, it was perceived that as natural resources extraction and conversion of agricultural lands into large scale agro-industrial lands continue to grow in capacity-intensity in Dak Dam, there would be loss of or limited capacity of the local economic systems to have proper adaptive economic strategies to tackle economic shocks.

### **Social impacts of LSED**

Economic development in Dak Dam which somewhat favors local interests is found to have created a space for reconstructing local social systems. Key local informants hinted this issue in two ways. First, there is a healthier range of social patterns and options, which help change Dak Dam from

being a previously secluded and closed indigenous community to be a rapidly developing area. Constant interaction between Dak Dam's inhabitants and the outsiders, including lowland immigrants, has contributed positively to new knowledge and technology transfer (especially in agricultural production) into the area. In addition, once the context of Dak Dam becomes widely open to the public, it brings in various interventions from state and civil society organizations in the forms of infrastructural and social services development and other socio-cultural outreach activities. Second, local IPs start to realize the substantive value of their traditional community laws and social capital which allows them to maintain their solidarity and cultural continuity against the intrusion of new state-driven development options.

Yet, it was found that community residents are aware of some instances of impacts occurred in Dak Dam. So far, increased contact with outsiders and the coming of unwanted development have caused various potential risks to the communities, including the risk of community disruption that has turned Dak Dam into large-scale industrial development zone. Such development is extinguishing the sense of community and social system which have often been ignored by immigrants and external investors. In addition, respondents confessed that community's social values are being deteriorated by unfitting new cultures brought in by some newcomers, particularly workers of the agricultural plantations and mining companies. Some activities, such as sexual harassment, pre-marriage sexual intercourse between male workers and local female residents, abduction, and increased divorce rate due to abundance of indigenous wives, have to some extent demoralized IPs' socio-cultural value on one hand, while on the other hand they blemish local cultural norms and practices with regard to sexual interaction patterns.

### **Cultural impacts of LSED**

It was found that the increased contact with mainstream industrialized cultures and gradual integration into cash economy during economic land concession and mining processes affect Dak Dam's indigenous cultures in several ways. First, it undermines cultural norms and practices, blurring cultural identity in Dak Dam. The invasion of commercial agricultural land and mining areas over traditional communal land has results in insecure community land tenure and reduction or discontinuation of traditional lifestyle and livelihood activities. The private intrusion into traditionally legitimate lands does not only affect local ownership over their agricultural and settlement land areas, but also cuts off sacred lands covering community spirit forests / sites and reduce locals' religious practices in Dak Dam.

Second, the isolated indigenous culture in Dak Dam becomes more increasingly vulnerable to current developmental contact through mining and agro-industry businesses and its subsequent impacts. Currently, there are two distinct cultures – indigenous culture and modern culture – which are clashing and transforming local traditional cultural systems. Indigenous culture is mainly based upon traditional community laws shaped by traditional norms and practices for generations, while modern culture follows modern public policies, laws and regulations of the RGC for developmental purposes. Modern culture is well-regarded and accepted by the majority of developers and planners with regard to problem solving approaches for land dispute, conflicts over natural resource access and use, and other development-driven issues. Therefore, this new cultural system is incessantly lessening power and status of leaders (community chiefs and village elders) of Dak Dam's native culture.

### **Environmental impacts of LSED**

Despite some physical improvements and improved public services, almost all key interviewees expressed their disappointment with changes of natural landscape and environmental degradation in Dak Dam. The development-related growth over the last decade has resulted in constant dramatic change of the natural environment and biodiversity systems in the area. It was found that extensive forestlands have been cleared and converted into large agro-industrial plantations under agricultural leases or economic land concession policies, and are being disrupted further by current

mining operation plans. The loss of forestlands also leads to the demolition of natural habitats, wildlife and plant species, as well as substantial forest non-timber forest products in which local communities depend on. Man-made disasters due to the heavy deforestation and the extraction of natural resources, including the soil-terrains, were perceived to have contributed to the existence of land and soil erosion, seasonal drought and flood, and other climate change related problems.

## **CONCLUSION AND RECOMMENDATIONS**

This study offers a view of developmental conflicts that are caused by multiple development approaches and overlapping zoning systems. Especially, it reveals lives of vulnerable indigenous communities who are living in such conflicted areas and under multi-dimensional pressures. It is found to be an affected case from large scale development policies since this commune has been explored and exploited by a number of companies, as well as being under a variety of LSED schemes. Dak Dam case presents an intense resource curse situation. IP's lives have been miserable despite living amid the rich natural resources. The sources of their livelihoods have been constantly invaded by external forces for the favor of LSED. The age-old cultural systems and social norms have also been repeatedly violated beyond tolerance. It's also found that at present the IP communities have only hope for survival and maintenance of their traditional wisdom and age-old culture lie with their security of communal land rights, forestlands, and sacred places/forests. These insurance mechanisms have also been found to be in jeopardy.

A number of key recommendations need to be taken into serious account by governmental, non-governmental, and private institutions. These include: (1) improve security mechanisms for communal land rights, forestlands, and sacred places / forests; (2) improve capacity building and advocacy programs; (3) strengthen legal, institutional, and policy supports by higher level of authorities; (4) improve free, prior informed consent (FPIC) and environmental impact assessment (EIA) enforcement; and (5) improve land zoning system and land use planning.

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