

HARMFUL EFFECTS OF ECONOMIC LAND CONCESSIONS ON POOR CAMBODIANS

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LICADHO

CAMBODIAN LEAGUE FOR THE PROMOTION
AND DEFENCE OF HUMAN RIGHTS

Introduction

“(..) the economic concessions are not meeting the promise that formed their rationale, namely to stimulate private enterprise, contribute to state revenue, reduce rural poverty, generate jobs for local people¹.”

In 2001, the Cambodian government instituted a new land law in part to standardize the awarding of economic land concessions which, hitherto, were governed by little legislation which, in any event, was mostly ignored. Economic land concessions in Cambodia normally involve very large tracts of land and are similar to long leases; they are usually for 70 years with a right of extension. The land law provided a general framework for economic land concessions and called for adopting administrative rules which the government is nearly finished preparing. It is doubtful, though, that the government and concessionaires will respect this greatly improved framework, and therefore doubtful that the well-documented abuses of the past will cease. These abuses had important social, economic, cultural and environmental consequences involving the dispossession and impoverishment of local populations. They also led to many conflicts.

These problems have many causes, and especially that the local populations did not secure their legal rights to the land before companies obtained concession agreements from the government. They did not secure their rights because of ignorance of how to do it which ignorance the government made little effort to erase, because securing their rights is expensive due to corruption, and because the nature of rights contained in formal law is misunderstood by these populations accustomed to a mode of property rights related to their traditional habits. Moreover, such efforts at education made by NGOs on the rights of the local populations have been, several times, discouraged by the authorities or the concessionaires, arguing that this work of disseminating information belongs only to the proper authorities and that it is illegal for anyone else to disseminate information of this kind.

There is now underway a process of the government issuing deeds to all land in Cambodia, including deeds in the name of the government for lands occupied by concessions or eligible for concessions, and deeds in the names of ordinary people for lands they occupied prior to the passage of the land law. It is legally unclear what will happen when issuing a deed for an area already committed to a concession if the area includes poor Cambodians who occupied it prior to the passage of the land law. Does the fact that the concession was issued before the rights of the poor are addressed mean that their rights are ended? If it is decided that the poor still have rights, will those rights be respected? For areas where no concession has been issued and where the poor are awarded deeds, will the government and companies respect these deeds and not create concessions on those lands? Past experience indicates that answers to these questions will be unpleasant for the poor. In any event it will take the government many years to issue all these deeds, meanwhile concessions will continue to be granted. The operation of these concessions will continue to not serve the interests of a population having lived hundreds of years in an ancestral way where the land is the base of their social organization and an integral part of their spiritual life.

¹Peter Leuprecht, *Land concessions for economic purposes in Cambodia : A human rights perspective*. United Nations, Bureau du Haut Commissaire aux droits de l'homme au Cambodge, November 2004, p5

Harmful consequences of economic land concessions for poor Cambodians

Loss of incomes and traditions

- The land is the spiritual base of the Cambodian rural population. The land's borders are abstract. Disease and death are often perceived as a consequence of ill deeds done to the detriment of the ground. In this order of ideas, for the Cambodian peasants, the acquisition of great concessions by alien companies is perceived as an attack against their spiritual beliefs and their social organization.
- In the absence of writings allowing the perpetuation of the culture, the ground is seen as an open book which makes it possible to learn and to understand the history and the Cambodian culture. « *For local people, bulldozing the landscape is seen as erasing their history and disturbing social organization and traditions.*²»
- The forest is also an important source of income for the Cambodian peasants. Indeed, those who can, go in the forests and collect resin, pharmaceutical products, mushrooms, etc. which they sell in the markets. The forest thus enables them to raise their standard of living beyond simple subsistence. Unfortunately, the concessionaires prohibit access (often by armed men) of the peasants to the forests in their concession, and/or destroy the forest to make, amongst other things, monoculture.

Bad working conditions in the private companies

- Work in the private companies is perceived by the peasants as forced labour (They are accustomed to work when they want, to provide for their needs.) *"I am used to going to the forest whenever I want or I need. I am free to decide which day I go. The company will force me to work when it wants. I am a free man. (...)"*³
- There is a tendency for the companies to hire people from outside the concession area because they are more qualified, causing conflicts with local populations.
- The wages are low, less than one dollar per day, work is 8-10 hours a day, and there are less than 3 vacation days per month.
- No support is offered to the employees when sick or wounded--some saw their wages cut the day of their accident. No mosquito net is provided despite the high risk of contracting malaria, and treatment of people sick with malaria is insufficient.

Displacements and expropriations

- In the rare cases where a dispute between concessionaires and local populations is handled according to legal procedure, the peasants usually do not have any representatives and no legal help is given to them.

² Peter Leuprecht, *Op cit.*, p. 27

³ Peter Leuprecht, *Op cit.* p. 29

- Compensations are sometimes offered by the private companies (rice, materials to rebuild their house elsewhere) but many peasants testify that they either did not receive anything or only a negligible portion of what had been promised to them.
- Sometimes, other lands are given to the peasants in compensation, but too often these are infertile, have land mines and are without a near source of water. Moreover these lands are often far away from services such as schools or hospitals.
- Expropriation thus encourages the peasants to migrate towards Phnom Penh where the number of poor coming from the countryside increases continually and drastically.

Example of expropriation:

- In 1997, 56 families settled in the village of Krol Tunsorng in the commune of Traeng Troyeung (Kompong Speu province). They all received papers from government authorities indicating that houses and lands had been allotted to them. They thus cleared their new land and planted rice. A few years later, in 2001, these peasants were convened in a meeting with the local authorities and the representatives of CJ Cambodia Company, a Korean company. Several armed guards were present. The peasants were informed that their lands belonged henceforth to this company and that all the families living on this new concession were to leave. Those who refused were intimidated and threatened by the armed guards. When they asked to discuss their rights of ownership with the representatives of the company, the guards answered: « *You do not have the right to meet (alone) with the representatives of the company as you are ordinary people.*⁴»

Encroaching

- The advertisement of a new concession particularly attracts the poor who settle there in the hope to be hired or by believing that if they clear the land the concessionaires will have to buy it from them.
- These newcomers often generate conflicts with the local population and the concessionaires.

Environmental effects

- The grabbing of the lands and logging destroy the ecosystem although flora and animal diversity is an important source of incomes for the peasants.
- Monoculture is a source of great concern. For example, the plantation of eucalyptus on a large surface causes serious ecological damage, such as dryness, acidification and deterioration of the fertility of the ground. Studies in Malaysia and Indonesia reveal that there are between 80% to 100% of tropical forests species which cannot survive in a monoculture of palm trees⁵.

⁴Peter Leuprecht, *Op cit.*, p.31

⁵Peter Leuprecht, *Op cit.*, p.32

- Concerns were raised for the damage which could be caused to the ecological integrity of Tonlé Sap, a source of fresh water and fish of great importance (social and economic) for Cambodia. Indeed, the toxins and the chemicals which are now poured there in great quantity contaminate fish and the products collected in the neighbouring lands.
- Although Cambodian law requires studies on environmental impacts be done before the official concession of a land, few private companies are subjected to this hard task.
- The effects of bad land management have already started to appear. Without better precautions, the invasion of the large scale production companies could modify seriously the Cambodian territory as well as the climate. Certain lands risk flooding, others risk being drained or made infertile, without counting the dangers of landslides caused by deforestation.

Supporting climate of fear

- The peasants are intimidated and threatened by armed guards when they try to assert their rights.
- The expropriations of peasants occur in an atmosphere of violence and intimidation. The peasants are often constrained to leave their land under the threat of rifles. Threats come from the concessionaires and also from the authorities. (E.g. in Kbal Spean, Poïpet, in an expropriation not due to a concession, at the time of the expropriation of a village, 5 peasants died by gunshots and 40 were wounded under the blows of rifles of police officers or trying to avoid the violence⁶.)
- Many times, the peasants tried to assert their rights by means of complaints to different NGOs or by demonstrations in front of the authorities, companies' offices or the national assembly. However, their attempts appear generally in vain and occur constantly under threat of attack. (In the province of Pursat, 8 individuals were wounded by a grenade thrown at demonstrators opposed to the activities of the Pheapimex company on their territory⁷). In the rare occasions where agreements are signed between the two parties, too often the engagements expressed by the intimated party are not respected and in such a case, no recourse or compensation is offered to the affected populations.
- In several cases, the villager chiefs who tried to intercede with other local authorities in the favour of their peasants were threatened with the loss of their position.

⁶ CHRAC, *High price of land: the deadly eviction of Kbal Spean*, August 2005

⁷ Special Representative of the Secretary-General, *Pheapimex Company Ltd., and its land concessions in Pursat and Kompong Chhnang provinces*.

Dispossessions and impoverishment

- At the present time, the lack of rigour and real will in the land concession management causes impoverishment of the local communities and thus meets by no means the promises made by the Cambodian government. “(..) *the economic concessions are not meeting the promise that formed their rationale, namely to stimulate private enterprise, contribute to state revenue, reduce rural poverty, generate jobs for local people*⁸.”
- Although Cambodia shows an economic growth of approximately 5% per year, this increase in the national richness is concentrated in the hands of a few individuals to the detriment of the major part of the population.
- The territory of Cambodia comprises 6.5 million hectares that are considered arable and up to 2.7 million considered as reasonably productive. However, between 1993 and 1999, the Cambodian government conceded more than a third of the most productive territories to mainly foreign companies for purposes of commercial activities such as the forestry, agriculture, mining, tourism and fishing.

Conclusion

Cambodia suffered 30 years of war in the last third of the 20th century, and genocide in the late 1970s. It is still one of the world's poorest and most lawless countries. Cambodia's poor suffer multiple abuses at the hands of their rulers, including the awarding of lands vital to the poor's survival to large companies for agribusiness. Despite efforts by many donors, NGOs and foreign governments to encourage the Cambodian government to take the path of rule of law, it generally does only "as a facade".

This behavior in the realm of economic land concessions has had disastrous effects on the poor. If it continues it may be part of making Cambodia a failed nation with widespread civil disorder.

⁸ Peter Leuprecht, *Op cit.*, p.5