Cambodia
ICAF Report
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Cambodia: Adjustment or Instability?
Interagency Conflict Assessment

Executive Summary

This report presents the analysis and findings of the Interagency Conflict Assessment (ICA) of Cambodia conducted in March 2009 at the request of the U.S. Embassy in Phnom Penh. Its purpose is to "develop a shared interagency understanding of the conflict dynamics currently at play in Cambodia that can serve as a foundation for more effective U.S. engagement".

The analytical foundation for the Cambodia Interagency Conflict Assessment (ICA) is the Interagency Conflict Assessment Framework (ICAF), a method for diagnosing conflict dynamics developed by a U.S. interagency team in 2008 and adopted for U.S. Government use by the Reconstruction and Stabilization Policy Coordinating Committee in July 2008. Though the ICAF had been tested and applied several times prior to March 2009, those applications were all in a workshop format where the ICAF served as an organizing scheme for discussions among country experts. The Cambodia ICA is thus the first instance where a team deployed to the field to apply the ICAF not only to secondary source material but to inputs arising from observations, interviews and focus groups.

The Cambodia ICA was conducted by an 11-person interagency team that was intentionally "3-D" in its composition: nine members were U.S. Government employees drawn from agencies responsible for diplomacy, development and defense. They were supported by two expert consultants. While in-country the team conducted 93 interviews with over 425 individuals in 10 provinces. These interviews complemented the documentary record by providing important insights into the sentiments and expectations of Cambodians from varying economic, religious, ethnic backgrounds. These individual level perspectives also provided additional nuance to the valuable national level polling data that USAID has commissioned for the past few years.

The principal findings are:

> **Finding 1**: Over the next 12-18 months the risk of conflict or instability in Cambodia is low because key actors in Cambodian society are mobilizing resilience, not grievances.

> **Finding 2**: The current resilience and stability of Cambodia (from a political, economic, and social perspective) is founded on a culturally rooted, but modern version of a "patron-client" relationship.

> **Finding 3**: The Cambodia of the coming decade will not be like the Cambodia of the last decade. Cambodia is at a crossroads in the short to medium term. Even within a difficult global economic climate, it is possible for the leadership to
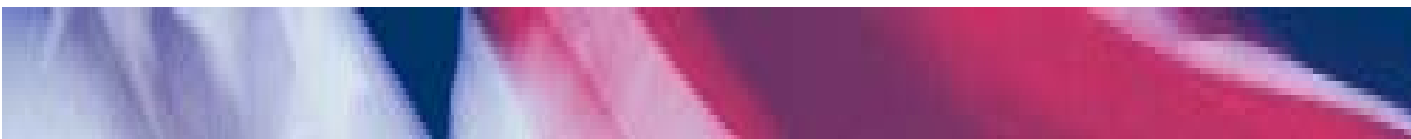
reorient the country in ways that reduce patronage and corruption, diversify the economy and make more investments in social services and social welfare while still maintaining a strong state ("Green Scenario"). It is also possible that Cambodia's leadership will try to muddle through by avoiding significant reforms, which will significantly increase the risk of violence ("Red Scenario"). The choices and their impact depend on the working of three key dynamics:

    a. Key Economic Dynamic
    b. Key Political/Institutional Dynamic, and
    c. Key Social/Youth Dynamic

Finding 4: Moving forward, it is possible for the USG, as well as other international actors, to evaluate their policies in Cambodia to determine the degree to which they do (or can) affect these key dynamics and support Cambodia moving toward the "Green Scenario" or toward the "Red Scenario."

The report also provides a set of indicators that may be used to track whether the situation in Cambodia is trending more "Green" or more "Red".

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Acronyms

CPP	Cambodian People's Party
EIU	Economist Intelligence Unit
FUNCINPEC	French abbreviation for *Front Uni National pour un Cambodge Indépendant, Neutre, Pacifique, et Coopératif*, which translates to "National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia."
GIS	Geographic Information Systems
ICA	Interagency Conflict Assessment
ICAF	Interagency Conflict Assessment Framework
IRI	International Republican Institute
KR	Khmer Rouge
MOI	Ministry of Interior
NGO	Non-Governmental Organization
RGC	Royal Government of Cambodia
USG	United States Government
USAID	United States Agency for International Development

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1. Introduction

In early 2009 the U.S. Embassy in Phnom Penh, Cambodia decided to conduct an assessment "to develop a shared interagency understanding of the conflict dynamics currently at play in Cambodia that can serve as a foundation for more effective U.S. engagement". Planning began immediately culminating in the deployment of an 11-person interagency team to Cambodia from March 5-27, 2009 to conduct an Interagency Conflict Assessment (The Scope of Work is provided in Annex 1). The team was intentionally "3-D" in its composition: nine members were U.S. Government employees drawn from agencies responsible for diplomacy, development and defense. They were supported by two expert consultants (The full team is listed in Annex 2).

The analytical foundation for the Cambodia Interagency Conflict Assessment (ICA) is the Interagency Conflict Assessment Framework (ICAF), a method for diagnosing conflict dynamics developed by a U.S. interagency team in 2008 and adopted for U.S. Government use by the Reconstruction and Stabilization Policy Coordinating Committee in July 2008. Though the ICAF had been tested and applied several times prior to March 2009, those applications were all in a workshop format where the ICAF served as an organizing scheme for discussions among country experts. The Cambodia ICA is thus the first instance where a team deployed to the field to apply the ICAF not only to secondary source material but to inputs arising from observations, interviews and focus groups.

The analysis is unquestionably richer as a result of the data collected in the field. The 93 interviews conducted by the team with over 425 individuals in 10 provinces complemented the documentary record by providing important insights into the sentiments and expectations of Cambodians from varying economic, religious, ethnic backgrounds (summaries of these interviews are

Figure 1. **Locations of ICA Team Interviews**

available in Annex 4). These individual level perspectives also provided additional nuance to the valuable national level polling data that USAID has commissioned for the past few years.

The analytical power of the ICAF comes from using its concepts and their specified interrelationships as tools for seeking out and sorting data, identifying connections, and distilling patterns. The principal focus of the analysis is to identify those dynamics within a given society that (1) lead to instability and violent conflict (*the drivers of conflict*) and (2) seek to maintain stability and the status quo (*the mitigating factors*). In general, the stronger the drivers of conflict and the weaker the mitigating factors, the greater the risk that violent conflict will occur.

Both drivers of conflict and mitigating factors arise when *key actors* in society—individuals, but also organizational actors of all sorts—actively mobilize important attributes in that society. For drivers of conflict, key actors mobilize *core grievances*, such as a group's ingrained perception that it has been excluded from political and economic life. For mitigating factors, key actors mobilize *resiliencies* that may be embedded in the traditions, historical experience, or institutions that make up that society such as a society's common religious heritage. The ICAF goes on to identify a set of interrelated concepts that help tease out these grievances and resiliencies (*identities, institutional performance and societal patterns*) and the overarching social and environmental *context*. (Additional detail on the ICAF may be found in Annex 1).

The ICAF served as the hub of the data collection and analysis phases of the assessment. It was used to guide initial data collection efforts, identify information gaps to be addressed during the field work, and sort the key facts extracted from documents and the attitudes, opinions and forecasts of those interviewed. The ICA team then worked through the ICAF to identify drivers of conflict and mitigating factors. The result of that analysis is:

> **Finding 1**: Over the next 12-18 months the risk of conflict or instability in Cambodia is low because key actors in Cambodian society are mobilizing resilience, not grievances.

The basis of this finding is provided in Section 2 of this report and is supplemented with more detailed analysis in Annexes 3 and 5.

The current and short-term stability within Cambodia is a direct result of the enduring strength, reach and legitimacy of patron-client relationships.

> **Finding 2**: The current resilience and stability of Cambodia (from a political, economic, and social perspective) is founded on a culturally rooted, but modern version of a "patron-client" relationship.

Because the patron-client system and conflict in Cambodia are so inextricably combined, the explication of its sources of resilience and legitimacy—as well as the sources of tension and threat—is the organizing scheme for the analytical narrative presented in Section 3. That narrative is supplemented with several systems maps that are included to help explain the sources of support for the patron-client system.

The systems maps also help to illustrate the final step in the ICAF analysis. Identifying drivers of conflict and mitigating factors provides a snapshot of the present conflict dynamics. To understand future conflict risks requires putting the conflict snapshot of the present into motion and anticipating where it will go. Tracing out these trajectories requires both projecting out drivers of conflict and mitigating factors but also considering specific future windows of opportunity or vulnerability that may serve as a trigger for violence—or its repudiation. In the case of Cambodia, the ongoing global financial crisis is such a window, though at the moment it stands as both a window of vulnerability and opportunity. As the impact of the dramatic contraction of the Cambodian economy works its way through the patron-client system, Cambodia's leadership will be faced with some hard choices; choices that will have a significant impact on the risk of violent conflict in 2011 and beyond.

> **Finding 3**: The Cambodia of the coming decade will not be like the Cambodia of the last decade. Cambodia is at a crossroads in the short to medium term. Even within a difficult global economic climate, it is possible for the leadership to reorient the country in ways that reduce patronage and corruption, diversify the economy and make more investments in social services and social welfare while still maintaining a strong state (a "Green Scenario"). It is also possible that Cambodia's leadership will try to muddle through by avoiding significant reforms, which will significantly increase the risk of violence ("Red Scenario"). The choices and their impact depend on the working of three key dynamics:
> - Key Economic Dynamic
> - Key Political/Institutional Dynamic, and
> - Key Social/Youth Dynamic

Section 3 also contains an explanation of these three key dynamics as well as a tracing out how key leadership decisions will trend the country either toward the "Green" or the "Red" scenarios.

Appreciation of these two possible trajectories leads to two more operational conclusions. First, it will be useful to monitor the evolving situation in Cambodia to determine whether it is trending more "Green" or more "Red". To assist with that effort, Section 4 offers a set of indicators that can aid such monitoring. Second, it provides insight into engagement opportunities for the international community.

> **Finding 4**: Moving forward, it is possible for the USG, as well as other international actors, to evaluate their policies in Cambodia to determine the degree to which they do (or can) affect these key dynamics and support Cambodia moving toward the "Green Scenario" or toward the "Red Scenario."

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2. Summary of the ICAF Analysis

According to the ICAF, the key to gauging the risk that Cambodia might experience instability is to understand how key actors, those that can motivate or influence others, interact with sources of grievance or resilience in Cambodian society. Grievances are perceptions that people's "interests, physical security, livelihoods, or values are threatened by one or more other groups and/or social institutions." Conversely, resilience is a perception that people can meet their basic needs through non-violent means.

 The key diagnostic finding of the Cambodian ICA is that *currently, whether through action or inaction, the key actors in Cambodia do much more to mobilize resilience rather than grievance.* For example, the lack of government service in Cambodia, might, in other places, give rise to grievances that politicians might use to foment instability. However, in Cambodia, after a genocide followed by decades of instability, the lack of government assistance activates a widespread sense of self-reliance, adaptability, and resourcefulness among Cambodians.

While daily life is difficult for most Cambodians, especially in rural areas, the main grievances people mention are corruption, land expropriation, and natural resource degradation. Corruption is by far the most widespread grievance. People complain about having to pay teachers for their children to go to school, doctors to get treatment, and police to get attention. As one non-Cambodian observed, "most people, like teachers or doctors, are not getting rich through corruption." Rather at this level, corruption is a way to supplement unrealistically low public salaries. However, most people do object to, but ultimately accept that powerful elites do make huge profits through corruption (e.g. though land deals and economic concessions).

Land grabbing is a form of corruption and one that is done more and more with the use of military and police forces. Again, although many Cambodians know about land grabbing and object to it, there is a general reluctance by those not directly involved in a land grab (or sometimes even those directly affected) to raise objections or protests. Related to the large land grabs, there are also complaints about damage to the environment, such as depleted fish stocks in rivers, lakes, or near the coasts. Some have also felt the effects of changes to water tables due to dams and deforestation.

However, alongside these sources of grievance, there are strong forces for resilience. First, after decades of genocide and internal civil war, many Cambodians have developed keen coping skills. Moreover, many older Cambodians have lived through very difficult times, so sufficiency in terms of quality of life, is more than acceptable, even though their lifestyle may be meager or even difficult by many standards. Although the global economic downturn has hit urban areas relatively hard, there is a "loose-coupling" between rural and urban areas which insulates the rural areas, where life is much closer to the bone, from many of the negative effects of the global economic crisis.

In addition, internal migration acts as a kind of safety valve. During the Khmer Rouge era, there was a tremendous degree of internal dislocation and movement. Ironically, this

ability to move creates a degree of resilience: as local circumstances merit people move to urban areas when there are jobs available and move back to the countryside when there are layoffs. If a rural community is no longer able to provide adequate farmland or fish stocks, families and even villages move to less populated areas to re-establish themselves.

These sources of grievance or resilience on their own do not produce stability or instability. The actions of key actors are needed to mobilize grievance or resilience. Domestically, key actors include the Cambodian People's Party, the Prime Minister, *Oknha*, monks, domestic NGO's, village Chiefs, Commune Councils, etc. International key actors include major governments such as Vietnam, Thailand, China and the U.S, donor countries and organizations, the World Bank, international NGOs, and foreign investors, especially from China, South Korea, and Japan.

At the political level, there is also a growing sense of stability. One indication is the durability of the current regime. Prime Minister Hun Sen is currently the world's longest serving chief executive. While critics attribute this longevity to creeping authoritarianism, polling conducted by the IRI after the 2008 elections indicates that in this case the wide margin of the CPP's electoral win was not the result of widespread fraud, but was rather due to stronger CPP party structures at the national, provincial, and village levels. Combined with the CPP's effective control of the military and police, the lack of an effective opposition, and the elite's tendency to choose stability over ideological principles, the Cambodian political elite are a force in favor of resilience and against agitation of grievances.

There has been some speculation about the possibility of radicalization of the Cham population directed against the Cambodian Government, toward militant behavior in general, and/or in alliance with transnational extremists who claim an Islamic connection. The ICAF team found no evidence of this and in fact found that other Cambodian traditions work against such radicalization. The Cham that the ICAF team spoke to see radical behavior as inconsistent with Cambodian culture and do not feel motivated by the same grievances used to radicalize Muslim youth in other areas, such as the Middle East.[1]

In sum, on the surface Cambodia has evidence of both grievances and resilience which may give some the impression that stability in Cambodia is precarious. For example, the Economist Intelligence Unit (EIU) recently ranked Cambodia as the fourth most likely country to experience significant instability in the world (tied with Sudan). However, the lack of key actors mobilizing grievances in order to challenge the existing political order runs counter to the assessment of the EIU. Moreover, a look below the surface of Cambodia, to the deeper structures that support the current status quo, reveals an even better understanding of why Cambodia is likely to remain stable at least over the next 12-18 months.

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[1] The ICAF's team findings are consistent with three recent studies of the Cham: RAND 2009, *The Evolving Terrorist Threat to Southeast Asia: A Net Assessment*; USAID 2008, *Assessing Marginalization of Cham Muslim Communities in Cambodia*; Kampuchean Action for Primary Education, 2007, Educational *Needs Assessment Relating to Cham and Migrant Children in Kampong Cham Province*.

Figure 2. ICA Systems Map of Cambodia
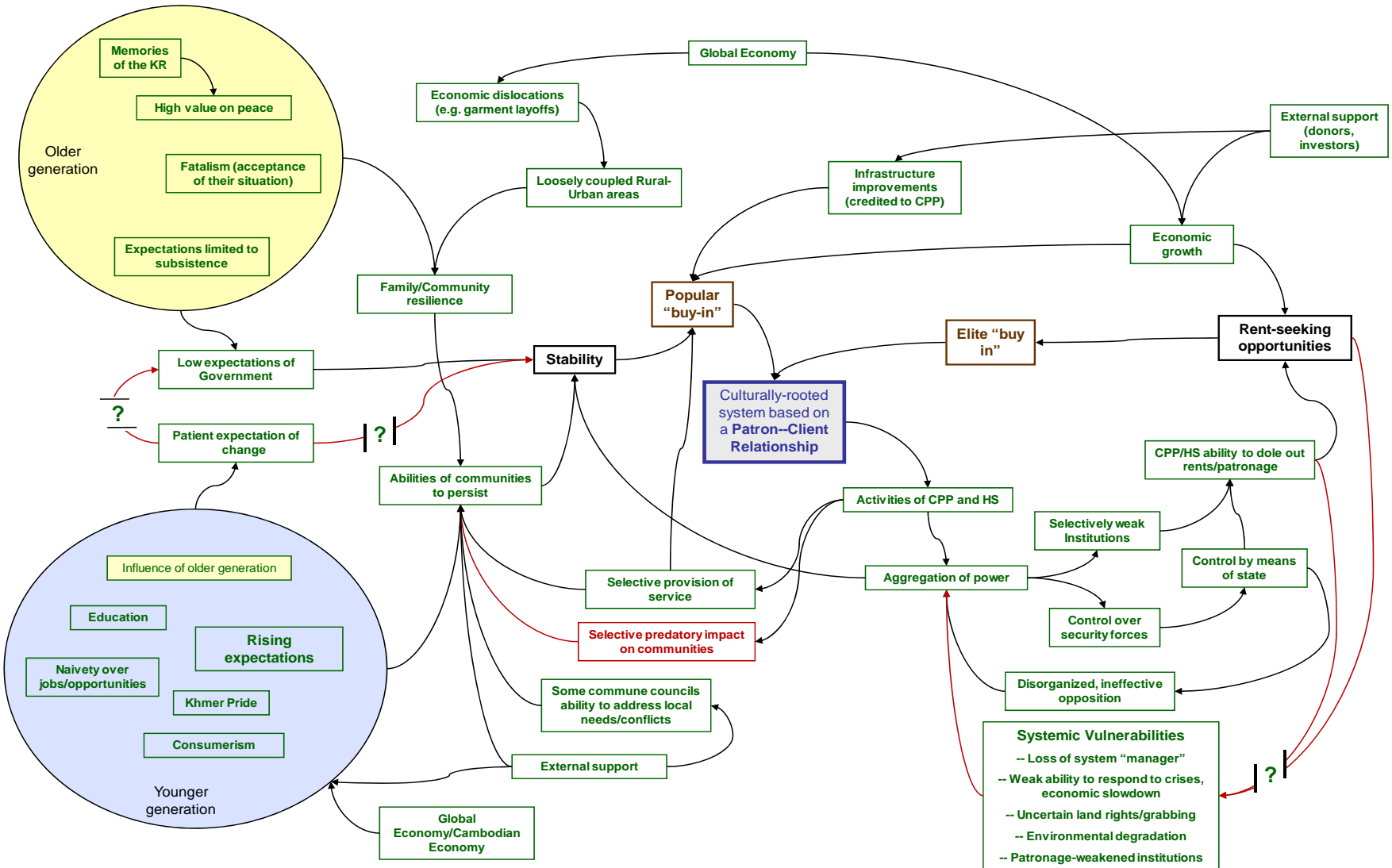
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3. Cambodia's Patron-Client System: An Analytical Narrative

The insights garnered from the ICAF analysis help produce a story about what maintains the current state of affairs in Cambodia. From that story of the current state of Cambodia, it is possible to identify key dynamics that may shape the future of the country. This section will describe the basic structure that maintains the current state of Cambodian society. Sections 3 and 4 will address the potential future directions Cambodia may take.

The Current Situation

Central to how Cambodia works today is the "patron-client" relationship. Simply put, society is organized around the idea that there is a powerful patron who, in exchange for support from the rest of the society, assures people that their basic needs are met. This basic social compact has existed for many centuries and is deeply rooted in Cambodian culture. It shapes people's expectations of government and provides social order. Today in Cambodia, the patron-client relationship takes on two distinct forms: one that operates among the elites in the society (Elite Patron-Client System) and one that operates among the vast majority of Cambodians (Popular Patron-Client System). At the center of both systems, the CPP, and the Prime Minister in particular, hold the role of Patron. The CPP did not invent the idea of the Patron-Client relationship. However, the party has proven extremely skillful at using this basic cultural mindset and societal pattern to solidify its position. It is noteworthy that a portion of the legitimacy of the current Government comes from its electoral victories, including most recently in 2008, but that victory, and the legitimacy it conveys, can be at least partially attributed to its ability to deliver on its role as Patron within the Patron-Client relationship.

The following sections provide detail on how the CPP maintains its position as Patron within the Patron-Client relationship in two fundamentally different ways. The Systems Map of Cambodia (see Figure 2) is a tool for representing these two distinct versions of the Patron-Client relationship. Before looking at the specifics of the Popular and the Elite Patron-Client Systems, it is important to note that the two systems support each other. As indicated in the Systems Map, part of what maintains the "Elite buy-in" to the current system is that the CPP is able to deliver "Popular buy-in." Part of what the Elite need is confidence that there is stability at the popular level so that the system as a whole will continue. Conversely, the CPP's ability to produce stability, which is key to the CPP getting popular buy-in, ensures that there is not instability at the top of Cambodian society. The sections below provide additional detail on how the CPP is able to achieve both Elite and Popular buy-in.

Elite Participation in the System

The key to the CPP's ability to gain Elite buy-in to its policies is the ability of the CPP to provide key members of the society and their families "rent-seeking opportunities." Generally, "rents" in this case refer to "advantages" one gets through favorable decisions of a central authority. These "advantages" most often take the form of an income stream (e.g. bribes or undue profits from a business enterprise) but can also be in the form of political influence or prestige (e.g. a title, highly visible public office, etc.) or the ability to dole out patronage jobs. Cambodia is notorious for its bloated government and for key elites giving their political support in exchange for control over whole sectors of the economy, such as gambling, tourism, or access to natural resources including mining, timber, fishing, and agricultural or other land concessions (including forced evictions). Patronage, or providing jobs to people who might not otherwise be qualified for such jobs, is a "rent" in itself. Many interviewees complained about the number of "ghost jobs" or patronage jobs filled with unqualified and/or unmotivated people within the bureaucracy, including the security services.

The CCP has been effective in controlling access to these rent-seeking opportunities and patronage jobs. The delivery of such opportunities is its "prime deliverable" as patron. One of the main reasons the CPP is in this monopoly position is that there is no power capable of challenging its position. Within the governmental structure there is no ministry (e.g. Justice or Interior) or court (the courts seldom if ever make any significant ruling against the Government or an elite) that will challenge or obstruct the CPP's ability to dole out rents. More than that, the party and the state are currently unified in their priorities and rent-seeking activities. Similarly, the media is largely influenced by or sympathetic to the Government. Powerful media tycoons are part of the government's patronage structure and amplify messages at the behest of the political leadership. Although weak by more objective measures of military power, the Army (including the Gendarme) is one of the few powerful institutions within Cambodia, but remains firmly in the control of the CPP.

This combination of selectively weak institutions and firm control by the CPP has given rise to what some describe as "control by means of state" or the ability to intimidate or retaliate against any challengers to the CPP's power or attempts to aggregate power outside the CPP. The CPP has been accused of using the media, courts, criminal charges, bureaucratic delays, land dispossession, election fraud, kidnapping and even murder too as tools of control through intimidation. While the CPP denies these allegations, the effect, to spread a perception of an all powerful central authority, is achieved whether the CPP actually engages in these activities or whether these acts are merely attributed to the CPP. As one Cambodian political analyst observed, "the opposition does much of the CPP's work for it," by attributing to the CPP responsibility for every misfortune that befalls a political opponent of the government.

After the 2008 elections, many in Cambodia see opposition political parties as disorganized and ineffective. Thus, they too are unable to challenge the CPP's ability to control rent-seeking opportunities. Another political observer said flatly that "Cambodian politics are frozen for the next ten years at the national level" meaning that he did not see

the opposition parties being able to work together to challenge the CPP. Further, many saw the poor performance of the Sam Rainsy, Human Rights, and FUNCINPEC parties as due mainly to their comparative weakness in organization at the village, commune, and provincial levels rather than to widespread election fraud. The claims of election fraud are also not supported by polling data accumulated by IRI (USAID/International Republican Institute "Survey of Cambodian Public Opinion: October 22 – November 25, 2008").

Lastly, the ability of the CPP to aggregate power and maintain its position as the central patron in this version of the patron-client system is due to the adroit activities of the party itself. Many see the Prime Minister as a particularly skillful "manager" of this system – knowing how to keep both friends and rivals in check. The Prime Minister deftly plays power politics within the CPP leadership and effectively sidelines opposition attempts to challenge government policy by using both the media and the organs of state to continuously frustrate any coalescing of opposition forces. In addition the CPP as a party is seen as very good at cultivating popular support. For example, they are omnipresent to take credit at the opening of roads, bridges, or other infrastructure and development projects as a way of ensuring the CPP gets the credit among the public for the project even though it may have been paid for by foreign donors.

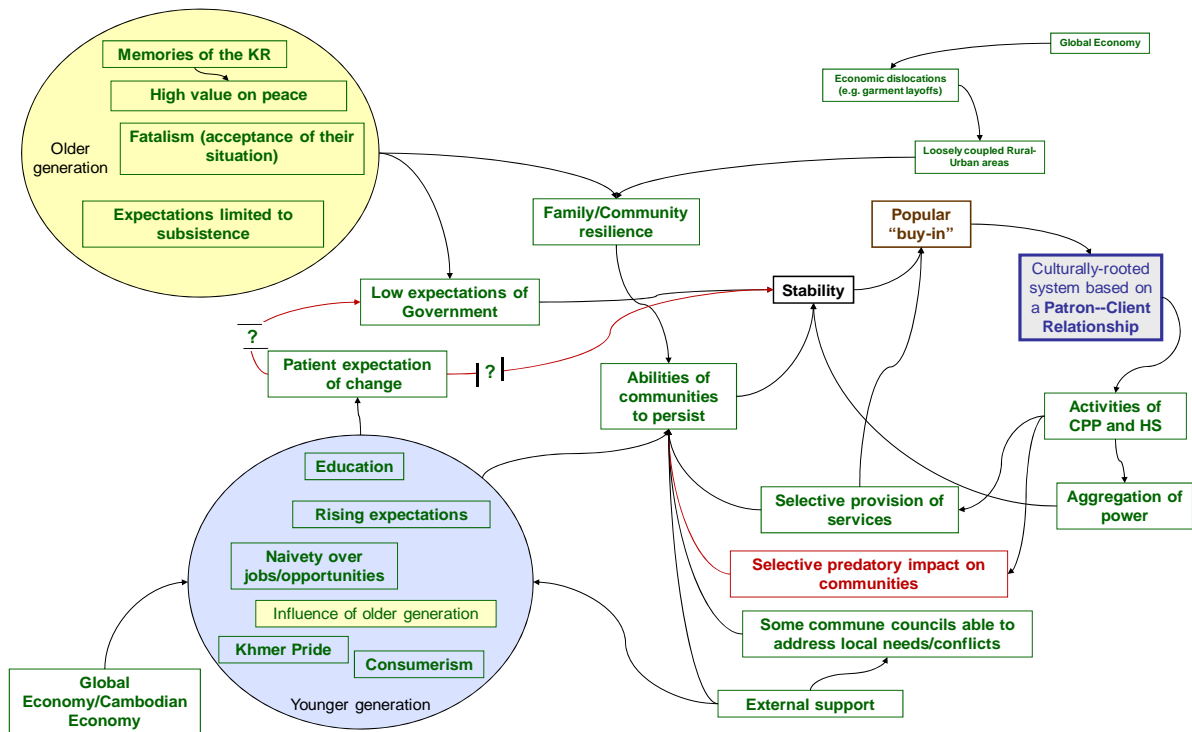**Figure 3.** Elite Patron-Client System
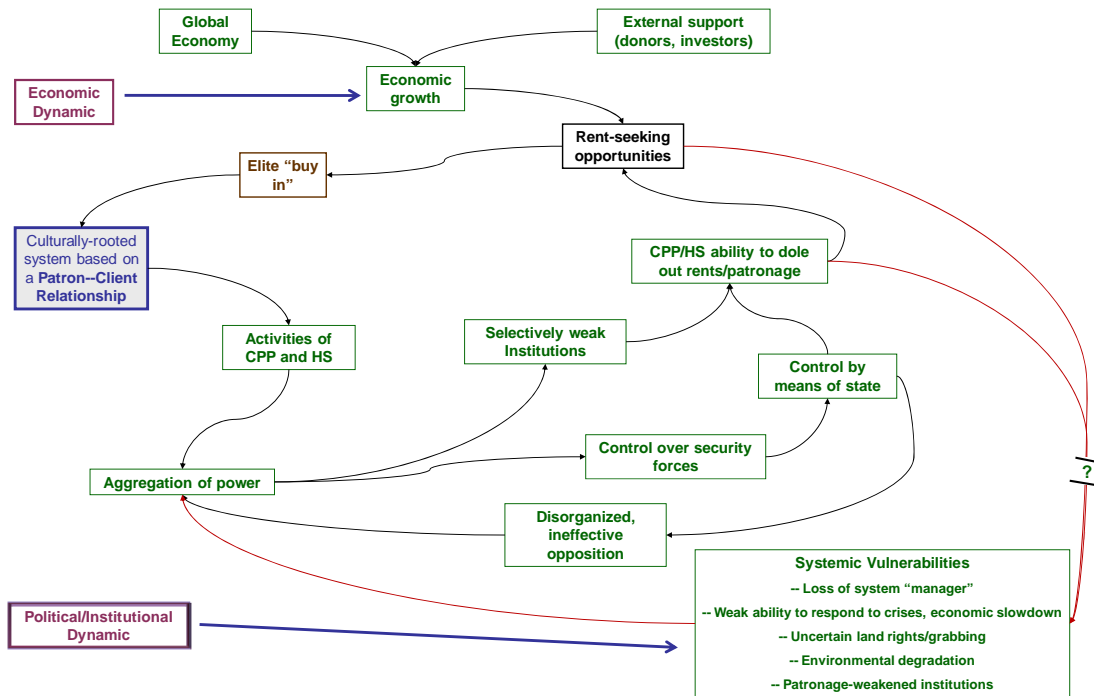
As shown in the Cambodian Systems Map, these factors (Elite buy-in, ability to dole out rent-seeking opportunities, selectively weak institutions, control by means of state, etc.) form the core of the Elite Patron-Client System (see Figure 3). However, this basic

system contains within it two dynamics (Economic and Political/Institutional) that may cause trouble for its future stability and hence Cambodia itself. First, on the economic side, the availability of abundant rent-seeking opportunities in the first place is due in large part to Cambodia's strong economic growth over the last 10 years. In turn, this has been made possible by the overall expansion of the global economy which makes resource and economic concessions profitable, keeps government revenues high, and supports expansion of patronage jobs. Also contributing to Cambodia's overall economic performance is the significant support of the international community. Donor country funds continue to account for up to 50 to 60% of Cambodia's national budget. The global economic recession, internal economic factors, and potential reduction in donor support of Cambodia's budget threaten the ability of the CPP to dole out rent-seeking opportunities.

A second, Institutional/Political, dynamic also threatens the future of the Elite Patron-Client System. As shown in the systems map, the system contains a series of long-term vulnerabilities. Some of these factors are problematic by-products of the current system (such as "patronage-weakened institutions") that accumulate over time. Others, such as the onset of a crisis like a pandemic, are factors which may or may not occur, but if they do, would have potentially disastrous consequences for the system. The Economic Dynamic and the Institutional Political Dynamic will be described in more detail below.

Figure 4. Popular Patron-Client System

Popular Support for the System

In addition to the Elite Patron-Client System, the CPP also benefits from a Popular Patron-Client System that explains its popularity with the general public, especially in rural areas. The patron-client relationship can be thought of as a form of social compact: in exchange for popular support from the clients, the patron needs to provide some very basic "goods". For most rural Cambodians, at least those in their 30's or older, the key "good" that the CPP as Patron provides is stability. For those that lived through the Khmer Rouge era or were born around that time, the trauma and dislocation they faced create an overwhelming value placed on political stability and a strong aversion to risk (see "older generation" bubble in the systems map). For Westerners who are suspicious of concentrations of power, it may seem counter intuitive that many Cambodians see the CPP's aggregation of power, which ensures political stability at the top, as a positive development rather than a liability. While many Cambodians object to corruption, land grabs, and human rights violations attributed to the Government, for most people in the older generation the potential instability caused by challenging or unseating the CPP as patron is not worth the potential benefit. Instability might bring with it another regime as bad as the Khmer Rouge, and that risk, even if minimal, is not worth it in the minds of those that remember that terrible time.

In addition to stability, the other main good that people from the "older generation" expect from the patron is the provision of very basic services such as infrastructure and schools. As indicated in the Systems Map, the mindset of the older generation supports relatively low expectations of government (or the patron). One key element of this mindset, in addition to the high value on stability, is a "sense of fatalism" (somewhat rooted in Buddhist teachings) that leads to an acceptance of the way things are as the way things should be. A second key factor among the rural poor is a view that subsistence living is as much as they can hope for. Those that were adults during the Khmer Rouge period and their children remember the times when they had nothing and that mere survival was success. Conditions are much better now for most Cambodians, but are still sparse by most external standards. As the IRI polling data indicates, voters in 2008 said that infrastructure, particularly roads and schools, were the most important issues to them and saw the CPP as the party who delivered them.

Given the ability of the CPP to effectively fulfill its role as patron, at least according to the low expectations of the majority of the population, it would be irrational for many Cambodians (especially older and rural Cambodians) to vote against their patron, the CPP. If the patron delivers, it is incumbent on the client to support the patron. Coupled with the CPP's well-organized local structures (e.g. 99% of all village Chiefs are CPP), which dates back to the Communist era of the 1980's, the CPP has a firm hold on local as well as national politics, despite the difficult living conditions many face and the levels of corruption, land grabs, and other abuses. As one rural Cambodian said, "you are not likely to see a version of 'People Power' in Cambodia" or a mass public demand for better living standards or government performance. The nexus of dissatisfaction and empowerment necessary for such a potential threat to the current regime simply does not exist.

Also contributing to the stability of the rural areas is a combination of a strong level of resilience among rural Cambodians (e.g. the ability to make do with few and shrinking resources) and the ability of communities to persist, to find ways as a community to cope with problems. For example, many communes noted that the economic slowdown meant that more people who had left the villages to work in the cities were coming back to the area once they lost their jobs. However, few if any Commune Councils or villagers we talked to said that this posed a problem. Either they felt that these economic migrants brought with them skills not present in the village, and hence could make a contribution to village life, or could be absorbed into their families and provided for that way. In addition, the "loose coupling" between rural and urban areas, which are being hit much harder by the economic slowdown, means that the impacts of that economic downturn are not being transferred to the rural areas. Lastly, despite limited resources, many Commune Councils collected and tracked their communities in great detail, such as statistics on the exact number of villagers working in factories outside the district or in Phnom Penh.

The ability of communities to persist is also aided by the selective provision of services from the central government and support from donor organizations and individuals. As noted earlier, these services include roads and schools, but also health programs, agricultural and water programs, women's programs, and support from wealthy individuals to build *wats* and schools. The ICAF teams also identified several examples where local Commune Councils were able to work effectively with donors and also to work in a "non-partisan" cooperative fashion, regardless of party affiliation, with their local communities to solve local problems and settle conflicts.

Taken together, the mindset of the older generation, the resilience of individuals and families, the ability of communities to persist even with few and shrinking resources, the provision of some basic services and support, create the core of the Popular Patron-Client System. However, in looking ahead to the future stability of this system, there is the possibility of change to this system and instability driven by the younger generation (see the "younger generation" bubble in the Systems Map). The young generation has a fundamentally different mindset than the older generation and it changes how they understand and what they expect from the patron-client relationship (and hence the CPP). While a "youth bulge" or generational differences are quite common in developing societies, Cambodia is a special case because of the sharp differences between these generations (e.g. the much greater trauma felt by the older generation due to the Khmer Rouge era) and the drastic difference in economic experiences (the younger generation has only known 10 years of relative economic prosperity).

These generational differences mean that as the younger generation ages, they will likely not have the same mindset as the older generation. Their experiences in the post-Khmer Rouge era have been markedly different from those of their parents and grandparents. And, because that "older generation mindset" is so critical to the current version of the Popular Patron-Client System, once the younger ages their mindset may not support the stability of the current system. They may expect a fundamentally difference deal from the government/patron in exchange for their loyalty as clients. This critical Social/Youth Dynamic will be explained in detail below.

Tensions within the Patron-Client System

As noted above, the Elite Patron-Client System and the Popular Patron-Client System contain within them three dynamics that may fundamentally alter Cambodia in the future and heighten the risks of instability and even conflict. These dynamics include (1) an Economic Dynamic, (2) a Political/Institutional Dynamic, and (3) a Social/Youth Dynamic. The current snapshot of the ICAF analysis, as well as the Current Systems Map, show little potential for instability in the next 12-18 months. While this stability might very well continue beyond that, to help explore those risks, the following sections describe each of those dynamics in more detail.

After describing these three dynamics, the following section projects each of these dynamics into the future as a way of understanding risks of instability. Instead of picking a most probable scenario, this section looks at two possible scenarios for Cambodia. One scenario assumes that the dynamic takes Cambodia down a path toward greater instability. This path is labeled the "Red Scenario." The other scenario assumes that Cambodia adopts policies in response to the three dynamics that allow for both change and stability. This path is labeled the "Green Scenario."

Key Economic Dynamic

As detailed further in Annex 4-D, the forces that drove Cambodia's economic growth will not be the forces that drive Cambodia's economic future. The boom of the last 10 years was fueled by factors that will not be replicable or sustainable over the next ten years due to such factors as depletion of timber stocks or the saturation of Angkor Wat tourism. Further, the global economic recession will change the patterns of foreign investment which bankrolled much of Cambodia's past economic growth.

Because the decade of 10% plus economic growth has been critical to creating the "rent-seeking opportunities" that are an essential part of the Elite Patron-Client System, the Government needs to find alternative drivers for a new decade of economic growth capable to sustaining the Elite Patron-Client System. The need to transition to new levers of economic growth is the key economic dynamic that will have a significant effect on Cambodia's future.

Also detailed in Annex 4-D is a World Bank study of the habits of successful economies (ones that have maintained 20 years of 10% annual growth) ("Sustaining Rapid Growth in a Challenging Environment: Cambodia Country Economic Memorandum, 2009") . This study provides useful guidance as to the changes the Cambodian Government would need to make in order to sustain economic growth and stability in the current political environment. Some of these "habits" are already part of the Government's economic approach, such as "involvement in the world economy." However, several of these habits of successful economies pose significant challenges for the Cambodian Government.

For example, according to the World Bank Report, a key characteristic of successful economies is a high rate of investment, up to 25% of GDP, which comes predominately

from domestic sources. Although the international community has provided half or more of Cambodia's domestic budget in the past years, Cambodia struggles with generating sufficient revenue to fund such investment, especially in infrastructure (5% of GDP) and education, health, and training (7-8% of GDP).

Cambodia also needs a government apparatus that is capable of making strategic and targeted economic policy changes, such as job creation, efficient urbanization, strengthening banking regulation, and increasing access to financing for the agricultural sector. Creating such an enabling policy environment will require a level of capability and credibility that the current Government lacks. Moreover, a key ingredient for sustained economic growth according to the Bank is a commitment by the Government to *inclusive growth*, which would be a sharp departure from Government policies that dole out huge profits to elites and in a country that has seen rapidly rising levels of economic inequity.

The World Bank Report concludes by saying that policy "focus" is the most important need for Cambodia if it is to sustain its economic growth. The need to create a common focus among Cambodian political actors, ministries, international donors, and the private sector that is beyond the current institutional capacities of the Cambodian Government.

Key Institutional/Political Dynamic

At the core of Cambodia's ability to respond effectively to the economic slowdown is the Government's ability to change/improve the policy making environment in favor of polices that will allow Cambodia to thrive economically over the next ten years. This is where the Economic Dynamic runs into the Political/Institutional Dynamic. The Elite Patron-Client System has negative consequences for the ability of key institutions to carry out basic duties effectively (or even adequately) and their preparedness for any shocks to the country, such as the economic slowdown. These negative consequences or vulnerabilities are by-products of the Elite Patron-Client System:

1. Institutional weakness aggravated by excessive patronage,
2. The weak ability of institutions to respond to crises, such as pandemic or the global economic slowdown,
3. Environmental degradation,
4. Uncertain land rights, land grabbing, and other predatory practices, and
5. The possible loss of skilled "management" at the center of the Elite Patron-Client System.

Patronage-weakened institutions. Weak institutions and a lack of skilled workers is a pervasive problem in Cambodia and the government is no exception. As on senior Ministry of Interior official put it, he spends at least half his time teaching his staff the basics, like how to write a memo. Patronage makes this situation even worse. As jobs are doled out as part of the Elite Patron-Client System, the ranks of the civil service, up to very high levels, get swollen with "ghost" employees or with ones who show up but are unqualified, unmotivated, and/or unproductive. As one fairly high senior member of a security service put it, "if a station could be manned effectively by 5 competent officers,

you have 30, 25 of whom are just taking up space." He went on to explain that the problem is that the 5 who are competent, get paid the same as the 25 who are not. This gives no incentive to the 5 who are competent to get ahead as they are not rewarded for their performance or abilities and in fact promotions are given based on political connections.

Over time, this 5-1 competent to incompetent ratio gets larger with new patronage jobs, and people are advanced based on connections, the ability of these institutions to respond to important issues or to provide basic services gets more and more reduced. It also increases the amount of people who are motivated and in a position to seek rents (through corruption, etc.) and increases the institution's "predatory" side, thus further weakening its performance.

Ability to respond to crises. Weak institutions also put the system at risk due to its inability to respond to potential crises like avian flu or influenza pandemic (or other crises like an environmental catastrophe). The ICA team looked specifically at the ability of key institutions to respond to a medical emergency, such as avian flu or a pandemic. A team visited the Siem Reap Referral Hospital (one of four referral hospitals in Cambodia), one of the key points, outside Phnom Penh, for responding to a medical emergency. While there are procedures in place at the hospital for how to respond to an emergency, the hospital was woefully short on capacity. The day the team visited, the hospital, which contains 230 beds, had over 300 patients. In the event of a pandemic the hospital would have virtually no ability to respond to the surge in afflicted patients. In addition, the hospital was short on supplies of medicines generally and had no stocks of Tamiflu in particular.

Environmental risks. There have been significant environmental impacts over the last 10 years, related many to economic growth and resource exploitation. For example, there has been widespread deforestation (see Annex 5 for detail on deforestation in Cambodia) to the point that the future economic potential of the forestry sector is now seen to be rather small (as noted above). In addition, fisheries have been significantly depleted (one estimate is that Cambodia's ocean fisheries are 70% depleted). Fish stocks on inland waterways are also reported to be down (to the point that some villages report that their traditional fishing areas no longer support the villages needs). There are also several dams and water diversion projects and more planned along the Mekong and other waterways in Cambodia and Laos.

These developments each have immediate environmental and economic impacts, but of greater concern is the potential cumulative damage of these developments. The East-west Management Institute estimates that there could be significant changes to water tables, seasonal flooding, etc. that could negatively impact fishing and agriculture. For example, wet rice farming would be impossible in areas that stopped flooding. The exact degree and timing of the potential risk to food and water security is difficult to quantify. However, there is the possibility of significant damage in the medium term. More importantly, there is little capacity within governmental institutions in the short or

medium terms to monitor this potential threat, coordinate and build environmental concerns into other economic policies, or develop remedial plans.

Land issues, land grabbing, and other predatory practices. Up to now, land grabbing, forced evictions, and other land disputes in Cambodia are a product of several forces: (1) the fact that the MOI considers 85% of Cambodia to be State land and those on these lands to be squatters; (2) the dislocation of the Khmer Rouge era meant massive internal displacement and then resettlement; (3) people (communities, villages) have been on tracts of land since 1979, or longer in some cases, but have no formal title; (4) the process and laws governing land, land disputes and titling, are wholly inadequate to manage the process effectively; (5) institutions charged with resolving land disputes (courts, etc.) either are incompetent or side with authorities in contravention of existing laws; (6) the increasing use of the military in clearing people off lands; and (7) the motivation of foreign investors, Oknha, and government officials to profit through land acquisition and development (although the economic slowdown has lessened the profit motive somewhat).

The controversy and uncertainty over land issues has not sparked widespread, organized public outrage or violence against the government (see Social/Youth Dynamic). As a lawyer advising Cambodians who had their land taken away commented, "people who are unaffected by land grabs are not motivated to speak out against the practice." However, the vulnerability to the system is twofold: (A) there is a saturation point beyond which enough people will be directly affected by land grabbing or will be sufficiently motivated to take action through a belief that they are "next", and there will be mass mobilization on this issue, fueled by some key actor(s) and (B) there is enough uncertainty about land rights that it becomes a "break" on development and/or important economic investments (e.g. in improved agricultural practices, diversification of business/smaller business development) so as to have a significant impact on economic growth.

Other predatory practices, such as the use of governmental authority to get kick backs from developers or other forms of corruption, can have a similar effect to that of land grabbing and uncertain land rights. For example, if corruption, such as a kick back for obtaining an import license, is predicable then companies can factor that in as a cost of doing business. However, if those costs exceed a certain point or become unpredictable because the rent seekers become greedy, then corruption can serve as a break on business activity and development. As with land issues, there is a saturation point beyond which corruption creates a popular backlash and/or an impression that Cambodia is not a place for investment.

Loss of system "management." The Prime Minister is regarded as a highly skilled politician. Perhaps the greatest of these skills is the ability to keep the two patron-client systems in balance along with managing foreign donors and investors as well as internal CPP politics. Many Cambodians and non-Cambodians see the Prime Minister's position as quite stable and that there is not a credible challenge to it from within the CPP or outside it. However, the centrality of one individual to making the current political

system in Cambodia work does beg the question of what would happen if there was a change and the successor lacked the political skills of the current leader.

The majority opinion on this speculative question is that the CPP would in all likelihood keep their grip on power, even while there was an internal jostling for position. Some have speculated that political rifts within the CPP would explode under new political leadership. However, it is more likely the case that rival elites within the CPP would have a strong common interest in resolving their disagreements within the organization in order to maintain their near monopoly position in the political and economic realms. In addition, the party infrastructure is quite strong at the commune and village levels which would help sustain the CPP even if there was a period of uncertain leadership at the top.

There would be a potential negative impact of a sudden change in leadership. At a minimum, if there were a transition to less politically adroit leadership, then there would be a disruption, if not weakening of the CPP's power, to maintain the patron-client systems as they now exist in Cambodia. This factor alone might not cause the collapse or radical change in either patron-client system, but it might worsen some other disruption to the system, like the current economic slowdown or response to a crisis like a pandemic. This in turn could mean a radical change in the systems.

Key Social/Youth Dynamic

As noted in Section 2, the mindset of the "older generation" is the underpinning for a strong resilience of the Cambodian people, especially in the rural areas. However, the younger generation does not share this mindset. The basic difference between the two generations is their attitude toward change. For many in the older generation, the "change" has already happened. Compared to the late 70's and 80's, there is much more stability. They have the ability to stay on the land. And there is less likelihood that a genocidal regime like the Khmer Rouge will return to power (and even some chance that some KR will be tried and convicted). Conversely, the younger generation takes the current situation as the status quo that needs to be changed. There needs to be greater economic opportunity, more political freedom, less corruption, increased standards of living, better education, better government services, etc. In order to understand the impact of this mindset on potential future scenarios for Cambodia, the following sections elaborate on the factors that shape the outlook of the younger generation.

Influence of older generation. While the mindset of the younger generation is different from that of the older generation, there is still an influence of the older on the younger. In some ways there is consistency between the two, like the quality of resilience, a general belief in Buddhist principles, and a respect for Angkor history. There is also a reaction against the attitudes of the older generation. For example, they have an ease with change, even an expectation of it, in contrast to the older generations fear of change. Younger people also felt that the older generation's reluctance to get involved was a kind of selfishness – more of a concern with personal safety than with the well being of others. One young Cambodian observed, "People who survived the Pol Pot regime are still selfish, so they see an accident and ignore it." Interestingly, some older Cambodians see the younger generation as selfish (e.g. "they care only about themselves") in their pursuit

of good jobs and improved lives. The impact of the older generation is much weaker in urban areas and among less educated youth than in some rural areas with less access to education.

Education. Although in many rural areas education remains a critical need, the younger generation is by-and-large much better educated than their parents or grandparents. Many youth see education as a way to have a better future. They believe that they will be able to graduate with necessary skills and knowledge (e.g. accounting, business administration, economics, banking and law) needed to obtain employment and exploit opportunities not accessible to their parent's generation. While some Cambodian students are aware of stagnant labor market and the difficulty they may face in seeking jobs, most seem to be optimistic about their increased employability after they have acquired degrees.

Khmer Pride. The trauma of the Pol Pot era produces a sense of shame for some older Cambodians. However, the younger generation has a reservoir of affection and pride in Cambodia – its natural beauty, resources, culture, Buddhist tradition, and historic temples. There is a sense of national unity, which has been used in recent years to foment anti-Thai or anti-Vietnamese feelings, especially during elections. Despite this manipulation of Khmer nationalism, pride in being Cambodian is a core part of how younger adults see themselves. A group of university students shared this assessment of one of their peers:

> Our ancestors have taught us [Khmers] to be unified. And even the structure of Angkor Wat teaches us unity. The flag of Cambodia even shows our achievements [Angkor Wat]. No other country does that."

Naivety over jobs. Fueled by increasing levels of education and a decade of 10% or more economic growth, many young people have an unrealistic expectation of gaining a secure, well paying job. Many Cambodian youth appear to lack information about the real job market and economic situation in general, which leads to a sense of over-confidence and over-optimism. One expatriate who works with the labor sector observed, "Young people think there is a future for them, but there ain't." The economic downturn coupled with a glut of new graduates with basic degrees in accounting and business means that jobs will be harder to come by.

Consumerism. Strong economic growth over the last decade has also produced a more materialistic culture among youth. Many young Cambodians have an inclination to buy items such as expensive phones, cars, televisions, etc., out of a belief that such items elevate a person's status and gain them respect. Again, with the economic slowdown and greater competition for jobs, it will be more difficult to maintain this emphasis on materialism.

Violence, drug use. Many local officials and others who work with youth report increases in drug use and violence among younger Cambodians. Often, Cambodians cite "gangs" as the cause of the violence problem, but these gangs are not organized in the sense that gangs in the West are structured. Rather, they are more likely to be more ad

hoc groups of youth that are jobless and undertake more spontaneous violence like disrupting a wedding or a festival. Others point to the cultural influence of the concept of "big brother," a term from Chinese action movies of the late 80s and 90s that refers to a loose group of friends or family members that challenge each other. Still, there is little to suggest this is an organized phenomenon. While it may merit more investigation, there was no evidence that such fighting was between ethnic groups as opposed to among Khmer. As one Cambodian who works with youth explained, "rural youth may in fact be ready to join a 'fight' because they are bored and frustrated."

The increase in drug use is attributed to several factors. One is the same boredom that contributes to the increase in violence. A second cause is the increased level of consumerism coupled with the greatly increased availability of drugs. Lastly, due to increasing joblessness, young Cambodians migrate to Thailand temporarily to seek jobs in agricultural and construction sectors. These young migrants are faced with a threat of human trafficking and some forced into or fall into taking drugs. When these youth return to Cambodia, they bring their drug use with them.

Rising expectations. All of the above factors combine to create rising expectations among young people in Cambodia, but have not, thus far, produced a demand for specific changes. Many younger Cambodians voiced a patient belief that change is coming and that there will be a new "management system" (as opposed to a new political system or change in political party dynamics). They believe that the government has and will support them and that more and more roads and schools will be built. Eventually, this would produce a political change and presumably this would occasion the transition to a fundamentally different Cambodia (different from the Cambodia their parents now know). A common expression among youth interviewed for this assessment was "our future depends on the politics." While this expectation of government may not seem like much from a Western perspective, it is a fundamentally different social compact between the youth and the government then between the older generation and the government.

The Future of the Patron-Client System: Two Alternatives

The three dynamics described above are forces for change in Cambodia over the next decade. However, they do not indicate a particular direction for that change; either stability or instability; progress or decline. The "Red" and "Green" scenarios detailed below provide two possible directions that these key dynamics might take Cambodia. Both are in the realm of reasonable possibility. The next section of the report describes the criteria that would indicate if Cambodia is following the "Red Scenario" or the "Green Scenario."
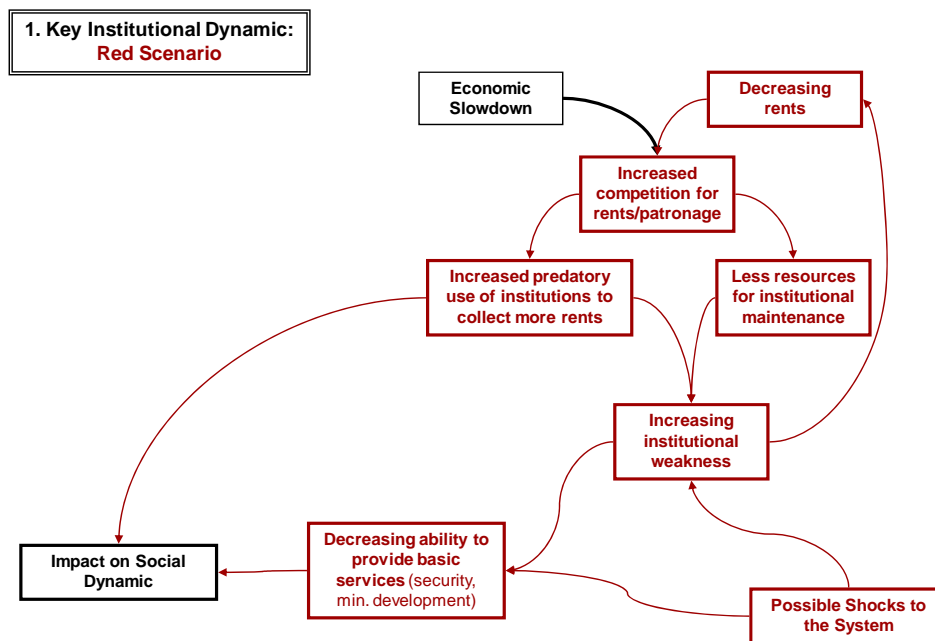
"Red Scenario"

Figure 5. Economic "Red Scenario"
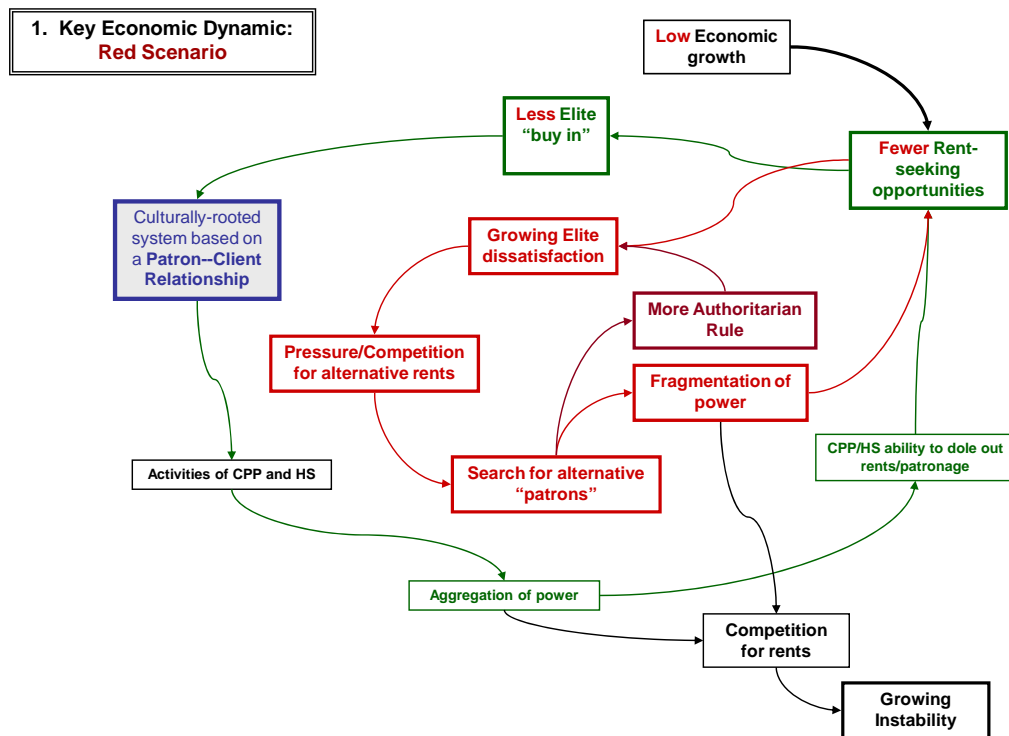
"Red Scenario": Economy (see Figure 5). The "Red Scenario" for the economy starts from the assumption that the Government does not make the needed investments to counter the global economic slowdown and transition Cambodia's economy to new drivers of growth. The economic slowdown will mean *fewer rent-seeking opportunities* that the CPP could dole out to keep buy in from the Cambodian elite. In turn, fewer *rent-seeking opportunities* would lead to growing *elite dissatisfaction* and create either *pressure or competition for alternate rent-seeking opportunities*. If members of the elite feel that the CPP cannot provide them with the rents that they expect, then there may be pressure to seek *alternate patrons*, or people who could provide new or better rent-seeking opportunities. Alternate patrons might be other elites in the society outside the CPP (*Oknha*), foreign investors, or politicians who split away from the CPP.

Whichever, there are two likely consequences of increased pressure for alternate patrons. First, the CPP might respond with *more authoritarian rule* in order to preserve its monopoly position as the sole patron who can give out rents. However, more authoritarian rule has within it the seeds of its own undoing as it will likely increase the level of elite dissatisfaction that fueled the pressure for alternative patrons in the first place. The second response to the pressure for alternate patrons is that the CPP might not be able to preserve its position or satisfy elite rent seekers which will lead to a *fragmentation of power*.

As the Economic "Red Scenario" shows, the fragmentation of power has several negative consequences for Cambodia. First, if the CPP's power is lessened, it will be less able to provide rent-seeking opportunities and hence further increase elite dissatisfaction, pressure for alternative patrons, etc. Second, the fragmentation of the CPP's power means that there will be even more *competition for rents* which will lead to *growing levels of instability* at the elite level. Lastly, this instability and dissatisfaction among elites is likely to make it more difficult for the CPP and the Cambodian Government to make the needed investments in the economy and will distract from the policy "focus" that the World Bank feels is critical to Cambodia's economic future. As a result, the economy is likely to deteriorate and reduce even further the number of rent-seeking opportunities which are essential to run the Elite Patron-Client System.

Figure 6. Political/Institutional "Red Scenario"

"Red Scenario": Political/Institutional (see Figure 6)**.** The Economic "Red Scenario" creates a situation where the Government is less likely to make good policy with respect to the economy. This "negative policy environment" on top of a worsening economy and decreasing rents, will have a spillover effect on the country's governmental institutions as a whole. The *increased competition for rents/patronage* within the Elite Patron-Client System is likely to lead to two additional negative dynamics:

- *Increased predatory use of institutions to collect more rents*. As the number of rent-seeking opportunities decreases with the economic slowdown but the need or demand for rents stays the same, then pressure will be on to squeeze more rents out of the existing system. This might entail an increase in the size of kick backs for government services or granting land concessions (along with forced

evictions) that might not have previously been considered because they would create too high of a public controversy.

- *Fewer resources for institutional maintenance*. If there is increased pressure for rents and patronage jobs, this will likely decrease the amount of funds available to increase the effectiveness of existing institutions. This might take the form of decreased funds for training, reduced career opportunities to skilled employees who are not in a patronage job (e.g. more promotions and pay increases will go to those with political connections), and the hiring of more unskilled versus skilled workers in key governmental institutions.

The combined impact of these two factors is that *governmental institutions will become even weaker*, thus exacerbating one of the key systemic vulnerabilities described above. Weaker institutions will further decrease the amount of available "rents" because the system needs a certain level of institutional performance to collect rents in the first place. As shown in Figure 5, this dynamic creates a downward spiral: as institutions get weaker it increases the conditions that led to weaker institutions in the first place. And, weaker institutions will undermine a critical part of the Popular Patron-Client System (see Figure 4) which is the ability of the Government to deliver basic services, such as security and minimal levels of development. Lastly, weaker institutions also lessens the system's ability to deal with *external shocks*, like a worsening of the global economic climate, an environmental crisis (like a sharp drop in seasonal flooding), and/or a pandemic.

Figure 7. Social/Youth "Red Scenario"
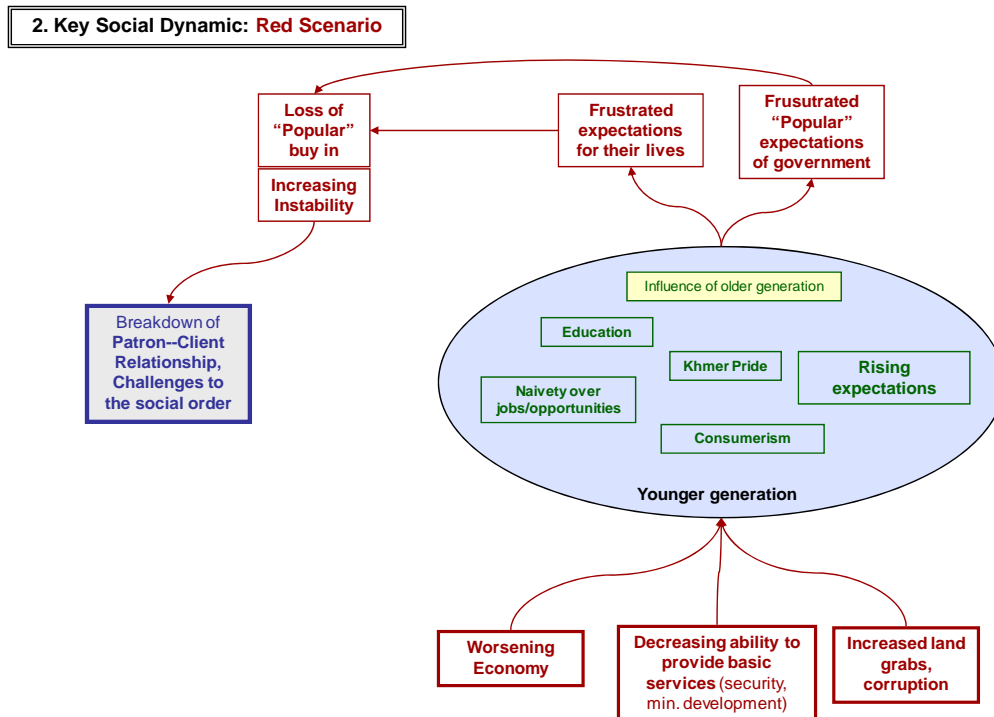
"Red Scenario": Social/Youth (see Figure 7)**.** If the Economic and Political/Institutional dynamics follow their respective "Red Scenarios", there are three main negative impacts on the younger generation:

- A worsening economy,
- Decreasing government ability to provide basic services, and
- Increased land grabbing, corruption, and other predatory behavior by elites.

These impacts run directly counter to many of the drivers of the youth mindset and will lead to both greater levels of frustration with their individual lives and frustration with government. The "Red Scenario" is one that fundamentally violates the more demanding social compact that exists between the government and younger generation (as compared to that between the government and the older generation). In turn, this violation of the social compact would lead to a loss of popular buy-in that is critical to maintaining the Popular Patron-Client System. If the patron-client system breaks down, then there is a much higher potential for instability and violence in Cambodia. This is especially true as key actors emerge that use growing youth dissatisfaction to mobilize action against the Government. This is especially dangerous if key actors combine this appeal with an appeal to a stronger sense of nationalism among youth in response to some action by Thailand or Vietnam.

"Green Scenario"

**Figure 8**. Economic "Green Scenario"
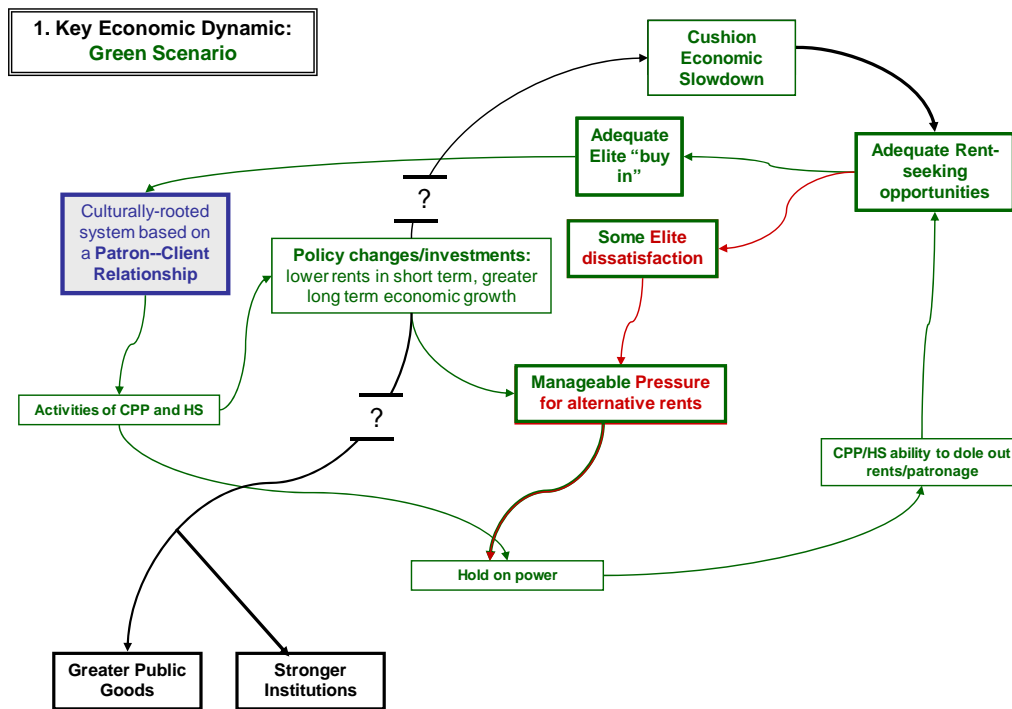
"Green Scenario": Economy (see Figure 8). If the Government makes the *policy changes and investments* called for by the World Bank's (2009) Economic Memorandum based on the habits of successful economies, then there is a reasonable chance that they can avoid the negative consequences of the "Red Scenario."

The policies needed to sustain economic growth over the long term for Cambodia require a fundamental trade-off for the elite in Cambodia. In exchange for accepting lower rents in the short term, which would allow the Government to make needed investments in the economy, the elite in Cambodia would get greater rents over the long term because of more sustained economic growth. This may be a difficult bargain for the elite to make. Yet it is that same elite that has shown pragmatism and flexibility in grappling with the significant change Cambodia has undergone over the last 20 years.

Assuming that the Government can implement these policy changes, they would serve to *soften the economic slowdown* which while it will lead to *some elite dissatisfaction* should produce *manageable pressure for alternative rents*. In turn, the ability to manage pressure for alternative patrons would help the CPP maintain its *hold on power* and allow them to sustain the Elite Patron-Client System and the stability it creates. However, if the Government can make the needed economic policy changes and investments then it will produce a different status quo than the one that currently exists. The major outputs from the "Green Scenario" for the Elite Patron-Client system is to produce *more public goods*, such as greater social equality, more investment in health and education, more job creation, and more investment in the agricultural sector (as per the findings of the World Bank Report on sustaining Cambodia's economy). Another positive product of the "Green Scenario" for the economy are *stronger institutions* needed to better manage Cambodia's economy, such as the National Bank and ministries that deal with economic development.

"Green Scenario": Political/Institutional (see Figure 9) In addition to the improved policy environment that is necessary to put Cambodia on the Economic "Green Scenario," there also needs to be a series of institutional reforms to deal constructively with the Political/Institutional Dynamics described above. These reforms would stress increasing professionalism and transparency, placing greater value on expert opinion, reducing decision making time, and working to ensure greater policy coherence across ministries.

For example, the system of considering new draft laws is overly cumbersome. Draft laws are read out, line by line to the Council of Ministers, including the Prime Minister, Deputy Prime Ministers, and relevant Ministers. They are then discussed, with changes made where necessary, and only then are they sent to the National Assembly. While this might help keep the peace among factions within the Council of Ministers (a consequence of the Elite Patron-Client system) it greatly increases the amount of time it takes to pass key legislation like the Anti-Corruption law, the Administrative Law, and the Police Powers Act. A more regular system, that depends more on expert committee work than on forums for appeasing wary, but powerful, political players is necessary for Cambodia to create a more sustainable future ("Green Scenario").

Figure 9. Political/Institutional "Green Scenario"
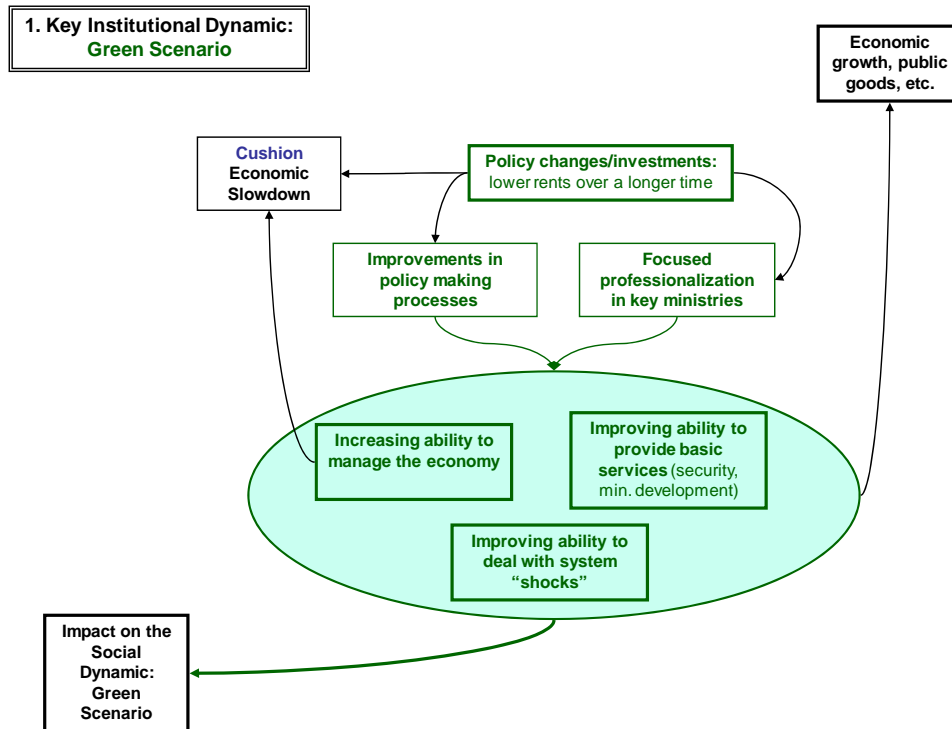
In addition to improving the policy making processes, the Government will also need to reverse the trend of institutions gradually becoming weakened through years and years of patronage jobs (e.g. ghost positions, unmotivated and unqualified workers). While the patronage system is not likely to end, it is possible to devote resources to creating a stronger "professional core" within key ministries in order to motivate, retain, and best use the talents of civil servants who are skilled and motivated. For example, in the security services there are two obstacles in the way of creating a stronger professional core, despite the fact that there are officers that are more than competent and committed. First, when training opportunities arise, especially those offered by donor governments, positions in these trainings are doled out as much or more on the basis of patronage and political connections, not on the merits of investing in a particular individual or as part of a development plan aimed at increasing overall ministry effectiveness.

Second, because the Ministry of Interior or the Army does not have a central philosophy or operating doctrine that applies across their respective forces, officers get training in multiple policing or military strategies. These different philosophies are not just different they are also often incompatible or inconsistent. In turn, this creates an inefficient force that is, in reality, several forces within one force (e.g. one that practices a French model, one a Canadian, one a Chinese, one a Romanian, etc.).

While these problems may be most acute in the security services, other key ministries, like Interior, would benefit from a central strategic vision, identification and empowerment of competent civil servants, and more merit-based performance reviews and incentives.

The positive ripple effects of improving policy-making processes and building more professionalized core are at least threefold:
- Increased ability to manage the economy, especially to implement the habits of successful economies as described above,
- Improved ability to provide basic services, such as security and basic development, and
- Improved ability to deal with other system shocks.

All three of these benefits are critical to the stability of the Popular Patron-Client system.

Figure 10. Social/Youth "Green Scenario"
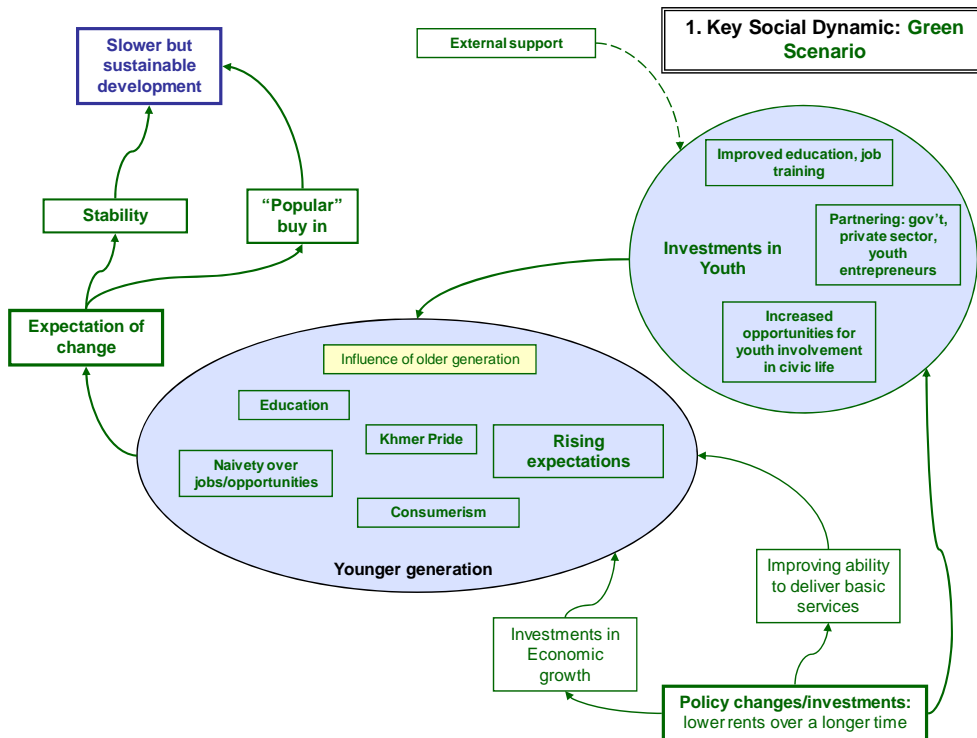
"Green Scenario": Social/Youth (see Figure 10)**.** If the Cambodian Government is able to follow the "Green Scenarios" for the economy and government Institutions, then it can soften the negative impact of the economic slowdown by making key *changes in the policy environment*, *improve levels of basic services,* and make *investments in more steady, though less spectacular economic growth* over the long term. While these changes in themselves will have a positive impact on the younger generation, the Cambodian Government still needs to make additional investments to create more opportunities for youth. In particular, these investments may include, among others:

- *Improved education and job training*. Several interviewees pointed to the problem that youth tend to flock to a few professions, like accounting or management, that are (and will continue to be) hit hard by the economic slowdown. There is a need for more diversity in the types of professional training and other skills training being provided to youth. Further, there is a need to make such training more available to youth outside of larger urban areas. For example, in a village just a 15-20 minute drive from the hundreds of hotels and restaurants in Siem Reap, *none* of the young people were employed in the city. Instead, those jobs went to others who had the very basic skills needed to work in the tourist trade.

- *Greater partnerships between government and the private sector to empower youth entreprene*urs. There seems to be no shortage of needs for basic goods and services in villages or even more urban areas. However, with the slowing economy, there is a shrinking pool of jobs that youth can access (e.g. the layoffs in the garment sector). One way out of this trap is to encourage and enable youth to start their own small and even medium-sized businesses.

- *Increasing opportunities for youth to be involved in civic life*. While there is a great need for civil service, especially in the rural areas, there was no commune council that reported having too many civil servants with too little to do. A leader of an organization that works with youth noted that there is a "need to strengthen the bridge between people and government." He went on to note that many NGOs organize people to work against government, rather than providing services to people or helping them to take their issues to government. Moreover, there is a growing sense of dependency on NGOs to address social problems instead of Cambodians organizing to address social needs that the government does not or cannot address. In a similar vein, a veteran Cambodian political analyst observed that because "Cambodian politics at the national level are frozen for the next 10 years," there is a need to invest in youth leaders and create a new democratic culture among them.

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4. Indicators for Tracking Cambodia's Future Trajectory

It is less helpful to attempt to predict whether Cambodia will head toward the "Red" or "Green" scenarios or exactly how the "Red" or "Green" scenarios will play out. Rather, policy makers and observers would be better served by understanding what changes or actions are indications of whether the Government and the society as a whole are moving in the "Red" direction or the "Green" direction. This section presents a set of indicators, organized by the three key dynamics, to help policy makers make a determination about the direction of change in Cambodia.

Red Scenario	Green Scenario
Economic Dynamic	
1. Macro-Economic Indicators	
• "Shrinking Pie"/low or declining levels of economic growth • Rapidly increasing levels of poverty	• Moderate/stable rates of economic growth • Stable, small increase in poverty levels
2. Level of pragmatism in RGC statements on economy	
• Denying, oblivious to economic challenges and trends • Misleading, inflated, and/or irregular indicators to support pre-determined political goals	• Recognition of problems • Use of credible economic statistics and economic indicators
3. Economic investments	
• Investments in the mineral sector • Concessions to economic interests that build large corporate operations (fishing, farming, etc.) that deliver very little value to local Cambodians	• Investments in the agricultural sector • Development projects that strengthen the "value chain" and spread the benefits of economic development to more Cambodians
4. Public investments in rural/social infrastructure	
• Selective "show" projects that have little strategic development value or thinking behind them	• Strategic investments in projects that support overall development goals and build rural capacity for self-sufficiency (e.g. health, education, etc.)
5. Security of property rights	
• Greater predatory use of government entities (e.g. land grabbing) with impunity • Inadequate land laws that are subject to abuse	• Predictability, confidence in security of property ownership • A legal approach that balances the interests of those with no formal land title with interests in economic development • Credible recourse to courts

Economic and Institutional Dynamic	
6. Investments in creating a better policy environment	
- Lack of qualified staff to support key functions - Ruling party further marginalizes, undercuts opposition parties - Expansion of patronage jobs into key policy making positions - Uncoordinated, fragmented responses to key policy challenges - More government secrecy and impunity - Passage of key laws with no government enforcement capacity - Long delays in passing key laws (e.g. anti-corruption law)	- Training for key ministry staff/sufficient resourcing for key functions (especially legislative) - Ruling party working with opposition to produce key legislative initiatives[2] - Qualified hires/appointments to key policy making positions - Forming cross-ministry teams to deal with cross cutting issues like the environment - More government transparency/accountability - Development of government vision/strategy in key sectors and more regular policy reviews
7. Stability within ruling elite portfolios	
- Frequent shifting of elites from one political/economic portfolio to another - Increased competition for short-term rents - More open elite disagreements, retaliations, disaffection (especially among military)	- Stable and predictable allocation of portfolios to elites - Increased support for long-term economic development versus short-term personal gain - Effective dispute resolution abilities among elites
Institutional/Political Dynamic	
8. Relations with donors	
- Degree of RGC reactivity in dealing with donors[3] - Continued/increasing dependence on donor funds and donor driven initiatives[4] - Enthusiastic acceptance of donor	- Degree of RGC pro-activity when dealing with donors - More coherent RGC vision for how it wants to spend development funds - Resources devoted to research and

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[2] One CPP official said that "we could rule alone, but choose not to." The opposition leaders we heard from would strongly disagree with this statement.

[3] One government official commented that the RGC constantly accedes to donor requests "like a fish chasing bait" even if this means setting up redundant or inconsistent programs. For example, there is no one governing military doctrine. Rather there is a confused mish-mash of doctrine from the various countries that provide military assistance and training programs (e.g. some use a French model, some a US model, while others use an Eastern European or Chinese doctrine.

[4] A Cambodian NGO leader said, "We need to turn the corner on the mentality of dependency" on the international community or the government to solve a problem.

demands with little follow through on commitments, projects	• planning activities • Cross-ministry teams established to coordinate government policy on cross-cutting issues like the environment or rural development

9. Institutional Resilience	
• Continued, increased weakening of institutions through patronage jobs/promotion based on patronage	• Inventory, analysis of institutional needs/ weaknesses and development of a capacity building plan

10. Crisis preparedness	
• Government denial/lack of awareness of vulnerabilities, especially in areas of health, water, forests, etc. • Dangerously under-resourced ability to respond to crises such as a flu epidemic • Diversion of resources into rent-seeking activities	• Recognition of potential threats (e.g. disease, environmental degradation) and gaps in the ability to respond • Investment in prevention and building capacity to deal with crises at national, provincial and commune levels

Social/Youth Dynamic	

11. Investment in youth[5]	
• Growing youth expectations of government without any increase in the government's ability to respond to the needs of youth • Shrinking job and livelihood opportunities due to worsening economy and/or government predation (through doling out rents in the form of control of local economic assets)	• Increasing number of civic education programs for youth • Increase in youth job training programs • Increase in access to primary and secondary education and youth leadership programs • Increase in availability to youth of information on social issues and government activity

12. Youth involvement in local governance	
• Youth marginalized by local governments • Lack of youth involvement in dealing with community problems either with local government or NGOs	• Increased youth involvement in local politics/governance • Greater involvement of youth in NGO development programs • Partnerships between youth, local

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[5]One international NGO worker put the need for investments in the youth in stark terms:

"If Government and partners can facilitate responsible investment and provide skill sets to young people then there will be a future – but currently they are underdeveloped and lack vocational skills; training and entrepreneurship is needed. A holistic approach [is needed] that helps us develop livelihoods but unfortunately donors seem to be going away from such projects … they want to fund advocacy, natural resource management, but skills development and entrepreneurship, particularly in times of crisis, is needed."

• Feelings of powerlessness and victimization by youth	government and private sector actors to pursue innovative economic and social programs
13. Mobilization around grievances	
• Mobilization by key actors of core grievances, such as land issues, human rights violations, economic hardship (especially by groups not directly affected by the violations itself)[6] • Youth demonstrating against the lack of job opportunities	• Greater public confidence in the courts and other systems for redress of grievances • Greater community organizing around addressing social problems
14. Crime levels, especially violent crimes	
• More organized gang activity, more violent gang behavior • Harsh crackdowns on minor youth violence	• Youth/gang crime decreases • Non-escalatory government/police responses to youth violence, more community-policing type models
15. Scapegoating	
• Hostility directed toward particular families, religious or ethnic groups, returning urban migrants • Rise of anti-Thai or Anti-Vietnamese rhetoric	• Ability of communities to absorb economic migrants • RGC-Thai or RGC-Vietnamese political or military confrontations do not touch off sustained tensions or conflicts throughout Cambodian society

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[6]An NGO worker that deals with land conflicts noted that few Cambodians not directly affected by land grabbing will protest land grabs even when they occur next to where they live. If this trend is reversed it would signal a significant increase in mobilization around this grievance.

5. Conclusion

The purpose of the Cambodia ICA was to help inform policymakers and improve the range of US Government engagement with Cambodia. It is not possible to predict with accuracy what the future holds for Cambodia. However, the ICA process shows that by understanding, in an objective and holistic way, the current dynamics that drive current-day Cambodia, it is possible to anticipate the range of possible futures that lie ahead for Cambodia –the "Red Scenario", "Green Scenario", and the range of possibilities in between. Further, having defined a range of future possibilities for Cambodia, there are indicators for helping to determine which direction Cambodia is taking. This base understanding of Cambodia, an understanding of the key dynamics that may shape Cambodia's future, and indictors of direction Cambodia is developing can be a resource for US engagement with Cambodia in the future.

Cambodia does face a crossroads. Because there is a low likelihood of instability over the next 12-18 months, there is time to prepare for both monitoring and supporting Cambodia's progress as it confronts key choices that will affect its future. A key consideration for engagement by the USG is what capacity does it have to gather data relative to the key indicators identified above (or other indicators) and assess the degree to which USG activities are moving Cambodia toward one set of indicators or the other (e.g. "Red" or "Green"). For example, the Mission might establish a Quarterly Reporting Plan using the list of *Indicators for Tracking Cambodia's Future Trajectory* as a framework for monitoring and evaluation (e.g. as the basis for a Stability Report Card based on the "Red" "trip wires" as well as the "Green" indicators of progress). A "diplomatic engagement plan," including target development assistance, could be developed for addressing concerns with the RGC once trip wires are reached.

Other ways to make this report a living document include:

- *Input into Mission Strategic Plan*. As U.S. Mission begins to review the Mission Strategic Plan for 2010 the results of the ICA and subsequent reporting and analysis should be used to develop clearer five-year foreign policy strategy that utilizes all elements of the U.S. government's diplomatic, development and defense resources.

- *Input into Civilian-Military Working Group (CMWG) Coordination*. The preliminary results of the ICA have been used to guide the development of FY2009 1207 proposal. The recommendations and conclusions in this final report should continue to be used by the CMWG to develop a strategic approach for new programs that straddle development and defense assistance. Where possible CMWG decisions should be made by factoring possible root causes of conflict and ways to mitigate and prevent the conflict from occurring.

- *Foundation for additional analysis*. In conducting the ICA the team attempted to contribute to the growing analysis of Khmer Islam and Cham communities and was asked to research the role of the Vietnamese minority on stability. The

scenarios included in the report focused on the effects of economic down turn and the role of youth. It is advised that two additional scenarios be developed that include further analysis of the Khmer Islam/Cham community and one for the Vietnamese minority population.

- *Prerequisite Resource for Staff Orientation*, The ICA Report has documented a number of important political, social and cultural aspects of life in Cambodia that would serve as an excellent orientation document for all incoming Foreign Service Officers. A version of the ICA presentation should be a standard presentation offered to new staff. It is recommended that the presentation be made by the longest service FSO at post and supported by existing members of the Political Econ Section, USAID, and DOD.

- *Interagency Conflict Assessment 2012*. Cambodia will continue to evolve and change, therefore, it will be important for the U.S. Mission to continue to invest in this type of interagency conflict assessment in the future. Understanding that in 2012 there will be Commune Council elections followed by the 2013 National Assembly election, it would be recommended that the next conflict assessment be scheduled after the Commune Council election and before the National election.

Finally, the Cambodian ICA is as much a product as a process, working across the interagency to gather data, analyze, and make use of data. The hope is that this report is a useful step forward in that process.

Annex Table of Contents

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Annex 1: Cambodia Interagency Conflict Assessment Statement of Work

Purpose
This Statement of Work (SOW) provides guidance for conducting a field-based US interagency conflict assessment in Cambodia. The overriding purpose of this assessment is to develop a shared interagency understanding of the conflict dynamics currently at play in Cambodia that can serve as a foundation for more effective US engagement. Achieving this shared understanding requires both interagency involvement in conducting the assessment process and a common conceptual framework to guide the collection and analysis of information. This SOW describes the Interagency Conflict Assessment Team (ICAT) that will undertake the assessment, including data collection and analysis they will use, and the Interagency Conflict Assessment Framework (ICAF) that will guide those efforts.

A secondary purpose of this assessment will be to learn from it. Both the ICAF and processes for interagency conflict assessment are new. This assessment provides an important opportunity to identify strengths and weaknesses with tools, as well as the ways they are applied; learning that will help to inform—and improve—future interagency efforts.

Country Background
It has been 10 years since Cambodia emerged out of more than 30 years of civil war, foreign occupation, and genocide. Since 1998, Cambodia has begun to gradually build a more stable democratic government system and market driven economy. However, Cambodia is ranked 27th on the USAID Fragile States Alert List and 28th on the USAID Instability Alert List and continues to be challenged by weak government systems, endemic corruption, inadequate judicial systems, porous borders (land and sea), and a growing out-of-work youth population. Recently a Royal Government of Cambodia (RGC) Deputy Prime Minister stated that it is projected that within five years up to 1.5 million high school graduates will be without work. During the Khmer Rouge regime (1975-1979) the systematic elimination of the educated people of Cambodia, including religious leaders of all faiths (Buddhist, Islamic, Christian, etc.), created a wide capacity gap that further handicaps progress to implement political, social, and economic reform.

The ICAT is tasked with utilizing the Interagency Conflict Assessment Framework to determine the fragility of the political, social, and economic stability of Cambodia and to comprehensively identify the triggers that may cause future instability and conflict. The ICAT report will also provide policy and program recommendations. These recommendations will contribute to the development of an interagency Country Conflict Mitigation Strategy that will outline specific policy changes, diplomatic approaches and development program adjustments that will be implemented that will addressing the triggers of conflict and mitigate the conditions that may lead to future conflict.

The ICAF is designed to allow a holistic analysis of the conditions that exist in Cambodia that may lead to conflict. This will require specific analysis of a number of possible triggers, which may include but are not limited to the following:

1. Future peaceful transition in power following possible election victory of opposition party or untimely death of Prime Minister;
2. Outbreak of armed conflict on National boarder with neighboring country;

3. Economic shock caused by world financial crisis;
4. Economic distortion caused by extractive industry wealth being misused;
5. Outbreak of pandemic disease in Cambodia or within immediate region;
6. Food shortage or limited access to food due to climate change, price fluctuations, or input shortages; and
7. Presence of Salafist Missionaries fueling nascent violent extremist ideology.

In order to evaluate the risk associated with the above and other possible conflict triggers, the Interagency Conflict Assessment Team will use the following methodology:

The Analytical Framework

The basis for the Cambodia Interagency Conflict Assessment will be the Interagency Conflict Assessment Framework (ICAF). The ICAF consists of two analytical steps: diagnosis and pre-planning that can be depicted as in Figure 1:

Figure 1. ICAF Analytical Tasks
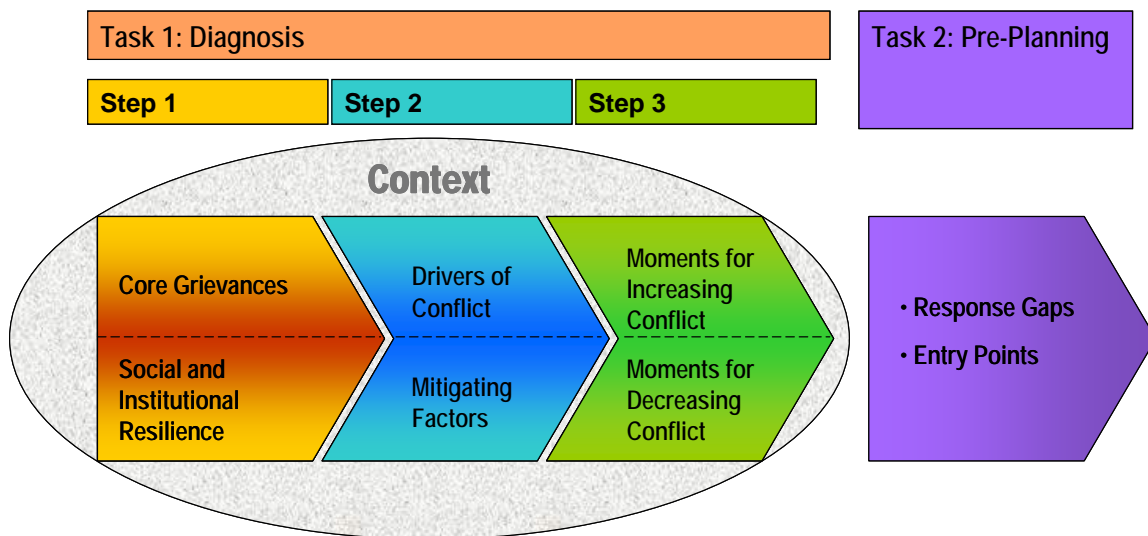
The *Diagnostic Task* involves identification of social patterns and actors that serve to heighten instability and increase the risk of violent conflict, as well as those that serve to stabilize the situation and mitigate the risk of conflict. Specifically, the analysis focuses on:

1. *Context.* Context does not cause conflict but describes often long-standing conditions resistant to change. Context may create pre-conditions for conflict by reinforcing fault lines between communities or contribute to pressures making violence appear as a more attractive means for advancing one's interests. Context can shape perceptions of identity groups and be used by key actors to manipulate and mobilize constituencies. Context includes such things as: poverty, recent history of conflict, heterogeneity, youth bulge, instable, or conflict-ridden region.

2. *Core Grievances and Sources of Social/Institutional Resilience*.
   o *Core Grievance*: The perception, by various groups in a society, that their needs for physical or livelihood security, interests, or values are threatened by one or more other groups and/or social institutions.

o *Sources of Social/Institutional Resilience*: The perception, by various groups in a society, that social relationships, structures or processes are in place and able to provide opportunities for resolving conflicts and meeting basic needs through non-violent means.

3. ***Drivers of Conflict and Mitigating Factors.***
    o *Drivers of Conflict:* The dynamic situation resulting from Key Actors' mobilization of social groups around Core Grievances. Core Grievances can be understood as the potential energy of conflict; Key Actors translate that potential energy into Drivers of Conflict which are the active (or kinetic) energy moving conflict.

    o *Mitigating Factors*: The dynamic situation resulting from Key Actors' mobilization of social groups around Sources of Social/Institutional Resilience. In the same way as Drivers of Conflict, Mitigating Factors can be understood as the kinetic energy produced when key actors mobilize the potential energy of Social and Institutional Resilience.

4. ***Opportunities for Increasing or Decreasing Conflict.***
    o *Opportunities for Increasing Conflict*: Windows of Vulnerability are events that threaten to rapidly and fundamentally change the balance of political or economic power. Elections, devolution of power and legislative changes are examples of possible windows of vulnerability. Key Actors may seize on these moments to magnify the Drivers of Conflict.

    o *Opportunities for Decreasing Conflict*: Windows of Opportunity are instances where over-arching identities become important. For example, when natural disaster impacts multiple groups, externalities require a unified response. These occasions may present openings for USG efforts to provide additional support for a conflict's Mitigating Factors.

ICAF's *Pre-Planning Task* includes a number of analyses to identify opportunities for USG engagement. These include:

o Identifying current efforts to engage conflict dynamics, whether by the government, other domestic actors, or international actors, including the USG.
o Identifying response gaps, whether due to a lack of attention or an ineffective response.
o Prioritizing among the response gaps, bearing in mind its likelihood to affect conflict dynamics, benefit to cost ratio, and the presence of identifiable and viable entry points.

A more detailed characterization of the Diagnostic Task is presented in Appendix A.

The Interagency Team
The Interagency Conflict Assessment Team (ICAT) for Cambodia will consist of staff of USG agencies supplemented by contracted consultants. Specifically, ICAT/Cambodia is expected to include:

	Field-Based	**DC-Based**
State	▪ POL/ECON	▪ S/CRS

USAID	▪ DG - OPH	▪ CMM
Defense	▪ PACOM Augment	▪ PACOM
Other USG	▪ CDC	
Consultant	▪ Cham Expert, TBD	▪ Conflict Expert, TBD

Activities

Preparatory Phase - Washington, DC/Phnom Penh

Prior to departure, the US-based ICAT members will:
- Collect and review key documents and relevant data, both open source and classified, including recent USG strategy documents for Cambodia, important cables from post, and relevant reports produced by USG agencies or NGOs.
- Conduct meetings with USG officials, Washington-based NGOs, and others the team determines are necessary to ensure successful field work and time permits.

In preparation for the Field Phases, the Cambodia-based members of the ICAT will:
- Collect key documents and data that may not be available in Washington.
- Begin developing a strategy for collecting the information necessary to analyze the ICAF analytical components identified above and in the Appendix. To the extent that the strategy involves group or key informant interviews and/or travel outside of Phnom Penh, they should begin to develop a schedule and make logistical arrangements.

Orientation Phase – Phnom Penh

A 2-day Orientation Workshop will be held in Phnom Penh once the full ICAT has arrived in-country. The aims of this workshop are:

- Familiarize all ICAT members with the ICAF analytical framework and review the supporting analytical tools.
- Clarify roles, responsibilities, expectations, and outputs and build team cohesion.
- Finalize data collection strategy, schedule and other logistical details.

Part of this workshop will be devoted to meetings with key Embassy staff to elicit perspectives on the current political, economic, social, and security situation in the country.

Field Phase – Phnom Penh and other locations in Cambodia

During the Field Phase, ICAT all together or operating in sub-teams will:

- Pursue the finalized information collection strategy. Doing so is likely to include:
  - Conducting individual or group interviews with a broad cross-section of knowledgeable people and key actors
  - Collection and analysis of addition documents and data
  - Field visits to regions of the country where core grievances are particularly acute
- Meet periodically to share information and findings and complete ICAF's two analytical tasks
- Based on the analysis, develop a shared diagnosis of Cambodia's conflict dynamics, identify and prioritize response gaps, and note any entry points.
- Review post's 2008 proposal for Section 1207 funds and offer comments both on its analysis of Cambodia's current situation and the identified program responses.
- Prepare, and present to Cambodia's Country Team, a briefing that summarizes the analysis and conclusions of each of the two ICAF analytical tasks. This briefing will be supported with both presentation slides and a brief narrative summary.

- Elicit and respond to Country Team comments and questions.
- Prepare a memorandum that contains the team's reflections on entire exercise and identifies those aspects that worked well and those that did not. The aim of the memorandum is to capture any lessons that would help improve future interagency conflict assessments.

Documentation and Dissemination Phase – Washington, Phnom Penh, and Contractor's Headquarters
Upon return to the Washington, the US-based members of the ICAT will share the results of the assessment based on the materials developed for the in-country brief to the Country Team.

The US-based contractor will take the lead in producing a draft report, not to exceed 20 pages (annexes excluded), that presents the analysis and the concussion reached by the ICAT. The draft report will be circulated among the ICAT and revised as necessary to ensure that the report faithfully reflects the team's insights and findings. The ICAT-vetted version of the report will then be submitted to Post and to appropriate headquarters' offices of the agencies participating in the assessment.

During the concluding phase of this exercise, the US-based members of the team will:
- Debrief the sponsoring offices and other USAID staff on the results of the analysis and proposed programming priorities.
- Submit a draft of the final report to the Mission and USAID/Washington sponsoring offices and solicit their comments—either written or oral.
- Submit a final version of the final report that incorporates any submitted comments.

Schedule and LOE
The schedule for undertaking four phases is listed below. A column is also provided that lists the anticipated level of effort for the US and Cambodia based consultants.

Assessment Phase	Dates 2009	US Consultant LOE (days)	Cambodia Consultant LOE (days)
Preliminary	March 2 – 8	4	3
Orientation	March 9.- 10	2	2
Field	March 11 - 27	15	13
Dissemination	March 28 – May 1		
Draft Report	April 15	10	2
ICAT Report	May. 1	4	1

ICAF: Concepts and Analytical Process in Detail

Task 1: Diagnosis

The figure below provides a more detailed depiction of ICAF's diagnostic task.
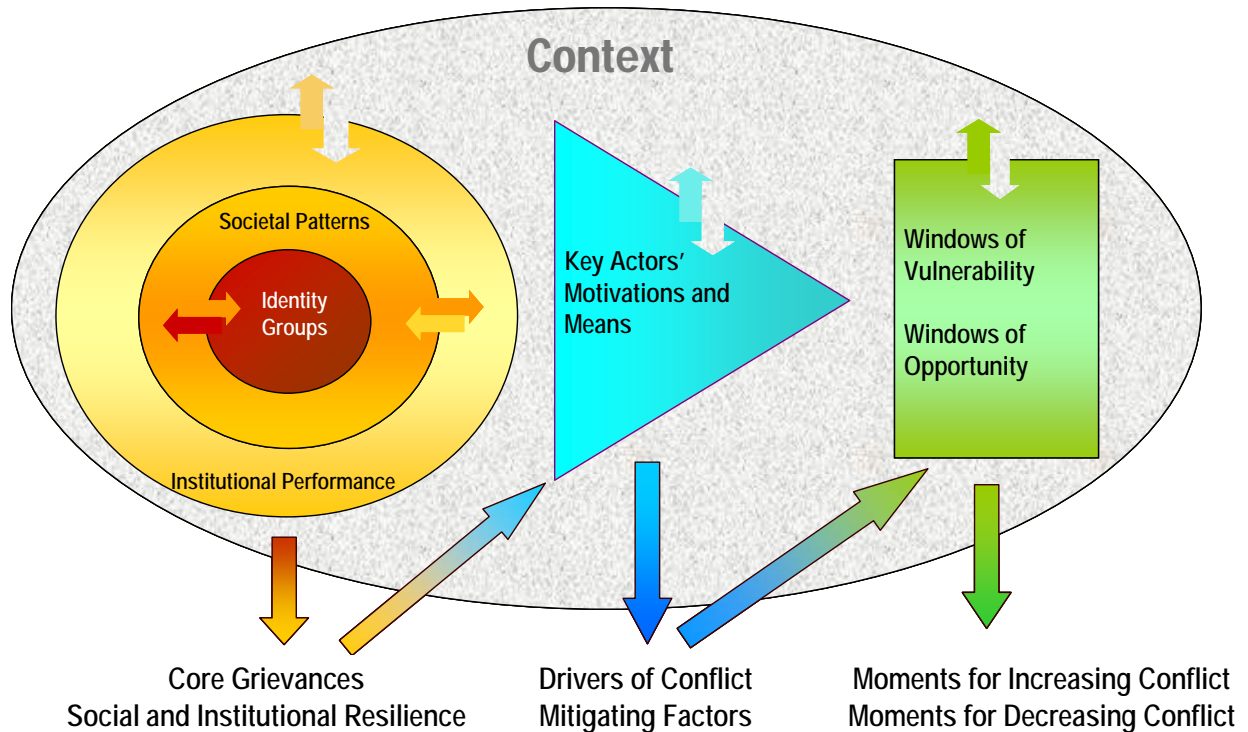
Step 1: Understand Core Grievances and Sources of Social and Institutional Resilience

This step, as well as Steps 2 and 3 begin with acknowledging the context within which the conflict arises. This is depicted in the graphic by placing each analytical task within a larger circle labeled "Context." The arrows going in and out of the concentric circles, the rectangle, and the triangle remind the analyst that context affects and is affected by each of the other components.

Interacting with Context in Step 1 are the concentric circles labeled "Identity Groups," "Societal Patterns," and "Institutional Performance."

- **Identity Groups** are groups of people that identify with each other, often on the basis of characteristics used by outsiders to describe them (e.g., ethnicity, race, nationality, age, gender, economic activity, or socio-economic status); identity groups are inclined to conflict when they perceive that other groups' interests, needs and aspirations compete with and jeopardize their security, identity or survival
- **Societal Patterns** associated with conflict reinforce group cleavages; elitism, exclusion, corruption/rent-seeking, chronic state capacity deficits (e.g., systematic economic

stagnation, scarcity of necessary resources, ungoverned space) and unmet expectations (e.g., lack of a peace dividend, disillusionment, and alienation), for example. Impacts of societal patterns often include negative economic consequences for disadvantaged groups.

- **Institutional Performance** considers formal (*e.g.,* governments, legal systems, public schools, security sector, banks, and economic institutions) and informal (e.g., traditional mechanisms for resolving disputes, family, clan/tribe, and patrimonialism) social structures to see whether they are performing poorly or well and whether they contribute to conflict and instability or manage or reduce it. In assessing institutional performance it is important to distinguish between outcomes and perceptions. Institutional outcomes are results that can be measured objectively; perceptions are the evaluative judgments of those outcomes. Understanding how outcomes are perceived by various groups within a society, especially in terms of their perceived effectiveness and legitimacy, is an important component of conflict diagnosis.

In Step 1, the interagency team:
- Describes Identity Groups who believe others threaten their identity, security, or recognition;
- Articulates how Societal Patterns reinforce perceived deprivation, blame and inter-group cleavages and/or how they promote comity and peaceful resolution of inter-group disputes; and
- Explains how poor or good Institutional Performance aggravates or contributes to the resolution of conflict.

The Interagency Team has completed Step 1 when they can list **Core Grievances and Sources of Social and Institutional Resilience**.

Step 2: Identify Drivers of Conflict and Mitigating Factors
In Step 2 of the analysis, the Interagency Team identifies Key Actors and understands whether they are motivated to mobilize constituencies toward inflaming or managing conflict and what means are at their disposal.

- **Key Actors**
  o People, organizations, or groups who, because of their leadership abilities and/or power (e.g., moral authority, charisma, money, weapons):
    - Have an impact on Societal Patterns/Institutional Performance;
    - Are able to shape perceptions and actions and mobilize people around Core Grievances or Social and Institutional Resilience; and
    - Are able to provide the means (e.g., money, weapons, information) to support other key actors who are mobilizing people around Core Grievances or Social and Institutional Resilience.
  o Look for **Key Actors** in:
    - Leadership positions in governing, social, or professional organizations or networks (either within or external to a state or territory), including private business, government positions (e.g., police forces, judicial system, and military), informal and illicit power structures, media, and academic institutions

- o Understand Key Actors' **Motivations and Means** by describing:
  - **WHAT** motivates Key Actors to exert influence on each of the Political, Economic, Social, and Security systems in a country or area.
  - **HOW** they exert influence (e.g., leadership capacity, moral authority, personal charisma, money, access to resources or weapons, networks or connections).

To perform the analysis in Step 2, the Interagency Team identifies Key Actors that are central to producing, perpetuating or profoundly changing the Societal Patterns or Institutional Performance identified in Step 1.

For Key Actors, the Interagency Team determines:
- Objectives that promote violence or promote peaceful alternatives.
- Available means and resources to accomplish those objectives, including:
  - o Capacity for violence/intimidation
  - o Financial resources (including taxes, "protection" fees, support from external actors or parties, etc.)
  - o Valuable primary commodities (forest products, minerals, high value crops, etc.)
  - o Control of media outlets
  - o Mass support

Using the information generated on Key Actors, the Interagency Team draft brief narrative statements describing "why" and "how" **Key Actors** mobilize constituencies around **Core Grievances** and, separately, around **sources of Social and Institutional Resilience**. Each statement relating to Core Grievances becomes an entry in the list of Drivers of Conflict and each relating to sources of Social and Institutional Resilience becomes an entry in the list of Mitigating Factors.

The Interagency Team completes Step 2 of the analysis by prioritizing the narrative Drivers of Conflict and, separately, the Mitigating Factors by the strength of their impact on the conflict.

Step 3: Describe Opportunities for Increasing and Decreasing Conflict
In Step 3 of the analysis, the Interagency Team considers the forward trajectory of the conflict described in Step 2 to identify potential situations that could contribute to an increase in violent conflict and potential situations that might offer opportunities for mitigating violent conflict and promoting stability. These "Windows" are events or occasions – contrasted with descriptions of Context – that may provoke negative or positive changes in the *status quo*.

- **Windows of Vulnerability** are potential situations that could trigger escalation of conflict (e.g., by contributing to confirmation of the perceptions underlying Core Grievances), and often result from large-scale responses to: an increase of uncertainty during elections or following an assassination; an exclusion of parties from important events such as negotiations or elections; or attempts to marginalize disgruntled followers.
- **Windows of Opportunity** describe the potential situations that could enable significant progress toward stable peace (e.g., through conditions where Core Grievances can be reconciled and sources of Social and Institutional Resilience can be bolstered) such as

those where overarching identities become important to disputing groups, where natural disasters impact multiple identity groups and externalities require a unified response or a key leader driving the conflict is killed.

Task 2: Pre-Planning

After completing the Diagnosis, the Interagency Team completes the Pre-planning activities. Pre-planning is a "policy neutral" task that "maps" existing diplomatic and programmatic activities against the prioritized lists of Drivers of Conflict and Mitigating Factors to identify gaps and provide a basis for recommendations to planners on potential entry points for USG diplomatic and programmatic efforts.

- Identify and prioritize Drivers of Conflict and Mitigating Factors
- Specify current USG activities (listing USG agencies present in the country and the nature and scope of their efforts)
  - Identify the impact of these efforts on Drivers of Conflict and Mitigating Factors
  - Identify efforts that conflict with or duplicate others and any coordination mechanisms in place
- Specify current efforts of others, including bilateral agencies, multi-lateral agencies, NGOs, the private sector, and local entities
  - Identify the impact of the efforts on the Drivers of Conflict and Mitigating Factors
  - Identify efforts that conflict with or duplicate others (including USG efforts) and any coordinating mechanisms in place
- Identify Drivers of Conflict and Mitigating Factors not sufficiently addressed by existing efforts (*i.e.,* Gaps)
- Specify challenges to addressing the Gaps
- Describe risks associated with failure to address the Gaps
- Describe opportunities to address the Gaps

The Interagency Team develops a list of recommendations for Planners who will design efforts for future USG engagement. If USG interests are conflict prevention or stabilization, the Interagency Team identifies additional efforts needed to reduce Drivers of Conflict and support Mitigating Factors.

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Annex 2: ICA Cambodia Team Composition

Core Team	Expanded Team

• **Social Dynamics Sub-Team**
 	
   o Cynthia Irmer (TL), State
   o Karen Rowe, Consultant
   o Paul Randolph, USAID
   o Maj. David Reas, PACOM
	o Laro Tan, FBI
	o Kate Crawford, USAID
	o Chad Witherall, PAT
	o Socheata Vong, USAID
	o Amy Canon, State
	o Hieu Pham, DOD/PAT
	o Honey Sokry, USAID

• **Economic/Natural Resource Management Sub-Team**
 	
   o Tjip Walker (TL), USAID
   o Kimchhay Li, State
   o Kimlong Chheng, State
	o Roy Fenn, USAID
	o Scot Covert, State
	o Melissa Sweeney, State
	o Mike Riedel, USDA
	o Reed Aeschliman, USAID
	o Ruwan Hulugalle, State
	o Juhani Platt, State

• **Political/Security Sub-Team**
 	
   o Robert Ricigliano (TL), Consultant
   o Mike Rousek, State
   o Hieu Pham, DOD/PAT
   o Chad Witherall DOD/PAT
	o Greg Lawless, State
	o Kase Brock, DAO
	o Kate Crawford, USAID
	o Paul Randolph, USAID
	o Wayne Turnbull, DOD
	o Paul Kitsutani, CDC
	o Greg Ernst, DOD/PAT

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Annex 3: Applying the Framework—Additional Detail

A3.1 The Cambodian Context

Beyond its physical characteristics (abundance of fresh water, agricultural land, scenic beauty, and forests, though shrinking), the Cambodian context is dominated by a few powerful characteristics: the impact of history, friendly attitudes toward the U.S., the dominant and growing influence of China, and the impact of the global economic crisis. Many Cambodians see their history as a perpetual balancing act: between Vietnam and Thailand, Cambodia's larger neighbors to the east and west; and between strong global powers like France, China, Russia, and the US. While the Angkor period is still a source of pride and cultural identity for Cambodians, the legacy of the Khmer Rouge period continues to have a strong impact today. In particular, there is a high aversion to risk and value placed on stability among middle-aged and older Cambodians. The forced dislocations of that period have led to a an ability to cope with high levels of internal economic migration, which has, in turn, helped to absorb a portion of the current economic shocks (although the plight of the Vietnamese coming into Cambodia and Cambodians seeking work in Vietnam or Thailand does pose various social problems). The uncertainty of the Khmer Rouge period has contributed to high levels of resilience within Cambodian society, manifested in resourcefulness and an ability to cope with difficult physical conditions or the lack of government supports.

The global economic crisis has had a significant impact on Cambodia. Although the Cambodian government predicts 2009 economic growth will exceed 6.5%, the reality is probably closer to 3% or less. While growth is still likely to be positive, this is a dramatic slowdown from a decade of 10%+ annual economic growth. Moreover, as discussed in Sections 2 and 3 of the Report, and in Annex 4-D, the Cambodian economy was heading for an historic crossroad even before the global economic slowdown. Taken together these factors put Cambodia at a critical economic crossroads.

In addition to social and cultural influences, China has played an increasingly significant role in Cambodia, both politically and especially economically. In the last decade, Cambodia has become more dependent on China, which provides more "no-strings attached" assistance than western donors and whose private investors have fueled a large part of Cambodia's impressive economic growth. In contrast, the US government and the US private sector has a different relationship with Cambodia, with aid being directed through transparent processes and an expectation of accountability. However, there exists throughout the country, among all segments of the population, a strong affection for the US, especially among younger Cambodians.

A3.2 Cambodian Identity Groups

Sub-team 1, through discussions with various people living and working and Cambodia, as well as a review of relevant documents, identified four key identity groups to further investigate during the field component of the ICAF. Three of these identity groups were based on ethnicity, and one was based on age. While there are certainly additional identity groups in Cambodia, these four groups were viewed by the team to be most worthy of exploring as potential for conflict. The following four identity groups were examined in this analysis:

1. Khmers: The vast majority of Cambodians identify themselves as Khmer. More than 90% of the population of 14 million is ethnic Khmer.

2. Youth: The Khmer Rouge regime (1975-1979) was responsible for wiping out more than one million of a population of seven million. Those with any education were either killed or fled the country. Hence, today Cambodia is a young country with more than 70% of the population under the age of 30.

3. Vietnamese: Although there is no official population figure available, estimates suggest that ethnic Vietnamese constitute more than 5% of the country's total population, making Vietnamese the single largest minority population in the country.

4. Muslims: The Muslim community in Cambodia is comprised of both ethnic and non-ethnic Cham. Not all Muslims in Cambodia follow the same practices of Islam. Today, estimates of more than 500,000 Muslims in Cambodia, representing about 3.5% of the population.

To better understand and assess these identity groups, the team identified the following themes to explore through primary field data collection (individual and group interviews) and additional secondary data review:

- Social and economic expectations for self/peers/community (including hopes and aspirations)

- Key challenges within their communities (specific probes for different communities, include questions about drugs and violence)

- Contact and relations with other groups (e.g., different ethnic groups)

- Religion (Role in their lives? Does Buddhism or other religions practiced provide resilience against conflict? Or is it a cause of conflict?)

- Youth perceptions and engagement in politics and governance

- Internal Migration (Who is affected? Who is migrating? etc.)

- Economy of the country (current economic situation and implications on the near future for communities and for Cambodia)

- Challenges and successes of Cambodia as a country

Key Findings
Khmers and Youth
Five key findings emerged: (1) Khmers have a strong sense of identity, (2) there is a continued and growing nationalism, (3) a generation gap—fundamental differences in attitudes and thinking among older and younger generations—exists; (4) young Cambodians have rising expectations, are optimistic about their future; and desire change, (5) (perceived) increases in violence and drug use among youth in Cambodia is a concern in many communities. Cambodia has a fairly homogeneous population. More than 90% of the 14 million people are ethnic Khmers. While there are several ethnic hill tribes, known collectively as *Khmer Loeu,* and three other main ethnic groups Cham, Chinese, and Vietnamese, these various ethnic groups combined still only make up a very small portion of the population. Thus as one Cambodian

social analyst noted, "Historically, Khmers have always been the majority thus there has been no effort to understand the minority." One Khmer researcher also noted in a recent academic paper,

> *"Khmer nationalism draws inspiration from a proud and shared legacy of the ancient Angkorian civilization, and all successive Cambodian regimes have displayed the image of the ruins of the famed Angkor Wat temple on their national flag."* (from *A Personal Struggle to Balance Khmer Nationalism and Peacebuilding,* by Sopat Soeung, March 2008.)

Scholarly and popular articles have often described how nationalism in Cambodia has also been a powerful political tool. In recent election campaigns, political parties have used anti-Vietnamese or anti-Thai rhetoric, using derogatory terms such as *Yuon* (for Vietnamese) and *Siem* (for Thais). Despite this manipulation of Khmer nationalism, evidence of pride in being Cambodian is a core part of how younger adults see themselves. A group of University students shared their thoughts about national unity with ICAF team members:

> *"Our ancestors have taught us (Khmers) to be unified. And even the structure of Angkor Wat teaches us unity."*

> *"The flag of Cambodia even shows our achievements (Angkor Wat). No other country does that."*

> (Students at the Royal University of Phnom Penh)

In communicating with older and younger Cambodians, significant differences in attitudes and thinking among the two groups surfaced. For those that lived through the Khmer Rouge era or were born around that time, the trauma and dislocation they faced creates an overwhelming value put on stability and a strong aversion to risk. While many object to corruption, land grabs, and human rights violations attributed to the Government, the potential instability caused by challenging injustices is not worth the potential benefit. Instability might bring with it another regime as bad as the Khmer Rouge, and the risk, even if minimal, is not worth it in the minds of those that remember that terrible time. One key element of this mindset, in addition to the high value on stability, is a "sense of fatalism" (somewhat rooted in Buddhist teachings) that leads to an acceptance of the way things are as the way things should be. A second key factor is a view that subsistence living is as much as they can hope for. Those that were adults during the Khmer Rouge period and their children remember the times when they had nothing and that mere survival was success. One long-time resident living and working in Cambodia reminded us about reality for many Cambodians:

> *"We have to recognize that a big chunk of Khmer families still simply desire to put their kids in school and have enough food and perhaps be able to 'daaleng' (have a bit of leisure time)."*

The young generation, however, has a fundamentally different mindset than the older generation. This younger generation has not directly experienced the devastation under the Khmer Rouge and basically, as young adults, has only known 10 years of relative economic prosperity. Thus, the basic difference between the older and younger generation is their attitude toward change. For many in the older generation, the "change" has already happened: compared to the late 70's and 80's, there is much more stability, they have the ability to stay on the land, and there is less likelihood that a genocidal regime like the Khmer Rouge will return to power (and even some chance that some KR will be tried and convicted). Conversely, the younger generation takes the

current situation as the status quo that needs to be changed: there needs to be greater economic opportunity, more political freedom, less corruption, increased standards of living, better education, and better government services. Both rural and urban youth spoke of their desire for change, and to seek better opportunities for their future:

"There are more schools everywhere in the country. So more kids are going to school now. BUT the quality of education received is still quite low. And most who graduate cannot find good jobs."

"Journalists here are controlled by the Government and it can be dangerous but we want to change that. We learn about journalism in other countries and freedom of speech and we want to change our country! We are not pessimistic about journalists or our future!"

(Female University Students at the Royal University of Phnom Penh)

*"I think it will be difficult to go to PP to study and find a place to live. But I still want to go there to study and I **still** plan to find a way to go."*

(Junior High Student in a rural village in Prey Veng Province)

Although in many rural areas education remains a critical need, the younger generation is by-and-large much better educated than their parents or grandparents. Many youth see education as a way to have a better future. Some believe that they will be able to graduate with necessary skills and knowledge (e.g., accounting, business administration, economics, banking, and law) needed to obtain employment and exploit opportunities not accessible to their parents' generation. While some Cambodian students are aware of stagnant labor market and the difficulty they may face in seeking jobs, most seem to be optimistic about their increased employability after they have acquired degrees.

Fueled by increasing levels of education and a decade of 10% or more economic growth, many young people have an unrealistic expectation of gaining a secure, well paying job. Many Cambodian youth appear to lack information about the real job market and economic situation in general, which leads to a sense of over-confidence and over-optimism. One ex-patriot who works with the labor sector observed, "Young people think there is a future for them, but there ain't, unless more investment in young people is made now." The economic downturn coupled with a glut of new graduates with basic degrees in accounting and business means that jobs will be harder to come by.

While many young Cambodians we spoke with certainly expressed their rising expectations (e.g., for better jobs, and higher quality education) these expressions have not yet translated to any actual "demands" for specific changes. Younger Cambodians voiced a patient belief that change is coming and that there is a need for and eventually there will be a new "management system" (as opposed to a new political system or change in political party dynamics). But for now, they believe that the government has and will support them and that more and more roads and schools will be built. Eventually, this would produce a political change and presumably this would occasion the transition to a fundamentally different Cambodia (different from the Cambodia their parents now know). A common expression among youth interviewed for this assessment was "our future depends on the politics." While this expectation of government may

not seem like much from a Western perspective, it is a fundamentally different social compact between the youth and the government then between the older generation and the government.

There is also a reaction by some young people against the attitudes of the older generation. One ex-patriot who works closely with Cambodian youth said, "They [youth] consider their parents to be living in the dark ages." Young people recognize the unwillingness of their parents to accept change, however, perhaps they do not understand their parents fear of change. Younger people also felt that the older generation's reluctance to get involved was a kind of selfishness – more of a concern with personal safety than with the well being of others. One young Cambodian observed, "People who survived the Pol Pot regime are still selfish, so they see an accident and ignore it." Interestingly, some older Cambodians see the younger generation as selfish (e.g., "They care only about themselves.") in their pursuit of good jobs and improved lives. The impact of the older generation is much weaker in urban areas and among less educated youth than in some rural areas with less access to education.

We also spoke with local officials and others who work with youth. Among those interviewed, several reported increases in drug use and violence among younger Cambodians. Moreover, residents in nearly every community we visited (both rural and urban) commented on the rising concerns of increased violence and increased drug use in their communities. Often, Cambodians cite "gangs" as the cause of the violence problem, but these gangs are not organized in the sense that gangs in the West are structured. As we probed for specific incidents and examples of the violence created by these so called gangs, we heard over and over about how they are more likely to be more ad hoc groups of youth that are jobless and undertake more spontaneous violence like disrupting a wedding or a festival. Others point to the cultural influence of the concept of "big brother," a term from Chinese action movies of the late 80s and 90s that refers to a loose group of friends or family members that challenge each other. Still, there is little to suggest this is an organized phenomenon. While it may merit more investigation, there was no evidence that such fighting was between ethnic groups as opposed to among Khmer.

The increase in drug use is attributed to several factors. One is the same boredom that contributes to the increase in violence. A second cause is the increased level of consumerism coupled with the greatly increased availability of drugs. Lastly, due to increasing joblessness, young Cambodians migrate to Thailand temporarily to seek jobs in agricultural and construction sectors. These young migrants are faced with a threat of human trafficking and some forced into or fall into taking drugs. When these youth return to Cambodia, they bring their drug use with them. One young Cambodian woman pointed out systematic weaknesses, which summarize well what the team also heard from other informed individuals working to prevent drug use in Cambodia:

> *"Drug use is increasing because they come into the country so easily. Who helps these bad elements or drug users? It may be cultural but we tend to 'blame' instead of encouraging them. So drug users get blamed and labeled instead of getting help."*

She also explained that the government tries to help (although it is common knowledge that there are minimal drug rehabilitation programs put forth by the government) and family and friends try to help, but they do not know how, "They need education on the issue themselves."

Vietnamese

Two key findings emerged for this identity group: (1) factual information and relevant research is lacking, however, anecdotal evidence, and what little research does exist, suggests that the Vietnamese living in Cambodia experience mal-treatment, and (2) many Vietnamese in Cambodia avoid public identification and live in fear.

Historical animosity between ethnic Khmer and ethnic Vietnamese is fairly well known, and is still recognized and talked about by young Cambodians today. As one youth responded when asked about Khmer relations with other ethnic groups, "Between Khmers and Muslims we have no problems, but there is a long, and bitter, history with the Vietnamese –we don't like each other – and still today there are border issues with them." This notion of a "long and bitter history" as well as ongoing disputes over the border was mentioned again and again to us in the field. A statement made by a Cambodian who works with an aid group that defends the rights of ethnic minorities also offers some historical explanations for such negative attitudes towards the Vietnamese:

> *"The government of Vietnam has for centuries snatched territory from its weaker neighbors. Its decade-long occupation of Cambodia through the 1980s aggravated old wounds, like the loss of Kampuchea Krom. Ethnic and migrant Vietnamese are for many the visible symbols of these humiliations, and therefore bear the brunt of the Khmer rage." (*Statement made by Phuong Seth, cited in Cambodia Daily, Weekend, July 6-7 2002: *The Outsiders: Cambodia's Ethnic Vietnamese Continue to Live in the Shadow of Discrimination and Hatred*, by Bill Myers)

A major gap in knowledge and information exists in relation to ethnic Vietnamese people in Cambodia. No official population figure is available, and estimates range from 5-10 percent of the country's total population. Little research has been conducted about the Vietnamese population exclusively, however, the Vietnamese are mentioned in studies that have been done on fishing (since the Vietnamese are heavily involved in this industry in Cambodia), and human trafficking and the commercial sex industry (since many of Cambodia's commercial sex workers have been identified as ethnic Vietnamese). (Source: *"At What Price, Honour?"Research into domestic trafficking of Vietnamese (girl) children for sexual exploitation, From urban slums in Phnom Penh, Cambodia,* J.K. Reimer, 2006.)

One reason it is difficult to determine an accurate number of Vietnamese living in Cambodia, is that there are many Vietnamese who come and go— crossing the border between Vietnam and Cambodia regularly. For some it is to sell their daily goods, and for others it is for seasonal work. We spoke with several Vietnamese who were working in a small market in a provincial town on the Vietnamese border (Bavet town, Svay Rieng Province). Many of these market sellers returned home to Vietnam regularly, but they also maintained homes in Cambodia.

However, in addition to a number of Vietnamese migrants going back and forth, there are several Vietnamese communities who have lived here for decades.[1] One Commune Chief (in Prey Veng

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[1] Those ethnic Vietnamese who arrived in Cambodia prior to the Khmer Rouge accessed Cambodian citizenship under either the French or Sihanouk laws and should be considered Cambodian citizens. However, many of them who accessed citizenship lost documentary proof of their civil status in the trauma of the KR period. And others claim that their documents were confiscated by officials in an attempt to reclassify them as residents rather than citizens.

Province) explained that 90% of the Vietnamese living in his community were born in Cambodia in that commune and that most had escaped during the Khmer Rouge (KR) times and then returned. He went on to explain that when the Vietnamese fled during the KR times, they lost their land (not unlike many Cambodians). According to the Commune Council members from that particular community (all of whom are Cambodian), "The Vietnamese do not complain about getting back their land, however, in some cases, they want to keep their burial plot places. This can cause some tensions with farmers (who want the land for farming)." Perhaps more startling is that these local officials stated very clearly (with no suggestion that it is unfair) that the Vietnamese do NOT own land, but have to rent the land, and they are NOT allowed to run for local office (i.e., not considered full citizens).

One researcher outlined the negative consequences for the Vietnamese who lack such official status:

> *"Larger confrontations between Vietnamese and Khmers were very rare; instead the continuous threats of forced evictions, denial of access to healthcare and schooling, extraordinary bribes, and obstructive behaviour from local officials had become a permanent condition of life for the Vietnamese….living in a constant state of emergency had resulted in a general apathy among the inhabitants towards changing their social situation." (*Schuesboe-Laursen, 2004:57 *as cited in Reimer, 2006)*

There are documented examples of how the Vietnamese claim that provincial authorities have threatened to deport or move them. And this evidence supports what we heard about in the field. For example, in Svay Rieng Province, a local Vietnamese business man reported that the local authorities were imposing an illegal fee on the Vietnamese—just for being Vietnamese— and threatening to destroy their homes if they did not pay. This example, once again, highlights the difficulties Vietnamese (even long term residents) have in obtaining legal citizenship and the rights that come with that. A recent United Nations International Office of Migration document also concluded that:

> *In practice, the ability of anyone other than an ethnic Khmer to access citizenship in Cambodia is often removed from the question of whether or not the qualifications as prescribed by law are met. There are many ethnic minorities living in Cambodia who satisfy all of the provisions of the current Nationality Law but who are denied access to citizenship due to their inability to afford the fee required for citizenship application. At the same time, there are many recent arrivals who meet none of the criteria stipulated in the Law but who have succeeded in obtaining the national identification card, as well as the rights of citizenship that the card provides.*

And the same document, entitled "Statelessness in Cambodia," includes the following illustrative example of the difficulties and injustices the Vietnamese face:

> *Today a 76-year-old ethnic Vietnamese resident is officially and socially considered a 'foreigner.' This despite the fact that both she and her parents were born in Cambodia, her grandparents were buried in Cambodia, she is able to speak only Khmer, and suffered alongside her Khmer neighbors during Cambodia's recent history, she maintains no connections to Vietnam, she considers Cambodia her motherland, and she*

*fulfills all of the legal conditions for citizenship. She cannot vote. She cannot own
property. She has no legal protection.*

We also documented such grievances among rural poor living in Cambodia. We encountered
both Cambodians and Vietnamese in Svay Rieng Province who are Cambodian citizens and
complained about the difficulties of getting national ID cards for their children who are now old
enough to work in the factories that had recently opened in their area (part of the province has
been declared as one of the Special Economic Zone areas in Cambodia). Certain "fees" were
expected and if not paid the potential recipients experienced significant delays. Without national
ID cards, getting employment in Cambodia is very difficult.

And, as mentioned earlier, Commune Council members in one commune in Prey Veng Province
explained that 90% of the Vietnamese in their community were born in Cambodia but that they
were not allowed to own land, or to vote, or basically exercise any of their rights as citizens in
Cambodia.

Thus it is not surprising that the Vietnamese populations seem to avoid official or public
identification, as evidenced by the difficulty the ICAF team found when trying to locate and talk
to Vietnamese groups in Cambodia. However, on the ground in various villages, there is a more
seamless interaction among Khmer and Vietnamese. This dynamic was summed up by a
Vietnamese villager, "We [Vietnamese] don't have a problem with Khmer people, but we fear
Cambodian government officials. They are making it difficult for us."

Although some Vietnamese say they do not have any issues with Khmer people (only with the
Cambodian government), it seems that many Khmer people do have issues with the Vietnamese.
The most notable example that came up many times is the notion that "the Vietnamese are more
clever" and, therefore, can often get better jobs and do better when competing with Cambodians.
This sort of recognition that the Vietnamese can get better jobs than the Cambodians and in some
cases causes resentment was mentioned to us in the field a few times. For example:

> *"For Vietnamese, well there is a long history –we don't like each other... and many
> Cambodians think the Vietnamese are taking their jobs."*
>
> (Young female Cambodian, University graduate)

> *"Khmers think Vietnamese are smarter and more clever, they sell things better than us
> [Khmer] but Khmer are only angry with them [Vietnamese] during election season
> because Vietnamese get identity cards [illegally] and are allowed to vote and Khmers see
> it as a violation of their rights."*
>
> (Local Khmer Hotel Owner in Kampot)

> *"Vietnamese migrants are drawn to Cambodia both for historical reasons and as a result
> of the demand for skilled labour in the construction sector. In particular, Vietnamese
> migrants are employed as foreman, craftsman and mechanics. Although many of them
> enter Cambodia irregularly, Vietnamese migrants often earn higher wages than local
> Cambodians because they are able to secure skilled work. This can cause resentment
> among Cambodian communities who cannot compete with them for scarce, skilled
> work."*
>
> (Taken from Situation Report on International Migration in East and
> South-east Asia, 2008)

Muslims
The majority of the Muslims residing in Cambodia are descendents of an ancient kingdom Champa. The Cham have lived in Cambodia for centuries and initially migrated to Cambodia in the 1400s when their kingdom was defeated and destroyed. The Cham are not a monolithic ethnic group. The Cambodian government has labeled all Cham as "Khmer Islam," which negates any ethnic background, but defines the Cham as a religious minority that are essentially Khmer who practice Islam. (Religious freedom in Cambodia was restored in 1991.)

During the ICAF field visit, we interviewed the *Mufti*, the highest council for the Muslim community in Cambodia, and we visited a primarily Khmer Islam area (*i.e.,* Muslims who are not ethnic Cham but have origins linked to Java, Indonesia). We interviewed very few ethnic Cham during our field visit, because we recognized that a recent study, carried out by one of the ICAF team members, involved detailed interviews with the Cham communities. While the study did not directly assess Islamic radicalism, it did conclude that:

> *Against the wider backdrop of Islamic radicalism, it is easy to see how the pride in being Muslim Khmers often expressed by younger members of this minority group can be interpreted as nascent extremism, as yet unrealized. While there is the possibility that this pride could morph into something that is more akin to radicalism seen in other countries, the state of things in Cambodia's Cham community clearly has not arrived at this juncture, nor is there any indication that it is moving in such a direction. **This is probably due to the absence of any serious grievances against mainstream society, particularly as they might relate to the free practice of Islam where the Cambodian government has afforded considerable freedom.***
> (Assessing Marginalization of Cham Muslim Communities in Cambodia, 2008)

In addition, the following key findings from that study were considered relevant in the current ICAF analysis:

- Cham Muslims are forging connections to Islamic communities outside Cambodia, where they are exposed to new ideas and information. These connections create both challenges and opportunities for them and contribute to their changing attitudes and practices.

- Cham Muslims feel they share a common vision with mainstream society on the development of their community and the larger society. They also acknowledge additional factors that help facilitate understanding between Cham and Khmer, including an increased number of Cham leaders in the government, globalization, and an increasing number of Cham and non-Cham marriages.

- The Government has taken specific actions to ensure that Cham feel part of the mainstream society (e.g., officially naming Cham "Khmer Islam"), yet these actions may also indicate suppression of non-Khmer ethnicity. (Directly taken from Assessing Marginalization of Cham Muslim Communities in Cambodia, 2008)

However, despite the Government's efforts to ensure that Muslims be accepted as an integral part of the country, there is evidence that still indicates that "Khmers continue to imagine Muslims as a foreign group—perhaps not as foreign as Americans of French but still not quite having the same claim to Cambodia as the Khmers." (Source: Anthropologist, Alberto-Perez

studying about the Cham in Cambodia, in response to former US Ambassador to Cambodia's statement about the Cham community, 2008.)

The influence of outside Islamic organizations coming into Cambodia is of concern to many, including the U.S. Government. As Alberto-Perez explained,

> *"Besides this influence of Islamic organizations into Cambodia, we need to add the still understudied and poorly understood issue of Cambodian Muslims who are studying abroad. With thousands of students in Thailand and Malaysia and hundreds in Saudi Arabia and elsewhere in the Middle East, their return to Cambodia to assume positions of authority in the Muslim community will usher in changes that are difficult to predict."*

Within the past two years there have been numerous articles written and statements made about what impact or outcome these outside organizations will have on the Muslim community in Cambodia. However, the predictions, interpretations and conclusions being made, vary greatly.

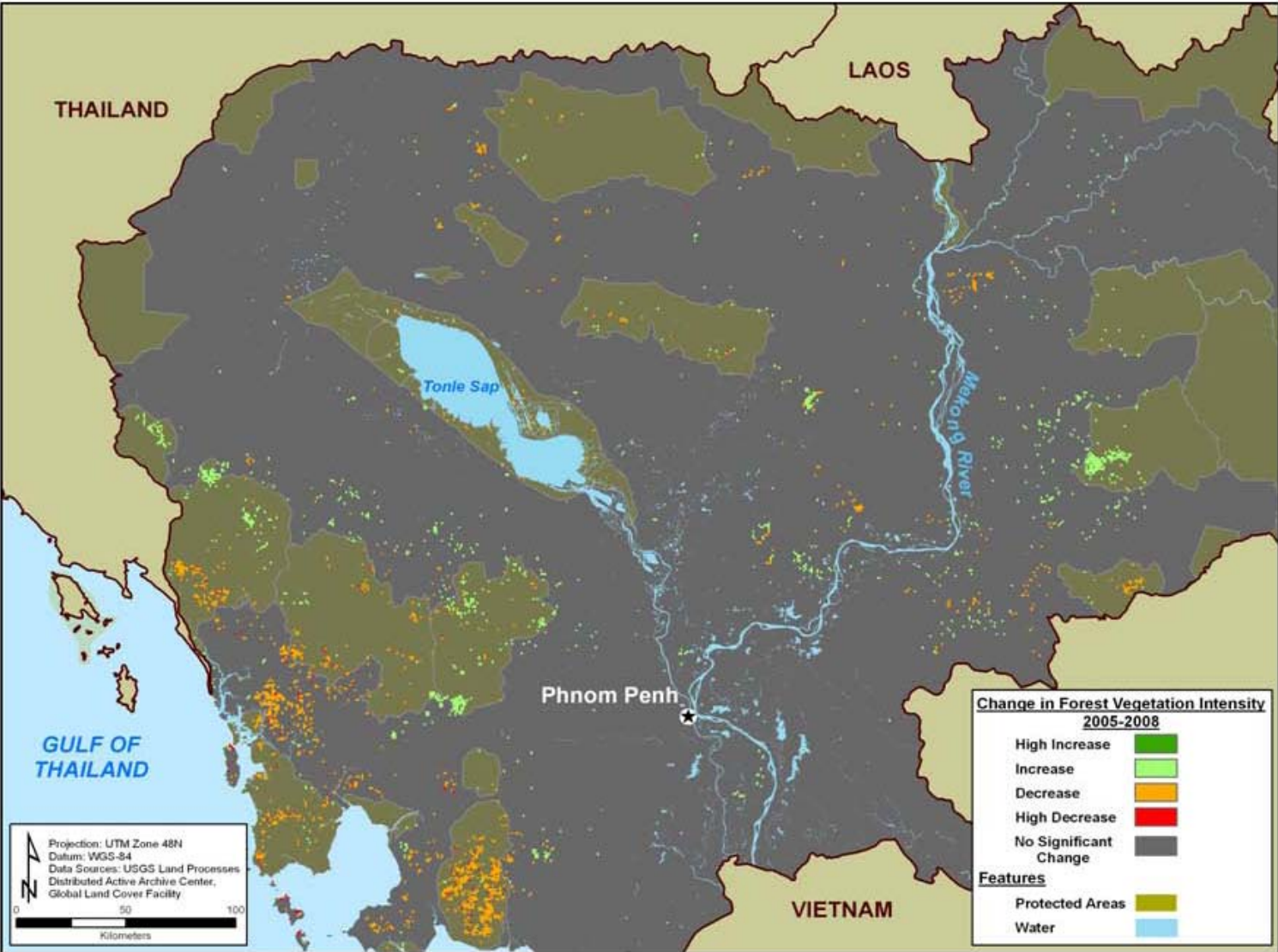## A3.3 Institutional Performance – Forest Management[2]

Three major sources of data were used to produce the assessment on Cambodia's changes in forest cover from 2005-2008.

- The change detection between 2005 and 2008 was based on data collected from NASA's Moderate Resolution Imaging Spectroradiometer (MODIS). Vegetation intensity was derived from MODIS imagery to produce 16-day composites of normalized difference vegetation index (NDVI). These NDVI images were coregistered and the differences in vegetation intensity values were measured. Vegetation indices are used for global monitoring of vegetation conditions and are used in products displaying land cover and land cover changes. These data may be used as input for modeling global biogeochemical and hydrologic processes and global and regional climate. These data also may be used for characterizing land surface biophysical properties and processes, including primary production and land cover conversion.
  (https://lpdaac.usgs.gov/lpdaac/products/modis_products_table/vegetation_indices/16_day_l3_global_250m/v5/aqua)
- Analysis was performed only on land cover types designated as forest and woodlands by a 1-km resolution land cover classification produced by the Global Land Cover Facility (www.landcover.org). The analysis mask included areas designated as forest and woodlands.
- Protected area data if from the World Database on Protected Areas (WDPA), produced by the United Nations Environment Programme. The WDPA includes all nationally designated (e.g., National Parks, Nature Reserves) and internationally recognized protected areas (e.g., UNESCO World Heritage Sites, Ramsar Wetlands of International Importance), up to end of February 2009 (www.wdpa.org)

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[2] The information contained in this section was provided by Chris Lauber, National Geospatial-Intelligence Agency.

Cambodia: Change in Forest Cover Intensity from 2005-2008

Change in Forest Vegetation Intensity 2005-2008

High Increase
Increase
Decrease
High Decrease
No Significant Change

Features

Protected Areas
Water

Projection: UTM Zone 48N
Datum: WGS-84
Data Sources: USGS Land Processes
Distributed Active Archive Center,
Global Land Cover Facility

Cambodia: Changes in Forest Cover Intensity from 2005-2008

THAILAND

LAOS

Area of inset

Tonle Sap

CAMBODIA

Mekong River

GULF OF
THAILAND

Phnom Penh

VIETNAM

Change in Forest Vegetation Intensity
2005-2008

High Increase
Increase
Decrease
High Decrease
No Significant
Change

Features

Protected Areas
Water
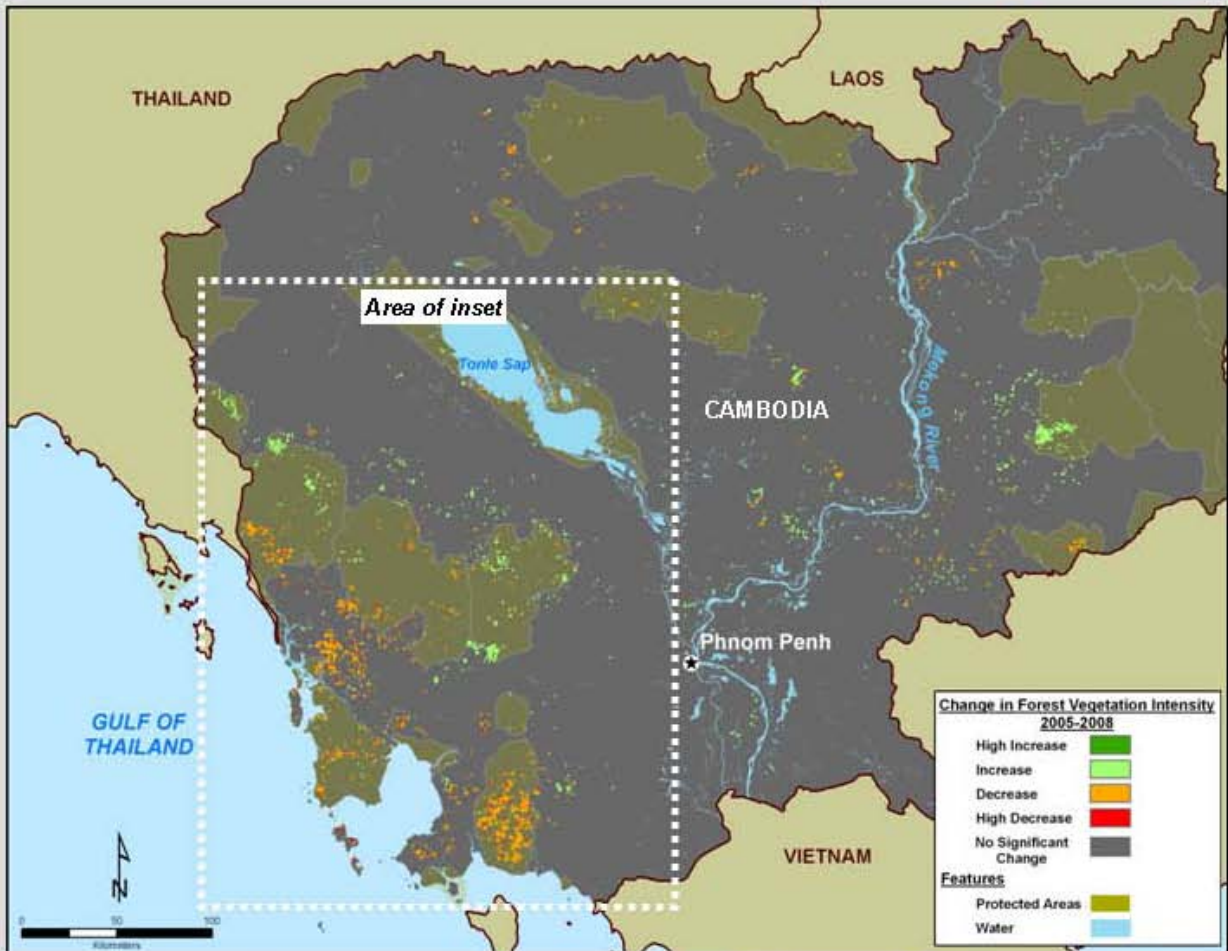
Analysis of forest cover changes in a section of Cambodia revealed both significant decreases and increases in forest cover intensity from 2005-2008. Changes in forest cover intensity are indicative of changes in land cover – including deforestation and reforestation.

• 1,812 km² of forest had decreases in forest cover intensity.

  • Approximately 45% of decreases occurred inside of areas identified by the United Nations Environment Programme as protected areas.

• 1,268 km² of forest had increases in forest cover intensity.

  • Approximately 32% of increases occurred inside of areas identified by the United Nations Environment Programme as protected areas.

Data Sources: Global Land Cover Facility, USGS Land Processes Distributed Active Archive Center, United Nations Environment Programme – World Database on Protected Areas. Map Information: Projection: UTM Zone 48N, Datum: WGS-84. Image Information: Sensor: Moderate Resolution Imaging Spectroradiometer. Image dates: 16-day composite imagery, April 2005 and 2008.

Inset

Samlaut

Tonle Sap

Tonle Sap
Biosphere

Stung Sen

Phnom Sankos

Central Cardamom
Mountains

Phnom Aural

Peam Krasop

Kirirom

Dong Peng

Botum-Sakor

Preah Monivong
National Park

GULF OF
THAILAND

Ream

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