

Between NEI and WAI: An Anthropological Analysis of the Rise of Chinese Entrepreneurship After the Demise of Khmer Rouge in Cambodia

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This article explores the place and function of Chinese businessmen, in the social structure of Cambodia, and analyzes how they have embedded their own community into the local social structure, adapted and consolidated their present status, and proposes an “intermediary sphere” model of Cambodia-based Chinese businessmen. The author believes that Chinese businessmen have promoted two transformations in the Cambodian history: enabling Cambodia to achieve economic transformation from relying on agriculture to thriving on maritime trade; and seeing that Westerners adapted to the indigenous market when Cambodia became a French protectorate. After the tumult of the 1970s and 1980s, Chinese entrepreneurship experienced two revivals, related to two stages of historical transformations: Chinese businessmen established a “regional trading system,” integrating the Cambodian economy into the wider world; then they focused on developing a land-centered economy, allowing new outsiders to adapt to the local community. The “intermediary sphere” model of Chinese businessmen is intertwined with Cambodia’s cultural mores and social structure. Chinese businessmen in Cambodia, the indigenous community and the wider world recognize each other as “others.” Chinese entrepreneurs understand and identify with different social and cultural mechanisms, integrate into them, and detach themselves from such arrangements.

Keywords: Cambodia, Khmer Rouge, Chinese entrepreneurship, anthropology, fieldwork

INTRODUCTION

“A ghost town, once a bustling Chinese business district, looks like a scene after a devastating storm. All houses and stores are looted.” (Osborne 2008: 184) This scene was well captured by a foreign journalist who was among the first batch arriving in Phnom Penh, after the place had been thrown into chaos by the Khmer Rouge regime and overtaken by Vietnam in 1979. However, in just over 20 years, Cambodia has been hailed as “Asia’s new tiger economy.” In recent years, its GDP has maintained an average annual growth rate of 7 percent (*Jianhua Daily*, 06/15/2017). The force behind this rise-from-the-ashes transformation are Chinese businessmen (Huang 2018: 32-33). In 2001, Loo Lai Sheng, the then-Minister of Information of Cambodia, said that 80 percent of Cambodian Chinese (Sino-Khmer) engage in business, and the Sino-Khmer control 80 percent of Cambodia’s economic lifeline (Gu 2016: 21).

History repeated itself from the 1980s to the early 1990s, when the turmoil and anti-Chinese tide forced Cambodian Chinese to start business from scratch and rise from the ashes. How did the Chinese entrepreneurship in Cambodia recover in the midst of the ruins of war? What stages of development did it

experience in the decades after Khmer Rouge? Why was it the Chinese businessmen who stood out from the plethora of ethnic groups in Cambodia and reinvigorated the economy in merely 20 years? Answering these questions can help paint a vivid picture about the Chinese entrepreneurship in post Democratic Kampuchea.

In recent years, the author went to Phnom Penh, home to more Chinese businessmen than any other place in the country, Sihanoukville (also known as Kampong Som), the most important port past and present, and its neighboring cities like Kampot and Koh Kong to conduct anthropological field research. The author interviewed more than 30 Cambodia-based Chinese businessmen from all walks of life who are typical because of their experiences. Some of them were rounded up to cultivate land in the forest during the Khmer Rouge reign, while others fled overseas and returned after the war. In a word, they are the witnesses of a gradual rise of the Cambodian Chinese community and the Chinese entrepreneurship after the downfall of Democratic Kampuchea. The author tries to explore the place and function of the Chinese, and businessmen in particular, in the Cambodian social structure through first-hand interviews and case studies, and analyze how they have embedded their own community into the local social structure, and have adapted to and maintain their current social and economic positions.

THEORETICAL REVIEW

There are three interpretive paradigms informing ethnographic surveys and structural analyses related to the Chinese and Chinese entrepreneurship in Cambodia.

In the 1960s, British anthropologist Maurice Freedman and W.E. Willmott mentored by American anthropologist G. William Skinner, had conducted a field research in Phnom Penh, Siem Reap and other regions in Cambodia for more than a year. In 1967, based on his doctoral thesis, Willmott published a book, *The Chinese in Cambodia*. It is the first time that the Chinese community in Cambodia had been analyzed through the lens of social anthropology (Willmott 1967). In 1970, he published another book entitled *The Political Structure of the Chinese Community in Cambodia*, dedicated to studying the internal structure of a Cambodian Chinese community (Willmott 1970). To describe prewar Cambodian social structure and the relationship between Chinese and Cambodian society, Willmott borrowed the concept of “plural society” from John Sydenham Furnivall, British historian and colonial official of Southeast Asia who advocated for Burmese independence of what is today’s Myanmar. The so-called “plural society” defined by Furnivall refers to a society composed of different ethnic groups. Each of them occupies a specific place in the economic structure. Since this society provides no common social value for its members to bond with, each ethnic group only encounters each other in the market. Based on the characteristics of the Cambodian Chinese, Willmott enriched and supplemented Furnivall’s “plural society” in two aspects. First, he emphasized that only when a particular ethnic group dominated the economy, that is, the division of social class was determined by the category of ethnic group, can such a society be defined as “plural society.” According to statistics collected by Willmott, Chinese businessmen controlled agriculture, urban commerce and import and export trade in Cambodia. The Chinese both represented a category of ethnic groups and an economically dominant class. Second, social conflict will not be provoked in the “plural society” until another ethnic group also emerges as worthy competitor and runs against the ethnic group that controlled the economy. For example, after Southeast Asian countries such as the Philippines and Indonesia gained independence and made their influence felt as emerging markets, the indigenous community muscled in on Chinese businesses and forced them to receive nationalized capitalization. But this phenomenon did not happen in Cambodia. The reason lies in that the Cambodian upper class did not replace Chinese businessmen to obtain economic benefits. Rather the former relied on the latter to enhance their prestige. For the grassroots, the Chinese businessmen provided the very channel that they could sell produce and buy necessities. Therefore, there existed no indigenous class to compete with Chinese businessmen. This “plural society” may provide no social value for ethnic groups to share with, yet the economic ties forged between them served as the very bond to keep this plural society going.

Skinner's research on Thai Chinese in Bangkok in the same period (Skinner 2010) stood in reflective contrast to Willmott's argument. As next-door neighbors, Cambodia and Thailand share deep roots in religion, culture and politics, and have learned from each other with the march of history. However, Thailand remained free of European imperialism, while France ruled Cambodia as a protectorate from 1863 through 1953 in the French colonial empire. Thus it comes as no surprise that Chinese living in the two countries chose a similar development path and occupy similar places in the respective societies. Therefore, Skinner's analysis of Chinese community and Chinese entrepreneurship in Thailand is highly relevant. Skinner made a detailed analysis of how Thai Chinese could control Thailand's economic life. The traditional Thai society was divided into aristocrats and commoners, with the latter protected by the former. Each person was assigned clearly defined obligations and rights according to one's fixed social status. Limited by social status, Thai people had no personal freedom, nor regional mobility, which are prerequisites in economic competition. The Chinese, however, were not subject to this set of personal attachment. And values like diligence, industriousness and entrepreneurship, which the Chinese have held dear are less developed in Thai culture. As a result, there exists a vacuum between the top protector and the lowest protected class, awaiting the Chinese to fill. But Skinner did not believe that Thailand remained as "plural society" in the modern era, in spite of the fact that it also shows a class-divided tendency caused by occupations. The first rung of social ladder in Thailand is invariably occupied by Thai people. But unlike the Chinese in the Western society, it is possible for Thai Chinese to become fully assimilated in their adopted country. The Thai created patronage arrangements such as the honorary title of Marquis to bring leading Chinese into their own circles. Moreover, there emerges another upper class, comprised of Chinese businessmen and military and political strongmen who forged Sino-Thai business alliances. These people are more cosmopolitan than traditional Thai aristocrats. Beneath these two upper classes, there seemed to exist two middle classes, mainly composed of Chinese and Thais. Among the middle-class Chinese, businessmen carry a lot of weight. Though no stranger to Chinese lifestyle, they were more willing to embrace the modern world. The middle-class Thais were largely government employees and white-collar workers. The lower class of Thai society included both Chinese high-caliber professionals and laborers, as well as the growing Thai working class. Skinner thus concluded that the boundary of social class was not adjacent to the spectrum of ethnic groups. The overlapping economic functions, social status and occupations between Thais and Chinese, as well as many intermediaries straddling Thai and Chinese communities, require us to rethink the concept of "plural society".

Dr. Michiel Verver of the University of Zeeland, the Netherlands, conducted a two-month field research in Phnom Penh in 2010 and 2011, respectively, to explore whether postwar Cambodian society can still be defined as Willmott's "plural society. (Verver 2012: 291-322; 2015:48-70)" He remarked that, though experiencing trials and tribulations inflicted by the war, the Chinese regained prewar economic dominance. But the scope and boundary used to define "Chineseness" became more ambiguous and flexible. First, the origins of Chinese have become increasingly complicated. Before the war, Cambodian Chinese were divided into five dialect groups—Hokkien, Cantonese, Hainanese, Teochew and Hakka. Cambodian Chinese who had fled to the West and other Southeast Asian countries when the war broke out, returned to Cambodia as secondary or even multiple immigrants whose nationalities or identities were more fluid. Second, the inter-generational differences between Cambodian Chinese have gradually expanded. The number of mixed-race children born out of forced marriages among Chinese and Cambodian, Chinese new immigrants, Cambodian Chinese who have returned from abroad, and Cambodia-born Chinese has seen a dramatic increase, making the composition of Chinese community extremely complex. Third, business networks built up by Cambodian Chinese are no longer confined to Cambodia proper, but are integrated into the globalized world as the country tries to transform its version of capitalism. In addition, as Skinner observed, "They are more willing to embrace modern world," making it hard to define the boundary between the Chinese who engage in business activities across the globe. Therefore, Willmott's "plural society" is disappearing with the gradual blurring of the boundary of "Chineseness".

The above scholars' focus how to define "Chinese community" in a "plural society." As Skinner pointed out, there were many intermediaries in local society. In some social situations, they called

themselves Chinese, while in others they identified themselves as Thai. These people were fluent in Thai and Chinese, and their social connections came from both Chinese and Thai. Such a mixed group that straddles both sides but does not really belong to one side cannot be classified as a component of “plural society.” It is the “intermediary sphere (Wang 2008)” mentioned by the above scholars. In both cases where Willmott and Verver drew their conclusions, most of Cambodia’s businesses were operated by Chinese, and Chinese businessmen constituted the main body of Cambodian Chinese community. They lay in the intermediary sphere between the upper-class bureaucrats and aristocrats and the lower-class common people of local society, between the local society and the outside world, and between the Chinese culture with Confucianism as its core and foreign countries that are not strongly influenced by Confucianism. It is the very ambiguity and complexity which makes Chinese businessmen unable to be included in a plural society identifies them as “intermediary sphere.”

THE FRACTURES OF HISTORY

“Three years, 8 months and 20 days,” “20-year fracture,” are quotes of the historical memory shared by every Chinese interviewed by the author. As the Cambodian nation had gone through trials and tribulations, the Chinese community had no option but to live with it. Several fractures were created during this process.

In the 14th and 15th centuries, Angkor Thom, capital of the predecessor Khmer Empire, the most glorious dynasty in Cambodian history, was captured by Siam and moved to Phnom Penh. The landlocked Angkor Thom was steeped in religion and culture on the Indochina Peninsula. By contrast, Phnom Penh facing the ocean was sandwiched between the Indian civilization in the west and the Chinese civilization in the east. David Chandler, historian on Cambodia, calls the oceanic city a “cultural fracture zone. (Chandler 2013: 5)” The city is located at the convergence point of four rivers. The Tonlé Sap River and the Upper Mekong River, which originate in the northern inland, meet here and divide into the Bassac River and the Lower Mekong River, which empty into the southern ocean. This unique geographical location enables this “cultural fracture zone” to become a hub connecting inland rice paddies, forests and mountains with the vast ocean, making the exchange of goods and materials possible. The relocation from Angkor Thom to Phnom Penh, the change of geographical and administrative centers, means that Cambodia had undergone a profound transformation from relying on inland, self-sufficient agriculture, to thriving on foreign trade intertwined with world markets (Chandler 2013: 89). It is in this period that the Chinese community takes root in Cambodia. Zhang Xie, a 17th-century scholar in the Ming dynasty, devoted a chapter in his book *A Study of the Eastern and Western Oceans* to introduce Cambodia as “Limu Prefecture (also known as Phnom Penh), screened by woods, is where overseas Chinese take as home. The market has sound order, requiring minimal intervention by the government. Occasionally there is some disturbance in which Chinese will claim responsibility. (Zhang 2000)” This is a clear testament that the Chinese community in Phnom Penh had taken shape. It is not hard to see that Cambodia's economic transformation was influenced by booming maritime trade between China and Southeast Asia in the Yuan and Ming dynasties. The massive migration of Chinese to Cambodia was the result of this process and the booster of this transformation. As Cambodia evolved from a relatively closed and self-sufficient agricultural economy to a beneficiary of foreign trade, Chinese businessmen in Cambodia rose above this “fracture” during the 17th and 18th centuries.

In 1863, French made Cambodia their colony. Dealing with the indigenous communities in Southeast Asia gave them a big headache. Appearing on the scene as total strangers, they never failed to notice a yawning gap between them and the men who knew the nuts and bolts of local business. Their observation can be confirmed by the fact that Chinese businessmen had traditionally served as intermediaries between the upper-class royal family and the grassroots of Cambodian society. On the one hand, they purchased agricultural products from peasants and provided luxury goods for the royal family; on the other hand, they collected taxes and ran business outlets for the nobility, while offering peasants with much-needed loans. In the 19th century, Francis Garnier, French naval officer and explorer, encountered Chinese businessmen on multiple occasions in villages and towns along the way during his expedition in

Cambodia. He observed: “The Chinese merchants who are property owners tend to marry indigenous women to gain market dominance. (Garnier 1978: 16)” “Cambodians favor copper and tin wares, soaps, cotton goods and other groceries, while Westerners love to buy copper wares, silk products and gunpowder. The regular practice is that officials act as intermediaries who are showered with gifts for their patronage. All goods are imported by officials and Chinese businessmen, with the latter responsible for setting price (Garnier 1978: 39).” Given the efficiency of the practice, the French colonists had to adopt the compradorial system and entrusted Chinese to be intermediaries who told their Western employers what to buy and distributed the ordered goods through the channels controlled by Chinese businessmen. This way the French gained an extensive and immediate access to market. The Chinese businessmen in Cambodia were also rewarded by filling the “fracture” between Western outsiders and indigenous communities, and flourished like a green bay tree.

In 1953, the Kingdom of Cambodia gained independence as a constitutional monarchy. During the building of the nation-state, the Chinese who were identified as the “others” were subject to certain exclusions, but made some achievements as evidenced by the following facts and figures: At that time, 70 percent of the shops in Cambodia were run by Chinese, 80 percent of foreign trade was controlled by Chinese, and more than 2,000 out of over 3,000 stores in Phnom Penh were owned by Chinese (Zhuang 2004: 3). However, in 1970, the US-backed military officer Lon Nol staged a coup to take national power, formenting a revolutionary struggle led by the communist Khmer Rouge. On April 17, 1975, the Khmer Rouge seized power and sought to establish a pure Marxist utopia by enforcing extreme measures such as emptying cities, abolishing currency, eliminating private ownership, and driving people, including Chinese, into the forest to cultivate wasteland. On January 7, 1979, Vietnam invaded, overthrew the brutal Khmer Rouge regime, and did not withdraw from Cambodia until 1989. In 1993, Cambodia established the Royal Government through mediation efforts of the international community, and embarked on the road to peaceful reconstruction. “Three years, 8 months and 20 days” refers to the dark period under the Khmer Rouge reign, when the Chinese were punished as the “bourgeoisie” of Cambodia, and the Chinese community was destroyed. The “20-year fracture” refers to tumultuous years between the 1970s when Lon Nol seized power and the 1990s when peace and order was restored through United Nations mediation.

The Chinese interviewed by the author identified their lives major milestone lying at the third “fracture,” saying that they had once been left at death's door and were now reborn. Years of turmoil and war had plunged the Chinese it into chaos and interrupted the original trajectory, forcing them to rebuild a new community amid the ruins. Therefore, the Cambodian Chinese community towering above the “fracture” presents a panoramic view of how an overseas Chinese community can be built from the ground up. It is precisely because of this unique history of “breaking” and “building” that, compared with other overseas Chinese communities that have been developing without interruptions, the post-fracture reconstruction of Chinese community in Cambodia and the revival of Chinese entrepreneurship take on identifiable characteristics.

THE SYMMETRY OF REALITY

Regional Trading System¹

In the wake of the “20-year fracture,” Chinese entrepreneurship in Cambodia did not rise to prominence until being sandwiched between Thailand and Vietnam. A Chinese businessman in Phnom Penh said, “At that time, the Khmer Rouge just came to an end. We Chinese had no option but to start business from scratch. We literally had nothing. We all kept our ear to the ground to figure out what kind of goods were in short supply.”¹ “After decades of war, Vietnam had nothing to offer. By contrast, Thailand could offer everything that could be sold like hotcakes.” One can draw an analogy here: The Chinese had nothing; and Vietnam had nothing. Leaving the forests behind, Chinese were again confronted with the reality to make the most of the two-pronged “nothingness”.

“The lack of peace and order will provide a lot of opportunities to get rich. We Chinese seized the opportunities.” Guided by this wisdom, Chinese saw the transitional period from chaos to order in

Cambodia and Vietnam as the period that was full of possibilities for people to act on their own initiatives. Chandler believed that the geographical location between Thailand and Vietnam had an important impact on Cambodia's politics and society. Keenly aware of the existence of these two neighbors, ruling elites in Cambodia faced two choices: either choosing one of the two powers, or remaining neutral by partnering with a major country outside the region (Chandler 2013: 2). But Chandler failed to see the economic impact of the location. There exists a regional trading system that facilitates the trade between Cambodia and Thailand and Vietnam, and is oriented towards China, Japan and Korea in the east and Singapore and Malaysia in the west. It is worth noting that the builder of this economic network is not a major country outside the region, but Cambodian Chinese and their compatriots in Vietnam, Thailand, Singapore, Malaysia and China proper. Together they create an "intermediate sphere" connecting Cambodia with the wider world, enabling the geographical "gap" serve as a "transfer station".

In this "regional trading system," Cambodia engages with the wider world through land and sea routes. The former refers to the border between Cambodia and Thailand; the latter are islands like Koh Kong, Kampot and Kompong Som, or pre-war border ports. A Chinese businessman in Kampot said, "Some Thai Chinese needed to cross the borderline to buy things. Cambodian Chinese rode bicycles to buy cloth, cigarettes and daily necessities from Thailand. There were no cars or buses in those days, making life miserable for Chinese. A bicycle ride took them four or five days to Phnom Penh and one week for a round trip." "At that time, there was a group of Chinese travelling back and forth between the border and Phnom Penh. Thousands of them went for a daily bicycle ride from Thai border, took goods to Phnom Penh, then to Vietnam."

Compared with this "single-handed" type of land transportation relying on bicycle transport, the maritime trade was larger in size. It is also one of the means for Chinese people who had drifted apart by two decades of war to rebuild a close-knit community. Trailblazers sprang into action. "Some people showed a lot of courage. They bought something from Hong Kong and Singapore before exchanging them on the high seas. At that time, the management was lax. If the fishermen at Kompong Som gave some money to the soldiers, they were permitted to sail into the high seas. If they didn't have money, they would give gold for exchange." "Goods from Vietnam include coffee, fish, cinnamon, dried shrimp and snakeskin. These things couldn't be sold in Vietnam which was isolated from the rest of the world for a long time. So I made some arrangements and sold them to Thailand, Singapore and Malaysia." "The goods were delivered on high seas. An appointment was made beforehand, making it clear that as soon as we arrive, we'll use compass and walkie-talkie to send a signal and meet at a certain place. And the contact number of the walkie-talkie will also be known in advance."

This spontaneous form of trade is gradually being replaced by a more organized approach. One is the port-owner type of monopoly trade. "Some Hainanese started their business in Koh Kong. One of them was Tan Yanhe. He could speak Vietnamese and Thai. He was on good terms with local high-ranking officials who needed some funding. So they hit it off. Tan Yanhe was entrusted to manage a port on his own initiative, import foreign goods and sell them on local market. He was responsible for materials and expenses of the Koh Kong army. Needless to say, he was welcome everywhere. All the Thai goods needed to pass through this island. Tan got exclusive concessions from the government. He monopolized all the goods first and distributed to his Hainan kinsmen." His successor Xu Guangxiu was also a Hainanese. "At that time, nearly everything going through the Koh Kong port needed his approval. He was, in a sense, an emperor, because the money he got would be spent on covering the expenses of the military and the government."

Another pattern of organization was the "money loan associations" type of joint stock operation (Maurice 1994). "I partnered with my friends to start a company. We ten people pooled 500 taels of gold and divided it into 10 shares. As for how many people shared a stock, I didn't know. Maybe there were many. I shared my stock with a friend. We each made a contribution worth 25 taels." "After emerging from the Khmer Rouge disaster, all of us had no capital. We had no option but relied on friends and connections."

Kompong Som and Koh Kong were the "transfer stations" between Thailand and Phnom Penh, bringing in the goods from Thailand. Phnom Penh was the "transfer station" between these border ports

and Vietnam. “Limited by transportation, politics and other reasons, Vietnam couldn’t import directly from Thailand. The goods had to be bought from Phnom Penh.” The transfer work was mainly done by Teochew people. “Hainanese went to Thailand to smuggle things. We Teochew people bought and sold them to the Vietnamese right at the border.” Teochew people in Phnom Penh also “held shares.” “We built small companies on the fly. Some of them plied trade in Phnom Penh. Others brought in goods from Kompong Som and Koh Kong. As for the choice of goods, we ordered the most profitable.” “To be honest, it took some time to find them. But the point is: Phnom Penh had nothing, which means we can bring in any kind of goods and make profits from them. More profits or less profits are the only difference, so one business contact is fine. As for the capital, if you have no capital at the beginning, you can borrow some to kick it off. When you make money, you pay back and move on. And your business grows bigger and bigger. Doing import and export is about building up connections. You must be creditworthy. Then your friends will give you their goods. You can really thrive on it.”

The intermediary status of Cambodian Chinese in this “regional trading system” is historically formed. During 14-15th century when Cambodia moved its capital from Angkor Thom to Phnom Penh, and achieved the transformation from an inward-oriented agricultural economy to an outward-oriented country relying on maritime trade, Cambodian Chinese facilitated the first “fracture” during this process. In 1679, a Cantonese general of Ming dynasty named Yang Yandi gave up his hopeless struggle against the Manchu and left China with seven thousand men for Vietnam’s Da Nang port city, which was then under the jurisdiction of Cambodia. In 1778, the Khmer forced them to retreat to Saigon where Yang and his lieutenant had established a Chinese settlement that soon became the trading center for Cochinchina. Whether in the French colonial era, or after the independence of Cambodia, Chinese controlled the export trade from Phnom Penh to Saigon. In 1675, Mo Jiu, a 17-year-old Hainanese arrived in Cambodia. Under his leadership, cities, towns and villages sprang up in Ha Tien, bordering Cambodia, which achieved remarkable transformation from a stretch of wild land of the Mekong Delta to a thriving cosmopolitan city where Chinese and local people co-existed in peace and harmony. It was said that he established “a state within a state” where Chinese had maintained predominance and exerted enormous influence. This state stretched from Sihanoukville in western Cambodia and Kampot in the south, comprising the entire coastline of South Vietnam. By capitalizing on the connections with the Mo family, a large number of Hainanese immigrated to Kampot, neighboring Ha Tien, and engaged in transnational trade between Vietnam and Thailand, providing impetus for this “regional trading system” until the coup of Lon Nol in the 1970s.

The Chinese, whether they rowed a boat across the rough sea, or rode a bicycle along the path zigzagged among the mountains, or transferred goods one station after another between Phnom Penh and Vietnam, they did not confine their lives to islands like Koh Kong, Kampot and Kompong Som, or to border areas like Siem Reap. Instead they were oriented towards vast oceans and inland areas, and changed barren islands and border areas into transfer stations for storing and distributing land and maritime goods, turning around Chinese entrepreneurship in Cambodia.

“The Land Can Grow Jade and Gold”

After the “20-year fracture”, the Cambodia-based Chinese entrepreneurship thrived on “nothingness.” The Chinese businessmen made the most of the differences within the triangle trading regime composed of Thailand, Cambodia and Vietnam, as well as within the regional trading system extending to Singapore and Malaysia in the south and Japan and South Korea in the east. If that is the case, then the secret of the second revival of Chinese entrepreneurship lies in “somebody is coming”.

The period between the coup of Lon Nol in 1970 and the withdrawal of Vietnam in 1989 bore witness to Cambodia's political turmoil, fragmented governance and closed-door foreign policy. In the 1990s, thanks to the mediation efforts of the international community, peace and order was restored in Cambodia, which was brought on the right track featuring “domestic reform and opening-up to the outside world.” “Opening-up” has two impacts on Chinese entrepreneurship. First, the normalization of import and export guarantees the geographical advantage of places like Kompong Som, Koh Kong and Kampot, but the opportunities that the Chinese see as the winning formula have changed. In the early

1990s, the port of Kompong Som opened to the general public, and the state issued formal licenses to businessmen engaged in import and export trade. Business titans like Tan Yanhe and Xu Guangxiu who seized opportunities and came out victors have no right to monopolize. The second opportunity was created by “somebody is coming.” A Chinese businessman made a highly perceptive comment, “As long as there are people, there are businesses and money. Armed with money, we can establish contacts. I have a gut feeling that we are alive.”

“The opportunity related with the land was first created by the people working with the United Nations (UN). Seeing this opportunity, the Chinese began to buy land in the late 1980s.” In 1991, the international conference on Cambodia was held in Paris where the Comprehensive Cambodian Peace Agreements were signed. The Cambodia-based UN personnel were responsible for supervising the implementation of these Agreements, for example, disarming various factions, repatriating refugees from Thailand, establishing a constitutional assembly for universal suffrage, among other things. To this end, the UN formed a joint force including 13,000 soldiers and more than 7,000 civilian personnel and police officers from multiple countries (Chandler 2013: 277). It is said that this is the most expensive operation in the history of the UN, costing more than USD\$2 billion in total, of which the salaries of these staff members account for a large portion. “The UN sent tens of thousands of people to Cambodia. Obviously, they, like us, needed to be provided with basic necessities. The Chinese businessmen are smart. They immediately saw this as a great opportunity. And they knew a smattering of English would serve this purpose. When the UN people asked for places to live, the Chinese would quickly respond. As first-generation smugglers, they were fully aware that smuggling was a risky business which wouldn't last long. Now the opportunity in the form of real estate presented itself. They seized that opportunity and achieved transformation in the 1990s.”

The second wave of foreigners were businessmen who came to Cambodia to invest and set up factories. “The United States accorded the Most Favored Nation (MFN) status to Cambodia, which meant opening a factory for exporting goods was highly cost-effective. To build factories, you need land. And that need drives the price of land.” “Singaporeans were the first to appear on the scene, followed by Malaysians and Hong Kong people. Their compatriots in China's mainland were latecomers. Taiwanese flocked here in the 1990s.” At that time, European countries and the US had set tax-free quotas for goods like clothing and footwear imported from Cambodia, so as to revive the Cambodian economy. Allured by the prospect of cutting costs, businessmen from other countries set up factories in Cambodia and exported to Europe and America. That is why the last two decades has witnessed the booming clothing industry in Cambodia.

As the “outsiders” of Cambodian society, the Chinese regard the land as the “root” for them to strike deep in local society, so local Chinese are land hoarders. In their opinion, this will help establish themselves. By contrast, indigenous Cambodians never see land as their own property. A review of Cambodian history shows that property rights as a modern concept have not been embraced by locals who see the king as the owner of land across the country, while commoners acquire land by cultivating a plot of wasteland and growing crops on it. As long as the cultivation practice continues, this land belongs to the cultivator. If it lies waste for more than three years, others have the right to cultivate (So 2011: 139-140). This kind of land ownership has long been suitable for a sparsely populated country like Cambodia. It does not require registration and the recording of landowner's information. In addition, Cambodia's tax system is based on the amount of harvest rather than individual land holdings. Until now, this way of obtaining land has been acceptable in the Cambodian countryside and some cities.

Keenly aware of this cultural difference, Cambodian Chinese quickly realized that the land, though appearing dead, could actually grow money. To act on this understanding, they began to buy land from locals. “Since 2001 and 2002, Cambodian farmers began to sell land. It doesn't mean that they are the fool. They just use the proceeds to buy cars. When the cars run out of gas, and they can't afford it, they sell them off. At the end, they have nothing.” “In most cases, the Chinese make things work in the following way. They tell the land owner that the purchasing price will be set at, say, one yuan per square meter, and that what the selling price I will set is none of your business. Having said that, the would-be purchaser may let other people know that he bought the land for two yuan per square meters, making the

land owner green with envy and change his mind. He persuades the Chinese to agree to a fifty-fifty plan to be the co-owner of the land. But in fact, the Chinese does not make even a slightest contribution to this scheme.” “This is the typical example of ‘hunting wolves with bare hands.’ The key differentiator is that the Chinese are well connected. That is their intangible assets.” It is true that both Cambodians and Chinese know the land can grow something, but the former base their judgment on the productivity boosting the agricultural economy, while the latter are well versed in the logic of commodity exchange. In their eyes, land is exchangeable and can grow money through constant exchanges. This thinking can be aptly summarized by the inscription on the shrine before ancestors or land god worshiped by Cambodian Chinese. The inscription runs like this, “The land can grow jade and gold.”

The Cambodian Chinese even make their influence felt by Malaysians and their compatriots from Taiwan and the mainland who are also outsiders, but have to rely on local Chinese as intermediaries in land business. “Overseas Chinese can provide valuable insights into what the local market is like for outsiders who, though deep-pocketed, have no idea about how to deal with locals.” Immigrants from the Chinese mainland have also to rely on local Chinese to make useful contacts in Cambodia. In other words, local Chinese have also become the intermediary sphere between new overseas Chinese and local community. “Well-connected with government officials, local Chinese can obtain approval for some lucrative projects through which they and new overseas Chinese can make a lot of money.” Some new overseas Chinese would not buy into such approach. They tried to integrate into Cambodian society by a top-down approach. Many of them were swindled by some high-ranking Cambodian officials who took the money and paid lip services. In comparison, the bottom-up strategy adopted by local Chinese is in alignment with their experience in Cambodia. They have not only achieved economic success step by step, but forged an increasingly stronger ties with the people they met when they were climbing the social ladder. This tie is still crucial for new overseas Chinese to integrate into Cambodian society.

In the colonial era, as Skinner pointed out in his study on Thai Chinese society, “Westerners always find it hard to gauge the local market and to deal with local retailers, because what they have in hand is limited and indirect business information. Every Western firm must look for a Chinese to act as an intermediary for their business. This Chinese is responsible for developing a good grasp of local market, and running daily operations for his Western employer and the Thai government. (Skinner, 2010: 108)” The same pattern applies to Cambodia under the French rule. It is through the Chinese that remote mountainous areas of Cambodia can be connected with the world markets, and that local specialties and foreign goods can be traded freely. In the wake of the “20-year fracture”, outsiders like the UN peacekeeping force, Malaysians and Chinese from Taiwan and mainland may recognize that there exists a “screen” between themselves and Cambodian society. “Timing” and “business opportunities” in the eyes of local Chinese are the very nourishment for the outsiders to take root and blossom.

CONCLUSION: CO-OTHERS OF CAMBODIAN SOCIETY AND CHINESE BUSINESSMEN

Willmott, Skinner and Verver reflected on the concept of “plural society” from the perspectives of ethnicity, occupation and identity. The major themes they deal with are whether there is a “Chinese community” in the local society, how to define this “community,” what the function of the community has in connecting local society and subsequent new immigrants, and how it is embedded in local society.

There were two groups rebuilding the Cambodian Chinese community after the collapse of the Khmer Rouge regime. The first are those left behind during the fracture period; the second are those who fled abroad during the period, then returned. Contrary to the belief held by casual observers, the two groups were interrelated with each other during the process of rebuilding Cambodian Chinese community and revitalizing Chinese entrepreneurship. Thanks to their interrelation, the composition of the Chinese community in Cambodia today assumes the characteristics of both new and old, both Otherness and belonging. The first group identified themselves as the “new generation” in the Chinese community after the fracture happened. Some of them seized the opportunity to go global and emerged as “big boys” by doing cross-border trade. The second group, identified as “new immigrants,” worked their fingers to the bone, and most of them have become permanent residents on foreign land. Nevertheless, some of them

have accumulated huge amounts of capital, yet returned to Cambodia with the sense of belonging and affection like that of the “old generation.”. The two groups regard themselves as the “real Chinese” in Cambodia. As for the second group, they have no intention of long-term residency in Cambodia, but they are different from a third wave of “new overseas Chinese” subsequently coming from mainland China after the 21st century. The latter call the former as “local dragons,” and identify themselves as “cross-river dragons.” In sum, since the collapse of the Khmer Rouge regime, the two former groups have played a vital role in bridging the gap and communicating domestic and overseas needs. They have filled the vacuum left by the two eras, and facilitated identity transformation from overseas Chinese to new immigrants, both of whom are “tourists” in essence. In other words, as the intermediary link between the “tourists,” the two groups have not only taken deep roots in Cambodia, but are also inextricably linked with their country of ancestry and the country of immigration.

The two groups have carried forward the time-honored tradition of Chinese businessmen before the Khmer Rouge disaster. The Cambodian Chinese entrepreneurship is deeply embedded in Cambodian society. Its business history has been written several times due to the fractures. On the watershed of Cambodia’s history spanning the ups and downs of the region from Angkor Thom to the port of Phnom Penh, Chinese businessmen are both the beneficiaries of Cambodia’s profound transformation from self-sufficient agricultural economy to relying on the external markets, and the contributors of sale, horticulture and foreign trade, while Cambodians are content to be rice farmers, monks and government officials (Chandler 2013: 117). After the “20-year fracture” in the 20th century, the Chinese entrepreneurship revived by leveraging the regional trading system established during such watershed period.

Another watershed in Cambodian history was French colonial rule. There existed a screen between Western colonists and indigenous community. And that screen was Chinese businessmen. Outsiders as they were, Westerners had to rely on business networks built up by local Chinese to deal with the indigenous community. This integration effort allowed the products of Cambodia's remote areas to access the world market and vice versa. In the 1990s, when Cambodia opened its door to the outside world, the UN peacekeeping force, the Chinese from Taiwan and Hong Kong, Malaysians and Singaporeans flocked here, becoming new outsiders who wanted to be provided with basic necessities, as well as to seek investment opportunities that could generate enormous profits. It was also through the effort of the Cambodia-based Chinese that they could mingle with locals. All in all, Chinese businessmen have made contributions to the wider world and to Cambodia's domestic economy. In the first case, they integrated the Cambodian economy into the world markets. In the second case, they established a close tie between outsiders and indigenous community. The intermediate role they played and the intermediary sphere they developed have enabled them to become the pillar of Cambodia, the plural society.

This place and function of Chinese businessmen in the social structure of Cambodia is also the result of their long-standing interaction and complementarity with the Cambodian society as the “others.” Most Cambodians are accustomed to living in rural areas, taking root in the land and making a living by farming, while urban dwellers prefer to get a foothold in government rather than in business. What is more, the religion they have practiced places greater emphasis on individual holiness, detachment and renunciation. Pious believers in Buddhism, Cambodians embark on the journey of life towards future deliverance. As for the meaning of this life, they believe in the power of looking within, seeking retreat in land and Buddhist temples. The realm of secular economic activities is for Chinese businessmen. There is another difference in social hierarchy and mobility mechanism between China and Southeast Asian countries like Cambodia and Thailand where there were only two classes: aristocrats and commoners. The latter were not tied to any land, but to their protectors, and fulfilled hard-and-fast obligations and rights. But the Chinese were outsiders. It means that they were not subject to this kind of personal attachment. It also means that there exists a vacuum that Chinese fill between the highest protector and the lowest protected people in the structure of the indigenous society of Cambodia.²

It is worth noting that it is also the power of the “others” that contributes to the rise of Cambodia, which is sandwiched between the Indian civilization in the west and the Chinese civilization in the east. Angkor Thom was a religious center on the Southeast Asian Peninsula and the prosperous Phnom Penh

was known as “Oriental Paris.” After the 20-year war in the 20th century, Cambodia lay in ruins, badly needing “others” to help it rise from the ashes. In 1989, right after Vietnam withdrew its troops from Cambodia, Chea Sim, the then President of the Cambodian People's Party, called for eleven Chinese to have a meeting at his home. Later these Chinese took the lead in developing the much-needed handicraft industry and gave major impetus to Phnom Penh. The President told them to reinvigorate the Chinese community, “The majority of Khmer people take a liking to be government officials. They don't like business. And they are not good businessmen. You Chinese should put your heads together and persuade your relatives and friends overseas to make investment here. I think you can act as a bridge for developing local economy.”² Hun Sen, who has held enormous military and political power in Cambodia for decades, showed respect to talent long before he was Prime Minister and paid visits to the well-connected Cambodian Chinese who fled overseas after the war broke out, asking them to return to Cambodia. After he became Prime Minister, he expressed more eagerness to recognize the indispensable role played by Chinese businessmen in reviving Cambodian economy.

The Cambodian Chinese businessmen rode bicycles on the bumpy roads zigzagged among the mountains between Phnom Penh, Thailand and Vietnam, rowed wooden boats on rough seas, braved stormy weather to trade goods in the Gulf of Thailand, and bought land which was perceived as the very foundation for supporting livelihood from traditional Chinese perspective and the sacred thing by Cambodians to accumulate wealth. These businessmen were always caught in fractures created by history and gaps by foreign trade, becoming an intermediary sphere between the fractures and gaps. During the process of the coming and going, located between the inside and outside, they have become the others for the indigenous society and for the wider world. Acutely aware of social and cultural differences, they have sought a way out to integrate into a society, while transcending themselves from it.

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ENDNOTES

1. The names of interviewees or information that might reveal their identities will not be disclosed in this article, so as to protect their privacy, the regular practice of anthropological fieldwork.
2. For the meeting between Chea Sim and the 11 Chinese, please refer to the special issue dedicated to the 13th anniversary of the foundation of Association of Chinese in Cambodia, edited and published by Association of Chinese in Cambodia, 2003, P62, P72. See also the interview by the author to some of the 11 Chinese.

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