



CASE STUDY COLLECTION

ON DEBT

TAKEO
SVAY RIENG
KOMPONG CHAM
PREY VENG
BATTAMBANG



TAKEO



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Interviews provide insight into rural life in Cambodia

Problems of growing indebtedness and increasing difficulties of rice production are highlighted in a new study of conditions of rural life in Cambodia.

The Womyn's Agenda for Change (WAC), a Phnom Penh-based NGO, today began releasing the results of a two-year study based on interviews with Cambodian villagers. A WAC spokesperson said the study also provides insights into changing patterns of health care, employment, farming and social mores.

Beginning in October 2002, teams of WAC interviewers visited selected villages in five provinces—Takeo, Svay Rieng, Prey Veng, Kompong Cham and Battambang. In each village, the teams conducted interviews in approximately 10 per cent of houses, selected randomly.

The interviews were guided by a general outline, but did not involve a questionnaire designed to obtain statistical data. The aim was rather to encourage the villagers to describe their lives in their own words.

The study results released today are for two villages located near the Vietnamese border in Takeo.

"As you would expect, the interviews in these two villages discovered varying views and experiences", said Ms. Rosanna Barbero, the coordinator of WAC. "But they also revealed a number of frequently repeated themes."

These included problems of declining rice production, not only because of adverse weather but also attributed to unnatural flooding caused by a dam on the Vietnamese side of the border. "There are also indications that the introduction of new rice strains has been counterproductive in some cases, because they require additional inputs that poor Cambodian farmers cannot afford," Barbero said.

A common complaint concerned the leasing of formerly shared water resources as fishing lots to private businesspeople, and the allegedly brutal enforcing of the lessees' rights.

Farmers in both villages reported an increasing resort to credit, usually at usurious interest rates. In some cases, villagers were forced to borrow to pay for medical care, which many of them obtain in Vietnam because it is more readily available and considered to be of better quality.

In other cases, villagers borrowed for productive purposes, such as buying fertiliser or fishing equipment, but did not earn enough to repay on schedule, beginning a spiral into continually increasing indebtedness. All the loans reported by farmers in the two villages were from private moneylenders. Interest rates were most commonly 10 per cent per month.

WAC intends to release studies from other provinces in coming weeks.

WAC is an independent non-government organisation based in Phnom Penh.

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Background to the study

The attached interviews and summaries of living conditions in two villages of Cambodia's Takeo province are the product of an ongoing research project of the Womyn's Agenda for Change (WAC). Since October 2002, WAC staff have conducted interviews in rural areas of five provinces. Typically, interviewers spent one and a half to two and a half hours in each village visited, allowing sufficient time for a relaxed discussion, in which those interviewed could express themselves fully.

In each village, the interviewers attempted to visit 10 per cent of the households, randomly selected, whose inhabitants could range from a single individual to an extended family of three or even four generations. Sometimes, however, neighbours or passers-by joined in the discussion, enriching the information provided.

In the two villages in Takeo, a total of 16 households were interviewed. To protect the privacy of the interviewees, all personal names have been changed, as have all geographical names that might make it possible to identify individuals.

So far 240 household interviews have been conducted and translated. That is not a large enough number from which to compile reliable statistical data. But statistics are not the aim. The aim is to allow rural Cambodians to describe in their own words the conditions of their daily lives, their hopes and the problems they face. Further reports based on the research will be released as the information is analysed and checked.

Cambodian terms

A number of Cambodian terms for measures of area, weight and volume appear in the interviews and are reproduced in the summaries. Below are the most common values for these terms, but it should be noted that these values can vary between villages and sometimes even within a single village.

Damleung: A weight of gold. 26.67 damleung weigh one kilogram.

Chi: One-tenth of a damleung.

Hun: One-tenth of a chi.

Kong: A measure of land, equal to one-third of a hectare.

Thang: A measure of volume, approximately the size of an English bushel. A thang of rice weighs approximately 24-25 kg.

Tao: Half of a thang.

Can: Milk cans are often used as a measure for rice. They hold approximately 250 grams.

Report of interviews in Srah Srong

Srah Srong is located in Takeo province, very close to the border with Vietnam. There are 51 families in the village, which has no health centre and no permanent school.

The lack of a permanent school is mainly due to the village being under water during the wet season, from June to January. During the dry season, there is a temporary school. It has three teachers and around 20 students, who are able to study as far as grade 3, although the curriculum differs from the government curriculum because of the interrupted school year.

Srah Srong's water problems have become worse since 1999, says the village's deputy chief, Mong Try. That is when a dike was built at the border. Now flood waters that used to flow rapidly into the Vietnamese delta are held back for a longer period, and the water around their houses is deeper. This means that villagers in the wet season catch fewer fish, which prefer shallow water.

Try tells his interviewers, who have come from Phnom Penh, that life was easier four or five years earlier, when there were more fish and "conditions allowed us to fish during the day".

This remark may be an inadvertent reference to villagers slipping by night into the privately leased fishing lot, although the lot is guarded and Try says villagers are never found there. The lot has been privatised "for many years", but he is not sure who holds the lease, though he believes it is a Cambodian. He appears nervous when discussing the fishing lot, and the conversation quickly moves on. Later, other villagers say the fishing lot is controlled by a military officer.

The area in which Srah Srong is located was settled beginning in 1982, when the area was heavily mined and covered with thick forest. Prak Vin arrived then and was involved in clearing mines. For each 50 square metres of mined land that he cleared, an NGO, via the commune, gave him a 40 kg sack of rice. For every 10 mines he removed and handed in to the commune, he received another 40 kg sack of rice.

Vin says that the village was settled because it was feared that if no Cambodians lived here, Vietnamese would settle the area. Many of the villagers are Khmers from the region of southern Vietnam that Khmers call Kampuchea Krom, and many have relatives still living there. Much of the villagers' production is intended for markets in Vietnam, and the Vietnamese dong is more widely used than the Cambodian riel.

For the first three or four years of settlement, the government provided subsidies such as seeds, ploughs, house-building materials, money and cattle.

Declining rice production

Try says that, until a few years ago, most villagers got a reasonably good yield from their rice fields, but this has changed. Previously most families grew enough rice to feed themselves for 12 months and had a little left over to sell. In 2002, when this interview was conducted, only seven families sold any rice, and Try adds that this doesn't mean that they first ensured their own consumption.

He attributes the reduced yield to alternating flood and drought, but interviews with other villagers raise the possibility that the changing economics of rice production

may also be involved. Try says that, since 1998, most of the villagers have been planting IR66 rice. This is a strain that requires fertiliser, pesticides and water at the right time, and all of these cost money.

For instance, in Srah Srong, to irrigate one *kong* (one-third of a hectare) of rice land for one season, farmers have to pay the owner of the pump four *thang* of rice, or two *thang* if the farmers supply the fuel for the pump. Sin Ka, a 39-year-old farmer, explains further:

"To farm my two hectares, I have to use 22 *thang* of seed. I use six sacks of fertiliser, each costing R50,000, mixed with six sacks of white fertiliser, costing R30,000 each. I use pesticides costing R150,000. The 22 *thang* of rice seed I buy from Vietnam. A *thang* costs R11,000; I usually have the money to buy maybe 11 *thang*, and for the other 11 *thang* I pay later. To hire someone to plough and transplant twice in a season costs R150,000. I could get a yield of about 400 *thang* per year, but that was three years ago. From this yield I have to give the owner of the canal eight *thang* and repay the seed that I borrowed from the Vietnamese, 11 *thang*. The Vietnamese come to buy the remainder at a rate of R200 per kilogram."

On those figures, even with a yield of 400 *thang*, Sin Ka is working for only around US\$250 a year.

Try reports that several families in the village have lost their land by "overextending"—borrowing too much to pay for seed and other inputs. Another 10 families have sold their land to pay for medical treatment or funerals.

According to the deputy chief, the remaining villagers generally own two to four hectares of rice land. But an interview at the house of Chan Dany gives a more complicated picture. Dany, 65, lives with his daughter Ya Pheap and seven children. The family lives by selling labour and by collecting morning glory and water lily to sell at a market in Vietnam.

During the interview, neighbours began dropping in at Dany's house. Before long, there were as many as 30 adults and children present, from eight families, all contributing their views and comments. They agreed that nearly all families in the village have land, but it is not always productive or accessible. They said that the deputy village chief, Try, has the best land in the village. The village chief has the most. The chief has at least 40 hectares along the canal which runs along the international border at the edge of the village. As a result, he can control the water flow into others fields. He holds the titles, and therefore says that the land and the canal (which is a fishing lot) are his.

About 20 families in the village are related to the chief or his deputy, who are related to each other by marriage. These families typically have eight to 10 hectares of land, the group said, plus access to water and disaster relief.

The commune chief was supposed to build a dike and canal system at the back of Dany's house. This would have protected the majority of villagers' rice land and provided a steady supply of water. Construction was stopped because the canal would have passed through land that was owned by a colonel. So farmers who want to water their fields in the dry season have to pay for pumping, and the owner of the only pump in the village is the village chief.

"What would happen if a group of farmers bought their own pump?", the interviewers asked. There would be no point, the villagers replied. The chief would still demand payment for use of the water from "his" canal.

Each year since 1991, they continued, the chief has leased the fishing lot to businesspeople from Vietnam. The fishing lot is guarded, sometimes by uniformed local police, who threaten to shoot trespassers. Ya Pheap and her daughter were chased out of the lot once. She tried to stand her ground and argue: "I explained about our poverty and said, 'How can we get fish if we cannot come here?'"

The group revealed further grievances regarding the village chief and his deputy. A major complaint concerns the flood relief contributed by NGOs, which they say the chief monopolises for his relatives and political partisans. Six of the families present said they had received nothing of value from relief distributions (several had been given the large bucket the aid comes in, but it was empty).

"The flood relief is supposed to reduce poverty, but all it does is increase the wealth of the chief and his relatives," commented Prak Vin, the former deminer. Pheap said that she and her father have lived in the village since 1986, but it is "the new people, those related to the chief, who get many things. There have been five distributions since 2000, and we all have received nothing."

According to Vin, "The village chief has a house in Kampuchea Krom, and when the floods come, he goes there. But he still gets flood relief." Dany said that during the flooding in 2001, the chief and deputy chief and all their families and relatives went to Kampuchea Krom, "but when it came time for relief distribution, they all came back. The families that stayed here got nothing." The son of the village chief lives in Kampuchea Krom, but he is listed in the family book as residing in this village, so he also gets flood relief.

Credit

For the past three years, there have been no moneylenders living in the village. Before that, two or three families of border policemen provided loans, demanding land titles as collateral. The group at Dany's house said that about 10 families lost their land in this way and are still in debt to the police.

Now the border police have gone to Poipet, but they always reappear in the village at harvest time. A loan of one *chi* of gold (then about \$48, or R192,000) for one growing season, about five months, can be paid back, including interest, with 60 *thang* of rice. At 200 riels per kilogram of rice, the repayment is equal to 300,000 riels, so the annual simple interest rate on such a loan is 56 per cent.

People in the village who borrow now usually do so from private lenders whom they know in Vietnam, who charge interest of 10% per month. These moneylenders "will not lend if they do not know you, and if you are poor, they will not lend", said Pheap.

Pheap said that she and her father have borrowed many times from an acquaintance in Vietnam, most recently when Chan Dany was treated there for typhoid, which cost 100,000 dong. They calculate that they owe around one *chi* of gold. Pheap sells her morning glory and water lily to the lender. Often the lender will calculate the going rate for the goods she is buying from Pheap and deduct 30-50 per cent, applying it as payment on the loan. A loan of rice is different: "When we borrow rice from the Vietnamese, we only pay back the amount we borrowed, either in rice or at market prices, but no interest".

Sin Ka, the farmer whose production costs were cited earlier, has borrowed from the border police: "I have to borrow one *chi* and use it to grow rice and pay back two *chi* after four months. There is a mortgage on the land title, and if I can't find money

to pay back at the fixed time, they will take my capital plus the interest, but it is likely that I will have the money to repay. Two or three years ago, I had to borrow five *chi* to farm, and I fixed the repayment date four months ahead with five *chi* interest, altogether one *damleung*. When I harvest, I always pay back all my interest and loans, so rice that remains cannot support the whole household, but lasts for only four to five months."

Srey Neang and her husband are rice farmers. Both in their 40s, they have six children aged from 19 to two. They owe a Khmer moneylender six *chi* of gold. "For each *chi* of gold", she said, "they charge interest of one *hun* per month" (1 *chi* = 10 *hun*).

"Before 1998", Neang continued, "we could grow 100 *thang* of paddy per hectare of rice land. But since then we have not been able to grow that much. Therefore we started to borrow money to grow [IR] rice. We paid for fertiliser and seeds, and then we could only get 30 *thang* of paddy per hectare, because of a shortage of water and not enough fertiliser. If we are not able to pay back the first loan with interest, we can not borrow more. I twice asked the moneylenders to postpone the repayment, and they agreed. The period of the loan is supposed to be four months. I sometimes take my children from school so that they can help me to earn money to pay back the debt. We are planning to borrow another three *chi* of gold to invest in growing more rice so that we can repay them some, but I am afraid they may not give it to us again."

If they are desperate, Neang and her family will borrow a *thang* of rice from another villager. This has to be repaid with 50 per cent interest after four months.

Da is a woman with two children, one of whom is a hunchback. She borrowed money from her parents and relatives to have him treated, but it was not enough to pay for the operation that was needed. She and her husband live by selling their labour in Cambodia or Vietnam and by catching fish, which they usually sell to Vietnamese traders.

No one in Cambodia would lend Da money, but she can borrow from the Vietnamese who come to buy their fish. If she does this, they pay her only half the price of the fish. She borrowed D100,000 and has so far repaid D40,000.

Report of interviews in Chhouk

Chhouk is a village of 67 families located in Takeo, close to the border with Vietnam. As in the neighbouring village of Srah Srong, its residents say that a nearby Vietnamese dam has caused a longer flood season, reducing their ability to grow rice.

Sok, in his 50s, has been living in the village since 1980. He says, "The floods in this village began eight years ago because Vietnam made a dam. Now the people in this village cannot farm in the rainy season. Before that I could farm rice once a year and get enough to eat for two years. If Vietnam hadn't made the dam, maybe we would get a good yield from farming and wouldn't lack food."

Roth, a 74-year-old woman, says that her family (five people) has three hectares of land but can grow rice only once a year because of the flooding. A further problem is that their land is far from the canal.

Bopha Vy, 33, and her husband have five children aged from one to 15. They have one hectare of rice land. They can farm only wet season rice on this land because it is not near water in the dry season. In 2002 they were unable to farm at all due to the extended flooding. In the past few years, they have been able to harvest four to six sacks of paddy (1 sack = 40kg) from their land. In a very good year they can get up to 10 sacks. They cannot afford to use pesticides or fertiliser.

Sea Hong and Sar Phally have one hectare of rice land left of the four they started with in 1984, having given three to their married children. They do not use pesticides or fertiliser, because they can get a good yield without it. In 2001, they managed to get 60 sacks of paddy from their land. But in 2002, they had no yield because of flooding. They were planning to plant dry season rice.

Kunthea planned to plant three hectares in the dry season. She cultivates every year but only gets enough to eat for three months because the weeds are very bad.

Champa is a widow with five children, three of whom are now married. Previously she had three hectares of rice land, but she divided it among the children and now has just one hectare. They cultivate every year, but in the last three years the floods destroyed the crops; they got 20 sacks before, then six sacks, and for next season they have no capital. For ploughing they need a tractor because the soil is too hard for cows. The karaoke house has a tractor for rent: R50,000 for the ploughing, which may need to be done twice if there are lots of weeds, then R25,000 for the harrowing.

Interviewed at the end of 2002, Pao Rin, the village chief, said that people generally are poorer after three years of flooding. During this period, everyone in the village has had to buy rice. If they grow dry season rice now, they will need fertiliser—four sacks per hectare. They will use Vietnamese fertiliser because it is cheaper; it is still subsidised there.

Other income sources

Leang, the daughter of Sok, has a husband who is a construction worker in other parts of Takeo, earning R5000 per day. "If no one hires him, he'll go to fish and take the fish to sell and get things such as rice and some other ingredients. In one day he can get one or two kilograms of fish, which sell for R5000, and he buys nine cans of rice for R2000 and buys some vegetables. He has to go far from this village, about four or five kilometres.

"Fish stocks nowadays have been destroyed because we had some people who used electricity to catch the fish. They never thought about other people, only about how could they get a big catch, and each day they got 10 kg until it was ruined."

Leang sometimes works as a labourer in the harvest season, earning R3200 a day. Once she borrowed R20,000 riel to pay for transportation (R15,000) and food when she went to another district to work as a harvester. She returned with R50,000, leaving her R30,000 for half a month's work after she repaid the loan. Sometimes she cuts water lily and sells it in Vietnam, earning R5000-6000 a day.

Bopha Vy complains of the fishing lot that has been leased to Vietnamese investors. This means her husband has to go far away to fish, or risk being jailed for three or four months in Takeo town. Her younger brother was caught fishing in the lot and was beaten so badly that he passed blood in his urine. Other villagers complain that parts of the fishing lot overlap their land. Land that they farm when the water goes down becomes part of the fishing lot in the wet season.

The daughter of Roth helps her husband fish by setting fishing hooks, or collects water lily to sell. "I earn R4000 a day from the water lily, and I sell only a few days in a week; it's up to the Vietnamese orders. From day to day my husband only fishes. In the dry season the people in the village always go to sell labour in the harvest. We went for half a month. When we go there, twice a year, we always take a tent and we walk.

"From the harvest my husband and I can earn R7000 per day. We have to pay for food and rice, six cans [one milk can contains about 250 grams of rice] for R1000 per day, and the cigarettes for my husband cost R600 also. While we are harvesting, my mother cooks and takes care of our son, but sometime we all go together.

"My husband and I cannot find both fish and water lily in a day, because we only have one boat. So if we go fishing, we don't go to get water lily, and if we go to cut water lily, we don't fish." In the dry season, her husband sometimes hunts rats, which sell for R1000 a kilogram.

In 2002, many villagers were hired by a non-government organisation to dig ponds for use in the dry season. Roth's daughter and her husband participated: "This year we had a lot of money from digging ponds near the school. We had to dig two metres per day, and after two months we got R300,000 per family."

Van Tha, 42, said everyone in her family is involved in finding water lily, morning glory and snails to sell in Vietnam. "The distance from the place where I collect water lily to where I sell it is about four kilometres. Each time I sell it, I buy 30 milk cans of rice. Sometimes I can earn 5000-10,000 dong and use that money to buy food and medicine. Sometimes I catch crabs for daily food."

Tha is upset by the lease of fishing lots. "The authorities sell a very big part of the fishing area to Vietnamese and stop the people from using it. They have been doing this for the past 10 years. Previously the people could fish there, but now they can't any more because a thousand hectares of the people's land have been sold to Vietnam and businesspeople by the authorities. Khmers sell everything to others, and they even hire Khmers to guard. The Vietnamese hire some Khmers to guard the fishing lot that they bought."

Tha also raises three calves for her neighbours. When the calves are grown and reproduce, she and the owners alternate in receiving ownership of new calves.

Medical care

Most of the people interviewed said they cross the border to Vietnam when they need medical care because it is cheaper and better there. Pao Rin reported that it costs 1 *damleung* (10 *chi*) of gold for an operation in Vietnam, two *chi* if it's not serious. But people die because they can not pay for medical care. Two people died this year because they had no money to seek treatment. There is malaria in this village.

Kunthea said that if anyone needs health care, they have to borrow one *chi* and pay back two *chi* within a year, because no one has the money to pay for treatment. Before, when rice production was good, they could get health care. They all go to Vietnam because it's cheaper and closer. To get treatment in Cambodia, they would have to go 20 km by boat. The boat alone would cost R5000, plus it's bad medicine there.

Van Tha reported that, the year before, she took her son to Vietnam for surgery on an abscess on his thigh. This cost D30,000. To give birth there costs around D50,000.

Sea Hong and Sar Phally had to take their grandson to Vietnam for treatment. He had eczema, and a traditional healer tried to treat it by applying a mixture of gun powder and lime juice to his head. This made him very sick, and he was hospitalised for a long time. This cost them D2 million, which they paid by selling a cow.

Bopha Vy's family generally go to Vietnam when they need medical treatment. Her experience with the Cambodian system is not good. "It is a long way away. We went to the Cambodian hospital once when our baby was ill. There was no cost at the hospital, just the transport to get there, but my baby was never really treated and is still ill."

Sok said their family's problems are mostly due to illness. "First I was sick with heart trouble; I fell unconscious and my husband took me to Vietnam. They did X-rays and afterwards gave me an injection and medicine. Before I went there, I sold two cows for one *damleung*." She says she is still always unwell.

Debt

Leang's family's debt is also related to sickness. When her husband became seriously ill with typhoid three years ago, they sold a cow and mortgaged land of their own and two cousins' land to pay for his treatment and hospitalisation for 15 days in Vietnam. They still owe one *chi* of gold to the Vietnamese doctors. Their land is mortgaged with other relatives, which means that the relatives have the use of the land until the principal is repaid.

Earlier, Leang and her husband were even more in debt. For nearly a year, they had an outstanding debt of one *chi*, on which they paid 10 per cent per month interest. Employment in the well-digging project enabled them to pay off this debt.

Champa owes five *chi* to a moneylender, which she borrowed in order to buy traditional medicine. As well, she owes \$200 to her niece, which she borrowed for several purposes: medical treatment, building her house and buying food. She also

owes R20,000 rental to the tractor owner; on this debt there is no interest. If she cannot repay her loans, she says, she will lose her land.

Kunthea has twice borrowed one *chi*; now, with interest, she owes four, which must be repaid by next April. If she cannot pay, the moneylender will take her land.

Long Vanna and his wife Sao Dy borrowed one *chi* in order to buy a fishing boat and net. The interest was 10 per cent per month. For a long time they could pay only the interest but could not reduce the principal. When it was finally repaid, they soon had to borrow again. "I cannot escape debt," Vanna says. "I am still indebted because, when I pay back one debt, I soon have to take a new loan. Mostly the money is spent for food, mostly rice.

"If we want to farm, we have to borrow money, so we stay poor. After the harvest, there is only enough to pay the moneylender."

Farmers can buy the cheapest brand of fertiliser for D110,000 per sack if they pay cash; on credit (until the harvest) it is D120,000.

Last year Sea Hong and Sar Phally harvested enough rice to feed their family for the year, but they went into debt to repair their house. They borrowed four *chi* for two years at 25 per cent annual interest. They paid some interest with 10 sacks of paddy, but their debts have still mounted up, and now they owe a total of eight *chi*.

Van Tha and her husband also borrowed to buy a boat and fishing gear. They now owe five *chi* and pay interest of 10 per cent per month. They believe they can repay the loan without losing their collateral, but they are very conscious of the danger of allowing the loan to mount up: "There are people in this village who are ready to buy land from people in debt."

Roth's married daughter once borrowed one *chi* from a moneylender, and had to repay two *chi* at the end of two months. They sometimes also borrow to buy rice, and repay by selling water lily and fish. She observes that moneylenders don't do any work, but just provide money for borrowers, "Yet they are still wealthy and have a lot of farmland."

Interview with Sin Ka

Sin Ka is 39 years old. His wife is 40. Neither of them ever went to school. They have three children, aged 18, 7 and 5.

I have four hectares of land, but two hectares are a rice field and two hectares are forest land that I can't farm because it is far from my house and doesn't have any irrigation. The rice field I can farm because it is near the canal of Ms. E. To farm I have to use 22 *thang* of seed and six sacks of fertiliser. Each sack weighs 50 kg and costs R50,000, and I mix it with six sacks of white fertiliser, which costs R30,000 a sack. I use pesticides costing R150,000, and I use fertiliser to make the rice grow faster, costing R480,000. The 22 *thang* of seed I buy from Vietnam. A *thang* costs R11,000; I usually have the money to buy maybe 11 *thang*, and the other 11 *thang* I pay for later. To hire someone to plough and transplant twice in a season costs R150,000. I could harvest about 400 *thang* per year. But that was three years ago, and from this yield I have to pay the owner of the canal eight *thang* and repay the rice seed that I borrowed from the Vietnamese, 11 *thang*. The Vietnamese come to buy the remainder of the rice at a rate of R200 per kilogram. If we can't sell it, we can't save money to pay back the capital that we borrowed from the police.

I have to borrow one *chi* from the police in order to grow rice. I pay back two *chi* after four months. There is a mortgage on our land title, and if I can't find money to pay back at the fixed time, they will take my capital plus the interest, but it is likely that I will have the money to repay. A few years ago, I had to borrow five *chi* to farm and I fixed the time to repay in four months with five *chi* interest, all together 1 *damleung*. When I harvest I always pay back all the interest and principal on my loans, so the rice that is left cannot support the whole family, but is only enough to feed us for four to five months per year.

Over the last two years of farming, there has not been a good yield, and the villagers can plant and grow only for four months, and they can sow only the IR rice. After this they go to work harvesting in other villages, such as X, or in Vietnam. At first my wife and I went to X village and worked in the harvest. For one *kong* of land harvested, they give us one *thang* of rice, but if we want money, they give us R7000. We work for half a month and when we go back home, I have only R40,000 left for my family.

After my wife and I return home, we have to go to Vietnam to continue working in the harvest. Over half a month, we can get 10 sacks of rice that weigh 30 to 40 kg each. After I returned home I had a plan to use some of this rice and as seed, but it was not good seed.

Besides this, I catch rats, 2 kg per day, which sell for R2600 in the Vietnamese market. I can do that only in the dry season, for five months. At other times I catch fish; some we eat and some we sell for R2000. In the rainy season I find snails; in one day I can find five or six kilograms and sell them for R1000.

Nowadays my family spends around R6000 to 7000 a day, including R600 for my cigarettes. If I cannot find R6000-7000 to support my family, sometimes I have to buy things like oil or sugar on credit from someone. Now I am in debt for four *chi*, and if I cannot find the money to repay after the harvest, they will add my interest to the loan and all up that is eight *chi*.

If one of our children is ill, we go to the Vietnamese hospital, which costs R5000 per day. Our child was there for three days, costing R15,000. I had to borrow R20,000 from my neighbour because this village doesn't have a hospital or doctor, so

the villagers always go to Vietnam when they are ill. My village is near the border of Vietnam, so they let all the people who live near the border go for medical checks.

In this village, when they harvest they always sell the rice to Vietnam cheaply, and when they lack rice they always buy it from Vietnam at a high price. Why do we do this? Because we have no choice and the government doesn't care about the village. The border police and the commune chief have sold the fishing lot to a private owner for four *damlung*, and the private owner always sells it to the Vietnamese. They prohibit the people fishing near the lot, and this area is where the villagers always fished.

Interview with Srey Neang

Srey Neang is 43 years old, her husband is 48. They have six children, the oldest 19.

I have lived in this village since 1984. Before that I lived in Yaing Yao commune, Tin Rieng district, in Vietnam.

I borrowed money from my mother to buy a boat, and I pay her back little by little when I have money. Sometimes I borrow from my neighbour. I still owe the moneylender six *chi* of gold. For each *chi*, they charge interest of 1 *hun* per month. Now I can not find anything from natural resources and can not grow rice because of flooding and drought. This amount I borrowed from Khmers who live along the Vietnam border, but there must be somebody who will guarantee a loan, or nobody will give it to us.

Prior to 1998 I could grow 100 *thang* of paddy per hectare. But from then till now, I have not been able to grow that much. Therefore I started to borrow money to grow IR rice. I paid for fertiliser and seed, and then I could get only 30 *thang* of paddy per hectare, because of a lack of water and not enough fertiliser to feed the rice during its growth.

In terms of borrowing money, if we are not able to pay back the first loan with interest, we can not borrow more. I twice asked the moneylenders to postpone the repayment and they agreed, but if they find out that we lie to them, they will come and insult us. The condition of the loan is to repay after four months.

The children can not study regularly. They can study only for three to four months during the dry season. I sometimes have stopped my children from going to school so that they can help me earn income to pay back the debt.

I am planning to borrow another three *chi* of gold to invest in growing rice so that I can repay them some, but I am afraid they may not give me another loan. The highest income I can earn is from fishing during the rainy season. Each time I fish I can get from D5,000 to D15,000 per day. If I earn less than D10,000 per day, my family will be in crisis, because the need is greater now.

There have been five families that left this village to return to their original village to earn income. The reason I left my original village was that I had no personal land and I heard that here it is very easy to earn money. The life here is better than in my original village because I have land, but I do not have money to work it.

During the months when we are short of food and can not earn anything, we have to leave this village to work in another area, but if we really can not find any work and have nothing to eat, the only choice is to borrow rice from neighbours in the village. The terms for borrowing are that one *thang* of paddy is charged one *tao* interest, and I have to repay in four months.

On one hectare of rice field I use two sacks of fertiliser, each sack costing from D150,000 to D200,000, and eight to 10 bottles of pesticide. When I spray pesticide, I do not have equipment to protect myself, and sometimes I get headache or dizziness.

Svay Rieng



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Following drought, debt a growing problem in Svay Rieng

Debt is a growing problem for villagers in rural Svay Rieng province, according to interviews conducted by a Phnom Penh-based non-government organisation, which were publicly released today. In many cases, indebtedness is a direct or indirect consequence of drought.

“Very many rural Cambodians live on the edge”, said Ms. Rosanna Barbero, the coordinator of Womyn’s Agenda for Change (WAC), which carried out the study. “A fairly minor expense, like having to pay for medical care, is often enough to plunge a family into debt. Drought or flood can leave large numbers of families without food security.”

“Food security” means the ability of a farming family to produce enough rice to feed itself from one harvest to the next. When the rice crop is insufficient to do this, the family is forced to seek additional sources of income, or to borrow.

The material released today is based on in-depth interviews with 25 households in two villages in different districts of Svay Rieng. The interviews were part of a two-year study that began in October 2002 and was conducted in five provinces: Takeo, Kompong Cham, Battambang and Prey Veng, in addition to Svay Rieng.

“Of the 25 households visited in Svay Rieng”, Barbero said, “22 had borrowed at some point. They borrowed from village moneylenders, from relatives, from a variety of NGOs or—in one of the villages—from a rice bank.”

The interest rates paid by borrowers varied widely. Non-government organisations typically charged from 3 1/3 to 5 per cent a month. Moneylenders’ rates might be 50 per cent for a loan of six months, but could be as high as 1 per cent per day. The WAC interviewers found an ex-soldier who was charged a penalty rate of 10 per cent per day when he fell behind on his 1 per cent per day interest payments.

While some borrowers were able to repay their loans, others found themselves constantly in debt for part or all of the year. “Paying off last year’s borrowing leaves them unable to buy food or seed this year, so they have to borrow again”, Barbero explained.

Some villagers had lost their land because of debt, the interviewees reported. “Aside from family, the rice bank appears to be the least predatory form of lending”, Barbero said. “However, the ‘capital’ of the bank had been destroyed by drought. Farmers who had borrowed were unable to repay their loans, so it had no rice left to lend.”

The WAC interviewers said that many villagers described a growing gap between rich and poor. Not infrequently, the former were moneylenders. But villagers sometimes also complained that more well-to-do farmers were those who were able to obtain additional land through corruption or family connections.

In one of the villages, farmers reported an additional problem caused by a plantation encroaching on forest land previously used by the villagers to supply themselves with various forest products.

WAC intends to release further results of the study in coming weeks. The results of the study in Takeo province were released last October.

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Background to the study

The attached interviews and summaries of living conditions in two villages of Cambodia's Svay Rieng province are the product of an ongoing research project of the Womyn's Agenda for Change (WAC). Since October 2002, WAC staff have conducted interviews in rural areas of five provinces. Typically, interviewers spent one and a half to two and a half hours in each village visited, allowing sufficient time for a relaxed discussion, in which those interviewed could express themselves fully.

In each village, the interviewers attempted to visit 10 per cent of the households, randomly selected, whose inhabitants could range from a single individual to an extended family of three or even four generations. Sometimes, however, neighbours or passers-by joined in the discussion, enriching the information provided.

In the two villages in Svay Rieng, a total of 16 households were interviewed. To protect the privacy of the interviewees, all personal names have been changed, as have all geographical names that might make it possible to identify individuals.

So far 240 household interviews have been conducted and translated. That is not a large enough number from which to compile reliable statistical data. But statistics are not the aim. The aim is to allow rural Cambodians to describe in their own words the conditions of their daily lives, their hopes and the problems they face. Further reports based on the research will be released as the information is analysed and checked.

Cambodian terms

A number of Cambodian terms for measures of area, weight and volume appear in the interviews and are reproduced in the summaries. Below are the most common values for these terms, but it should be noted that land and rice measures can vary between villages and sometimes even within a single village.

Damleung: A weight of gold. 26.67 damleung weigh one kilogram.

Chi: One-tenth of a damleung.

Hun: One-tenth of a chi.

Kong: A measure of land, equal to one-third of a hectare.

Thang: A measure of volume, approximately the size of an English bushel. A thang of rice weighs approximately 24-25 kg.

Tao: Half of a thang.

Can: Milk cans are often used as a measure for rice. They hold approximately 250 grams.

When the rice bank is empty—interviews in Ma Kak

Ma Kak, in Svay Rieng province, is a village of 170 families, with a total population of more than 800. The commune chief, who spoke to the interviewers, said that the most pressing problem in the commune is a lack of water. On the commune's funding proposals, the number one priority is a four-kilometre canal system; the second priority is a pump.

The commune chief had earlier contacted a German NGO that had provided wells to other villages in the area, but it had not been able to help Ma Kak. The village has five privately dug wells, which cost about R400,000 to dig; a pump costs R300,000.

Of Ma Kak's 170 families, about "15% are in trouble, but they can survive", he says, because many people help the poor or struggling families, for example by helping with transplanting for free or providing opportunities for needy families to secure paid work in preference to others. In each of the previous two years, two families have left the village. People sometimes leave to escape debt, but the bigger problem is that "there are no jobs here".

Most students reach year 9 at school and then stop. Last year 100 students sat the exam for the end of year 9. There was a 20-person pass limit, so the remaining 80 had to fail. No students from the village have gone to Phnom Penh to continue study.

The commune chief thinks that more families will leave in search of work. The jobs and locations of choice are Phnom Penh to work in construction or, if they can finance it, Poipet because there is land available there. Poipet is the better option according to those who return from there because you can survive, even if you are not rich. Fewer than 20 women have gone to Phnom Penh to become garment workers.

The commune chief's is one of 17 families in the village that have borrowed a new rice seed from Catholic Relief Services. One hectare of land requires 25 kg of the seed, and the yield can be up to three tonnes per hectare. Each hectare requires 100-130 kg of fertiliser, with a mix of 30% IRRI fertiliser. No pesticides are to be used because this is a test; if there is a pest problem, farmers are to ring the company, which will come and advise a course of action. If the crop gets mixed with other varieties, they have to destroy the other varieties.

Transplanting is done not in clumps, but single stalks. Each plant will produce 30-70 grains, compared to the normal one to five. This rice variety was trialled in Kandal and Takeo in 2001. Ten days after planting, the plants are ready for transplanting. Advice is that natural fertiliser is better for the plants, and that the variety requires little water—an attractive feature in this village. Farmers who borrow 10 kg of the seed from CRS are to repay 12 kg at the harvest in four months' time.

Ma Kak has a rice bank, which was initially established by Santi Sena with three tonnes of rice. To borrow 10 kg of rice, you repay 14 kg at harvest time. Last year the bank was half full, but now it is empty. All the rice has been loaned out, and because of drought, farmers were unable to repay, so repayment has been held over until the next harvest.

Aside from private moneylenders, the only credit source in the village is Santi Sena. The chief says that four village families that owed money to Santi Sena and moneylenders and could not repay lost their land and left the village.

Drought

Because of shortfalls in rice production, many villagers have to find additional sources of income. Phann Mom, a 75-year-old widow, lives with her daughter, the daughter's husband, and their two children. She has a son who works in an ice factory in Phnom Penh.

Mom has 1½ ha of rice land. If the weather is good, she can get a yield of 30-40 *thang*. Mom says there is never any need to use pesticides in her field. However, each year they apply two sacks of D-A-P fertiliser, costing R49,000 per bag. They mix this with cow manure to improve its strength. She says, "We have had to use more and more fertiliser every year just to get the same harvest; the soil is poor".

A good harvest can feed the family for five or six months; after that, the family has to find other sources of income to buy food. The three adult members of the household work in and around the village, labouring, transplanting, digging or carrying things. If they dig earth, they get R2000 per cubic metre; transplanting rice pays R2500 a day plus meals.

Other families in the same situation collect things from the fields and fish to feed themselves daily. The rising price of rice is a problem. "In 2000 it was R5000 a *tao*, in 2001 more than R10,000 and this year R15,000. For the poor, this makes it more difficult."

Mom would like to see all of her grandchildren attending school, including the girls, but she understands that "if times are hard, the boy will be preferred" for schooling.

Vong Ly, 53, is a farmer hampered by a shortage of water. She has four hectares of land, but does not cultivate them all because of the lack of water. Her maximum yield is 100 *thang*, which is enough to feed her, her husband, and the three of their six children who still live with them, for only six or seven months per year. This year she was not allowed to borrow from the rice bank because she still owed five *thang* plus interest on her previous loan. She also raises chickens and a pig.

Keo Sokha, a 36-year-old farmer, lives with his wife, their four children, and his younger brother. He is a member of the rice bank, but last year he borrowed 49 *thang* and was able to repay only 34 *thang*, so he could not borrow this year.

During the dry season, Sokha works in construction jobs in Phnom Penh, making R8000 a day. Out of this, he spends about 30 per cent for transportation and food.

When the interviewers arrived at the house of Chim Meth, he was preparing for planting 40 kg of rice seed borrowed from CRS. Meth, 60, says, "In the past few years our situation has not changed that much; we are lucky".

Chim Meth has never borrowed money, but he does borrow from the rice bank even though he normally has rice to sell. Asked why, he replied, "I just wanted to have my name on the list of borrowers, because my son works on the rice bank committee."

Meth, his wife and their children farm four hectares. They normally obtain enough for their own needs and 200-250 *thang* to sell, although last year they sold only 50 *thang*. Depending on how busy they are in the fields, they also make money by raising pigs or cows. They also do construction work. In fact, because of the lack of

rain and the pressure of family finances, one son has moved permanently to Phnom Penh to do this work.

With five hectares of rice land, Sreng Kim and her husband are better off than some of their neighbours. But when she was interviewed in late 2002, two years of drought had reduced their living standards. In 1999, they had 100 *thang* of rice to sell. Since then, because of drought, they cannot produce enough rice even for their own family's needs, harvesting only enough for about 10 months' supply. To pay for food for the rest of the year, the husband fishes, usually catching enough in a night to earn R3000-4000. One of their sons, with his wife and their two children, left only two months ago to undertake construction work.

Kim says that their living conditions now are "stable. We are struggling to survive, but we will not have to leave the village."

To work its fields, the family needs about 100 person days per year. Family members do exchange labour more often than paying wages for labour. They usually spend up to one and a half months doing exchange labour. If money is paid for labour, one day of transplanting earns R2500 and two meals. For harvesting, Kim pays R2000 plus two meals because the work day is shorter than for transplanting. She estimates that transplanting and harvesting together cost the family around R300,000 per year.

Sopha's husband is a construction worker. While he is out at work, she looks after the house and their two children. In addition to his outside work, they farm about half of the four hectares that their parents gave them when they married. Labour for transplanting costs them the equivalent of 100 *thang* of rice. The other expense is for 10 sacks of fertiliser, bought from Vietnam for R50,000 a sack.

Chan Thoeun, 65, lives with her grandson. They have one hectare of rice land. In a good year, they get 60-70 *thang* from it, but this year, because of the drought, they got only 30 or 40 *thang*. She is a member of the Santi Sena rice bank, from which she had borrowed eight *thang*. This had to be repaid, but without interest.

She thinks that raising ducks, chickens and pigs is a better way to make money, provided the animals don't get sick. To raise the R48,000 for the one sack of fertiliser she uses on her field, she can sell a pig for R70,000.

Vichea and his wife have been married for six years and have six children. They have just 0.7 hectares of rice land, which they inherited from their parents. Because they have no buffalo to plough their land, they rent one with their labour: for one morning's use of a buffalo, they spend two mornings transplanting rice for the animal's owner. They spend R150,000 on other inputs. In a normal year they harvest 40-50 *thang*, which is enough to feed them for only half the year. This year, because of the water shortage, they harvested only 20 *thang* and have borrowed eight *thang* from the rice bank.

After the harvest, Vichea looks after the children while his wife goes to Vietnam to buy vegetables or dried fish to sell in the village. Their other source of income is raising animals.

Rattana and Sophy also have six children. They are determined to send them all to school "because there is nothing else we can give them".

They have 4.5 hectares of rice land. It costs them three or four *chi* per year to work the fields, and in a normal year they harvest around 70 *thang*. Sophy says that

for the last two years the harvest has been insufficient because of drought, and this forced her to borrow eight *thang* from Santi Sena; they will have to repay 12 *thang*.

Soy Phary, 54, her 59-year-old husband, their three children and two grandchildren live together and farm three hectares of rice land, but about half a hectare has no water. They use one to three sacks of fertiliser, which this year cost R48,000. In a normal year they harvest around 150 *thang*, but because of drought and floods, this year they will get only 60-70 *thang*.

A normal year's harvest is enough to feed the family from May through January. To feed themselves for the other three months, the family does wage labour and raises animals.

They do exchange labour or hire labour to get their field planted. So far this year, up to the first transplanting, they have spent R200,000 on labour and inputs.

Phary raises chickens and has raised two pigs and two buffaloes. She bought a small piglet for R40,000, at a rate of R3600 per kg. Raising the pig to about 80 kg takes six to eight months. When the pig is big, it is necessary to feed it a *tao* of rice meal every three or four days at a cost of R3000. When the pigs are small, R1000 worth of meal lasts about the same time. "I think I would spend about R100,000 on feeding the pig, and I can sell it for R200,000-250,000, but if it is big, up to 100kg, I can get about R350,000."

A five-year-old buffalo will cost between six and seven *chi* of gold, but you can sell a buffalo at three, four or five years of age. For a big buffalo, you can get up to 10 *chi*. "I have a female buffalo and I never have to pay for breeding because she eats in the fields and meets males there. I have had this buffalo for five years, and she has had two calves. The calves can work after three years of age."

Mao Sopheak and her husband have nine children, five boys and four girls, who range in age from 18 to one. All of the children have gone to school, but two of the girls stopped last year after reaching grade 5.

The family has three hectares of rice land. They use two sacks of fertiliser that cost R46,000 a sack. They also use two bottles of pesticide that cost R3000 per bottle. "We would use more fertiliser if we had the money", Sopheak says, "but we are always short. The best harvest we can get is 150 *thang*, but if there is not enough water, we only get 50-60 *thang*. This year we will probably get 60 *thang*. Earlier we were self-sufficient in rice, but last year was bad and we were short from Khmer new year [April] till harvest." In the past year, Sopheak borrowed 13 *thang* from the rice bank. At harvest she has to repay, with 1½ *thang* interest.

Sopheak has also raised pigs and chickens, but she stopped raising pigs because they cost too much to buy and to feed. Her husband works as a moto taxi driver in Sangke, a town about 40 minutes away, but usually clears only R500-1000 per day.

Four months ago, the couple's 15-year-old and 17-year-old daughters went to work in Phnom Penh. The younger daughter went to work in their aunt's rice shop. The older daughter worked in a garment factory for three months but quit because she did not like working night shifts. She now also works in the aunt's shop. Neither has been able to send money home.

It is hard when they have to buy rice, because the price has been going up. Two or three years ago, it was R8000-9000 per *tao*; this year it is R13,500. "Having such a big family makes it hard to survive, but I feel more peaceful when we are together",

said Sopheak. "More children mean more expenses; the children are hungry all the time. We have only one cow and no draught animals. But we all rely on each other. Friends and neighbours now more often lend and borrow from each other to survive."

Ly Piseth, a 64-year-old widow, lives with seven other members of her extended family. All four of the children have gone to school, through grades 2, 3, 4 and 7.

They have three hectares of rice land, on which they use six sacks of fertiliser costing R47,000 each and around 10 bottles of pesticide at R4000 each, because they have a lot of problems with insects that eat the roots of the rice plants.

In a good year, they can harvest up to 200 *thang*, of which they would sell up to 30. In a not-so-good year, they typically harvest 120-130 *thang*. Then they have to buy rice to make it to the next harvest.

Piseth's daughter is a hairdresser and does make-up for weddings. The family also own a set of speakers that used to be rented out, but her son-in-law broke the amplifier and they have not had the money to get it repaired.

They borrowed from the rice bank three years ago, but not for the past two years. "The past two years we have been short, but not so much that we have to borrow. We can deal with it ourselves because my daughter earns some money."

No one in her family has migrated for work, but she knows about Mao Sopheak's daughters, and she says that both Sreng Kim and Soy Phary have daughters who work in garment factories in Phnom Penh.

Lina and her husband have three hectares of rice land, but during droughts they plant only half of it. They have food shortages for two to three months of the year. This is partly made up by Lina planting taro, yams and vegetables to sell. She also raises chickens and pigs. If she can sell a pig during a festival, the price is R3300 per kilo; otherwise it is R2500.

They could get a bigger rice harvest if they used two sacks of fertiliser per hectare, but they can only afford to buy one.

They have three children, including two daughters who are in school. Some families have sons or daughters working in Phnom Penh as construction workers or domestics. They left because of the drought and chose Phnom Penh because they have relatives there. As for her family, she says, "We are able to live—not well, but live. At some times of year we eat less."

Somphos, a 76-year-old widow, lives with five other women in an all-woman household. They are very poor and have only two hectares of land. In the past, she says, they always had enough rice for the whole year, but in the last few years they have been going backward and suffering food shortages for three months out of 12.

Medical care

Somphos reports that four men in the village have died from AIDS, and now the four wives are all HIV-positive and dying. The young women are afraid of marriage because they have seen too many people dying of AIDS.

One of them is Vong Ly's second daughter's husband, who died of AIDS a few months ago. Now the daughter is sick and has moved back in with her mother. Ly is worried about how she will find money to pay for treating her daughter.

The interviewers found two conflicting attitudes in Ma Kak regarding medical care. Some villagers normally visit the commune medical centre, which they consider good value for money, although they will pay for more expensive private clinic or hospital treatment for a more serious illness. Others regard the medical centre as second rate and avoid it if they are able to pay for a private clinic.

Phann Mom and her family are in the first category. If one of them is sick, they go to the local medical centre, which charges only R500. Sreng Kim's family has the same attitude. So does Chim Meth, who notes that for its R500 fee, the clinic includes enough medicine for three days. He adds that in any case, the nearest private clinic is too far away.

Sopha says that if she or her husband or children are sick, they go to the health clinic, where the examination costs only R500 and they are given enough medicine for three or four days. If they are still sick after that, they take the clinic notebook to the doctor, who gives them enough medicine for another three or four days.

Soy Phary says she is often ill with symptoms of fever, lack of appetite and sleeplessness. She does not consider this a serious illness. She goes to the local clinic and gets enough medicine for three days. "Why go to a private doctor for R20,000-50,000?", she asks. "The health clinic charges only R500."

Sophy says that she once went to a private doctor for an examination, and had to pay R10,000.

Mao Sopheak's family usually goes to the commune clinic, but she herself has had more serious illnesses that were more expensive. "I have hypertension and many haemorrhages. Treatment costs R50,000, and I have been many times. I spent about R200,000 on this last year. I was very sick seven years ago, when I had something taken out of my stomach. When I am sick, my oldest daughter or my husband takes care of the other children."

During her most recent illness, Sopheak was in a private clinic in the town for a week, which cost R120,000. "I had to return early because the children were alone with only the 14-year-old to mind them. My husband had to work and travel to Sangke every day."

When she is sick, Ly Piseth goes to the health clinic, which she says "provides a good service". She has been sick with an illness that made her cough blood. The clinic sent her to the hospital, where she stayed two days and nights. It costs R200,000, including medicine, but she is still sick and has a hoarse voice. She has completed one month of an eight-month course of treatment.

Lina and her husband are among those who think the commune health clinic is no good, and they therefore go to a private clinic when they are sick. It costs R10,000-20,000. All three of their children have been vaccinated.

Somphos shares Lina's opinion about the commune health centre, and she therefore goes to a private clinic when she is sick.

Borrowing

Vong Ly's husband is a carpenter, and he was injured three months earlier, when a house post fell on him. To pay for his medical treatment, she used her own money and R50,000 borrowed from Santi Sena. Her husband has recovered now, but there is still the loan to repay. She hopes to do this by selling the piglet she is raising, but if it doesn't grow fast enough, she will sell the chickens she keeps and borrow money from relatives or a moneylender.

At other times she has borrowed R50,000 from Santi Sena to buy pigs for raising or to make alcohol, but she stopped doing this because there was not enough profit after repaying the loan.

In the last three years, she has several times borrowed from a moneylender. She also buys fertiliser on credit, at a high interest rate. One sack of fertiliser costs R48,000, or the equivalent of 120 kg of rice. But at harvest time, she has to pay for the sack with 10 *thang* of rice, or about 220 kg.

Last year, Keo Sokha borrowed R200,000 for four months to buy cooking rice and fertiliser. The interest was 30% a month. Four months ago, his son had to have an operation for appendicitis. Sokha paid for the operation by borrowing R800,000 from a relative at no interest. He is to repay it in a year.

In general, Sokha feels that credit projects make life more difficult for people. He knows of about 10 families that have pledged their land as collateral to a moneylender.

At different times, Sreng Kim's family has borrowed R50,000-100,000 from Santi Sena. No collateral is required. The loans are four to six months, and the interest is 4 per cent a month. Kim had not borrowed money before loans became available from Santi Sena because "I am not in business and the moneylenders' rates are high. If you borrow one *chi* of gold, you have to pay back one and a half *chi* after six months."

If she is short of cash, Kim can buy goods on credit from the local store at no interest for up to one and a half months. "There is a good support network among neighbours", she says.

Sophy has twice borrowed R100,000 from Santi Sena for her small business, which consists of buying vegetables and fish and selling them in the village. The NGO doesn't take security such as the family book or house title, but private lenders insist on a mortgage because they fear that borrowers will not be able to repay.

Over the last three years, Ly Piseth has taken out several six-month loans in amounts from R100,000 to R300,000. The interest is 4% per month. She has always been able to repay, so she borrows again. "The contract comes in a book, but I cannot read it or understand it. The credit [Santi Sena] people told us that the amount of money is unlimited for businesses, and I was not told of any other conditions."

When they farm, Sopha and her husband sometimes pay cash for the fertiliser and sometimes buy it on credit, but in that case they pay the debt quickly from the husband's construction work wages.

They don't like the idea of borrowing from moneylenders, but would borrow from relatives or from an NGO. If they borrow one *chi* from an NGO for a year, the interest would be five *hun* (half a *chi*).

But Sopha is suspicious of the Santi Sena committee, which allowed somebody to borrow to buy a buffalo in 1997. This should have been a six-month loan, but until now (2002) they haven't repaid it. She wants to borrow money to buy a buffalo, but Santi Sena won't agree because they think that she has enough money to buy one herself. But she is not angry, because her husband has a job every month, and their life is not very difficult.

She thinks that the credit program of Santi Sena would be better if it helped poor people with such things as rice seed, buffalos, chickens, ducks, pigs and plants, and also helped to teach literacy for people in the village. However, some very poor people have been helped. They didn't have a buffalo for farming, but after getting a loan from Santi Sena, they improved their livelihoods and could grow rice.

Vichea and his wife borrowed R100,000 from Santi Sena to buy two bags of fertiliser for their rice field. The interest is 4% a month. It was a short-term contract, but the organisation allows them to repay late. Vichea says finding the R4000 monthly interest is not a problem, but it would be better if the interest were lower. Still, things were more difficult before Santi Sena came with its credit programme.

He says they never borrow money from their neighbours, because they know that to borrow R100,000 they would still have to pay R4000 per month interest, and they would also have to give something as collateral. "With private lending, if we pay back late, they will confiscate the collateral. But with Santi Sena, we never hear about property being confiscated."

Soy Phary has never borrowed from a moneylender, but a year ago she borrowed R50,000 from Santi Sena for six months at 4% a month interest. The loan has been repaid, but she thinks it would be better to borrow from her younger sister in Phnom Penh, who won't charge her interest.

Sopheak knows nothing about the credit offered by Santi Sena, but says that her husband may know. "We have never borrowed money, so I don't know how we would decide. We would not use credit because I am afraid that I could not pay it back. It scares me. We will find the best way to survive. If we are hungry, we will eat less, and we will eat more when we have it."

Phann Mom's family often borrows from the moneylender in the village. One *chi* of gold is repayable as two *chi*, and repayment is generally made after the harvest. An alternative arrangement is to borrow more than 3 *chi* over two years. Interest is in the form that the moneylender uses your land. "But you always get your land back after the debt has been paid". Mom knows that there is credit available through an NGO in the village, but she does not know all the details.

According to Mom, "Poor people get into debt and become poorer. With the drought, debt gets bigger and there is no way out." She knows of one or two families that have left the village because of their inability to pay their debts. "The moneylender is getting richer. The rich rise higher and the poor decline."

Somphos sometimes borrows money from a moneylender in the village for six months. If she borrows R1000, she has to pay back R1500 within six months. She never borrows from the NGO because she is old and nearly dead, so they would not

lend her money: who would be responsible for the debt if she dies? She is a widow, a woman and old, and this excludes her.

The NGO would look at her house and see that they are very poor and have no animals. So if they borrow and can not repay, they will lose their land because they have no animals to sell. Twice they tried to borrow money from the NGO to buy a buffalo, but they were refused. They help only people who have a backer. Even with Red Cross rice, it is given only to the rich and their relatives. "We are poor, so we get nothing."

Now, since the NGO refused her, she will mortgage her land in order to buy a buffalo. Her sister, who lives in another village, borrowed R300,000 from Prasac to buy a buffalo. She had to give their land title as collateral. The interest is R10,000 a month.

Somphos borrows money from relatives just to buy rice. Many villagers are poor now, so the only chance to borrow is from relatives. They are also poor, but they take pity on them.

Lina is sometimes tempted to borrow money to buy rice, but she prefers to eat less rather than borrow because she knows that they would not be able to raise the money to repay. The credit program is not good, because most people can not repay, so the interest keeps accumulating. "We are scared that in the end, the NGO would take our land, our house, our animals. It's impossible to pay back. Then when I die my children would inherit the debt. If I died my children would lose everything."

She says that two or three families in the village borrowed money from Santi Sena to buy buffaloes. They became poorer and poorer and they ran away because they could not repay. These families left and have never returned.

Even if the NGO's interest rates were 4% a year instead of 4% a month, they would not borrow money to buy rice, because they don't earn enough to repay. However, they do buy fertiliser on credit and sometimes borrow rice in kind.

She says that the NGO just comes around and says it has money to lend. "NGOs are the only ones who profit. The NGOs get richer and the people get poorer."

Violence

Not many of the people interviewed mention domestic violence, but Lina says there is lots of it in the village. Men are beating their women all the time. She knows of two or three families nearby that have severe domestic violence problems. No one supports these women. Even if the wife in the morning goes to the head of the commune and he comes to talk to the husband, the situation never changes.

The 17-year-old woman living in the house with Somphos says she does not want to get married because she sees so many women beaten by their husbands.

They say that the NGO never helps any woman who is a victim of violence, because they say violence is an internal affair of the family. Even relatives do not help. The commune chief can help, but nothing ever changes for women. The violence increases, and so does poverty for most.

Now there are many rapes in the village. No girl is safe; everyone has to be very careful.

However, Chan Thoeun says that her daughter used to fight with her husband because he was drunk. But he was lectured two or three times by the village chief and the staff of the NGO, and now they don't fight any more.

Life on the edge in Tbeng

There are 152 families in Tbeng, which is located a few kilometres from the Vietnam-Cambodia border in Svay Rieng. It is situated along one main east-west road. The interviewers arrived at the end of the wet season, in October 2002, but the ground was very dry and there was little standing water near the houses. The terrain is very flat, and the villagers' fields are all visible from the road.

There is a sugar cane plantation to the east, between the village and the border. It is said to be owned by a powerful political official. The plantation was previously a forest to which the villagers had access to collect wood and other forest products. They say the plantation started out at 70 hectares but has now increased to 300. This is a large area that they are now unable to use. There are guards protecting the area, and people say that they now get less from the forest or free areas because they have to travel further.

There is no major river or body of water within the commune. Most of the water for the fields comes from rain, but there are some hand pumps in the village. Wealthier villagers have installed their own wells. There is a river near the sugar cane plantation, and the owner has built a canal for irrigation. If villagers want to use water from the canal, they must pay, but they say that there is never much water left over after the plantation has been cared for.

The remaining forest has extensive groves of eucalypts. The villagers collect the green leaves and distil raw eucalyptus oil. Previously, the trees could be accessed easily; now the trip to collect the leaves and return requires a day. It takes another day to distil the oil from the leaves, producing 0.5-1 litre of oil. The oil is sold to Vietnamese traders for R10,000-15,000 per litre.

The village has no school due to the small number of children and low retention rate. The local pagoda is used as an ad hoc school. Education beyond grade 7 is costly because the students have to travel so far.

Young couples who cannot find land tend to migrate to higher areas. When they return to the village, they are often sick. Income sources aside from rice farming are porting, raising cows, pig or ducks, producing eucalyptus oil, working in the sugar cane plantation, digging soil and waged rice-field labour (although this is harder to find). Eight or nine people who had little or no land have migrated to work in Battambang, Pailin or Phnom Penh. Most of the villagers interviewed had some experience of borrowing.

Farming: a precarious living

Keang Srun is 52. She and her 54-year-old husband have five children ranging in age from 20 to 12. The four oldest, all boys, work, generally farming or doing wage labour like carrying dirt, carting pigs to the market or transplanting rice. Her 14-year-old daughter is still in school, in grade 6. The boys all completed grade 4. Srun also has an adopted son who is a deputy commune chief.

Because of the large number of workers in it, the family is fairly well off. They have two hectares of rice land, which normally produces enough for the family for the whole year, plus a little extra to sell. On their two hectares they use three sacks of fertiliser, which ranges in price from R20,000 to R50,000 per sack, depending on

quality. The fertiliser is combined with 104 sacks of coconut ash, which costs D5000 per sack. They also use six or seven bottles of pesticide at R3000 per bottle.

Keang Srun is worried about the reliability of the water supply for her field. She is thinking of putting in three wells, at a cost of R300,000 each, plus 5 *chi* of gold for a pump. There would also be expenses for operating the pump: it takes 90 litres of diesel fuel and 8 litres of engine oil to irrigate half a hectare.

Pen Chey is 23 years old. He and his 22-year-old wife have one child, an 11-month-old boy. Like Keang Srun, he has two hectares of rice land. On it he uses five sacks of fertiliser at R45,000 each, 78 sacks of coconut ash at D6000 each, and one or two bottles of pesticide at R2500 a bottle. He also has to hire labour, spending R150,000 a year for transplanting and R20,000 for harvesting.

He produces enough rice to be able to sell some. Last year he sold 40 *tao* and the year before 80 *tao*. He is uncertain about this year because his water supply is limited. Pen Chey and his wife also raised a piglet, selling it when it was mature for a profit of R50,000. They intend to do this again. However, he is worried about the future because he thinks it is becoming harder to survive for many families.

Keo Vireak, 28, and his wife have two young children, a boy and a girl. He has never been to school, but his wife went as far as grade 4.

Vireak is a former soldier who now farms one hectare of rice land. He uses three sacks of fertiliser at R25,000-47,000 each, and 26 sacks of coconut ash at D6000 each. He and his wife do all the work, and they produce enough rice to feed themselves for eight to 10 months. To get the money to buy rice for the rest of the year, he distils eucalyptus oil or transports pigs to market. Occasionally he is hired to dig wells or ponds; he will take whatever work is available.

Khat Sokha, 21, and his wife Lim Tevy, 19, have one child. In school, he went only as far as grade 3 and she grade 2; both left because their families were poor.

When they were married, their parents gave them a wedding gift of a half-hectare rice field. They use one 50-kg of sack of fertiliser that costs R45,000 and mix this with ash fertiliser. For 100 cans of ash fertiliser, they pay around R50,000. Transplanting costs 1.5 *chi* of gold. Their yield is 60-70 sacks of rice a year, which is enough for them to eat but doesn't give them a surplus to sell. They also earn income by transporting pigs or chickens and by distilling eucalyptus oil, which they sell in Vietnam for R15,000 a litre.

Srey Pao, 22, married when she was 14 years old. She and Keng Dy, 24, have two children, a four-year-old boy and a six-month-old girl. Srey Pao was born in Kompong Som, but later her family moved to Svay Rieng province. When she was seven years old, her mother died, leaving her one hectare of farmland and a buffalo. However, her farmland is far from the house.

On her one hectare, she uses three sacks of fertiliser, costing R50,000 per sack. She hires labour for transplanting for R30,000. This year the crop was poor, and she harvested only 20 *thang*, less than 500 kg of rice.

Navy, 44, was at home talking with a neighbour woman when the interviewers arrived. Her husband was away, transplanting rice. For five days' labour, he receives 15 kilos of rice. When he works for his relatives, he also receives three meals a day, but from other employers only two meals.

She has one hectare of rice land, from which she gets 750-1000 kg per year, enough to feed them for only half the year. She does not use chemical fertiliser because she cannot afford it, but she does use compost.

She does not own a cow or ox, but she is raising an ox for a neighbour; she will receive its first calf and the neighbour will get the second.

Chea Kem, 72, has lived in the village for 18 years, and he finds life more difficult now, partly because his health is failing, but also because earlier there were government subsidies, but now he has to spend money for everything, for all his farming inputs, which means he has to borrow.

He has eight hectares of land, but only three are cultivable. For the past five years, he has had a yield of 20-30 *thang* per hectare. Previously he did not need fertiliser, but now he will not get same yield if he does not use it. Now he spends more money to grow rice, because of fertilisers. He also buys pesticides because he needs them; before he never used them.

For the last three years, they have had drought. Previously there was always good reliable water, and the rainfall was consistent. Before there was lots of forest, but it was cleared for cultivation. The forest was also cut for firewood, and sometimes the Vietnamese cut trees. Others cut trees for firewood to sell for extra money. He does not buy firewood but gathers roots.

The rich people, Chea Kem says, have 20-30 hectares, which they were able to buy. They pay money to the commune chief and the latter buys state land as rice fields. Now if people have the money, they can secure two or three hectares of land. The land that the commune chief provides is forest land. The rich also can have tractors and hire machines.

Kimleang and her husband have 2.5 hectares of land, 70% of it cultivated. In one year, she uses three sacks of fertiliser from Vietnam. Vietnamese fertiliser is cheaper, and the amount required increases from year to year. The crop can feed the family for only nine months of the year. Currently she is buying rice.

The two go together to collect eucalyptus leaves. Yesterday they went to collect leaves. Today he is there and she is distilling. Now there are more people than before collecting leaves. The land belongs to the government and villagers, so they don't need to pay to get the leaves.

Sreytouch is 22 years old and has two children. She was married at 16. She has one hectare of land, producing 20 *thang* of rice a year. Fifteen *thang* a year are needed to feed one person.

Work in Phnom Penh

Sreytouch's husband sells his labour in Phnom Penh. He returns only once or twice a month, sometimes bringing R40,000-60,000 and sometimes empty-handed. When her husband returns, he looks after the children and she sells her labour for R2500 a day.

Women here trust their husbands who work in the city, she says. The husbands say they are afraid to have sex with prostitutes. Most couples here do not use condoms.

Kimleang's husband used to go to Phnom Penh to work as a cyclo driver; when he returned, he was sick. He would go for two weeks and rent the cyclo for R9000. This year he decided not to go because he was earning nothing.

Keng Dy, the husband of Srey Pao, is a construction worker in Phnom Penh. He comes back home once a month, usually bringing R100,000-160,000 with him. After the transplanting season, he goes back to Phnom Penh for more construction work.

Navy says that many young people from a nearby village go to Phnom Penh and work in factories, because that village has connections or relatives; people in this village don't have connections.

Life seems better for those who are working in Phnom Penh, but Navy prefers to be poor and have her children with her. She is afraid of their being trafficked. She hears rumours about it and hears it on the radio: stories about girls being trafficked. Those who go to Phnom Penh need money for bribes (to be hired by a factory, it is often necessary to bribe factory guards or officials) and transport, and so their parents need to borrow money. But some can not find work and come back with no job, no money, only debts that still need to be repaid.

Illness

Several villagers mentioned sickness, and the economic strains caused by having to pay for treatment.

When the interviewers called, Keo Vireak was suffering a recurrence of the malaria which he caught when he was a soldier based in Kompong Speu. It now costs him R100,000 each time he needs to be hospitalised. He prefers to go to a private clinic, because when he went to the public hospital in 1999, it was not able to arrest his fever; since then, he has been to a private clinic three times.

Keang Srun, the 52-year-old with a husband and four working sons, is lucky that her family, except for herself, has been healthy. She has suffered from fever and a sore chest. The local health clinic charges only R500 per visit, including medicine, but it is only for minor ailments. If an illness is serious, she says, people go to a private clinic. If they require surgery, they usually go to Vietnam.

Srey Pao and Keng Dy say that their biggest unforeseen expense is caused by illness. "When someone in the family gets sick, we have to buy medicine," Srey Pao said. "When my children had high fevers, I spent R2000-3000 for medicine. The older child had typhoid fever, and I took him to the commune hospital and spent R30,000 for the treatment."

Kimleang and her husband have had two children, one of whom died at birth. The other child is sick a lot, so much of the money they earn from preparing eucalyptus oil goes for private doctor fees. She does not trust the government clinic to treat the child, although she goes to it herself if she is sick.

To pay for his malaria treatment, Keo Vireak has twice borrowed from a moneylender for one month. The first time he borrowed R100,000 at interest of R1000—1 per cent—per day. Because he could not repay at the end of the month, the interest rate rose to 10 per cent per day. He paid this off by getting an advance on his army salary of R70,000 a month. If you get your salary in advance, for each month in advance, R5000 is deducted; that is, in December you can get R65,000 in lieu of your January salary, R60,000 for February etc.

The second time his illness was more severe, and he was in the clinic for two months, which cost R200,000. Again, he borrowed the money at interest of 1 per cent per day, but this time he was able to repay the loan when the negotiated three months were up.

There was no collateral needed for the loan, “but the moneylenders visit the house and see what you have before they will lend you any money”. Many others in the village have used moneylenders, but only about 60 per cent can afford to pay it back without selling an asset. The very poor are unable to borrow from moneylenders because the loans have to be repaid quickly. He doesn’t know much about Santi Sena and has never borrowed from it.

Vireak says life is difficult, especially with malaria. “The poor get poorer, just working to pay the moneylender, while the rich get richer.” The moneylender is able to live by not doing anything else but lending money.

Most of the other villagers who had borrowed money did so to pay for farming inputs, although some also borrowed to have enough rice to last until the harvest.

The young couple Khat Sokha and Lim Tevy borrowed money from Santi Sena to pay for fertiliser for their first rice crop. The loan was for R50,000, to be repaid in six months. They did not have to deposit their family book as security, but the organisation keeps a list of borrowers. Before they borrowed, Tevy says, they had to attend a meeting, but she no longer recalls what happened at it.

If they were to borrow 5 *chi* from a moneylender, at the end of a year they would have to pay 7.5 *chi*, but borrowing from Santi Sena is not a problem; it is like borrowing from a neighbour or sibling.

Although Srun has not had to borrow to pay for her medical treatment, a few years ago she borrowed R70,000 from Santi Sena and used that sum, together with R50,000 of her own money, to buy three piglets. The loan was initially for six months, at 4% per month interest. She was unable to repay the principal at the end of the contract, so it was extended for another six months, during which time the principal was gradually repaid along with the interest. With the profit from the sale of the pigs, they bought fingerlings to stock the family’s pond with fish.

She is reluctant to borrow again, fearing that her children might be unable to repay the loan. If she were desperate, she thinks she would be able to borrow R10,000-20,000 from neighbours for a few weeks or a month, without interest.

Srey Pao and Keng Dy normally borrow money to buy fertiliser and rice or other food. Neither the NGO nor the moneylender requires them to put up collateral or the family book.

She borrowed money from Acleda long ago. For R100,000, she had to pay R4,800 monthly interest, and after a year the NGO staff came to collect the principal.

She also borrowed from her neighbour; for 1 *chi* she had to pay back 1.5 *chi* within a year. "The R100,000 I borrowed from Acleda was used to buy fertiliser for R50,000 and rice for R50,000. My husband submitted the borrowing form to Acleda, along with his photograph and thumbprint."

When she borrows money, Srey Pao worries that she will not be able to repay. "It is very difficult because they come to get the interest and I have to pay every month. If I missed one month's payment, they would fine me R500 per day."

Chea Kem's harvest is not enough to feed the family (despite his age, 72, he has two children under six years), so when they transplanted rice, they borrowed money from a private moneylender to eat, for fertiliser and for a buffalo for ploughing for a few days. On a loan of 1 *chi*, he pays back 1.5 *chi* within six months. There is no negotiation with the NGO, but with a moneylender you can negotiate to delay payment.

The village development committee [VDC] or group leader tells them when they have to pay back, so he just sells pigs or borrows from the moneylender to pay back the NGO. Many people do this.

In the past he borrowed from Santi Sena to buy a buffalo, which is now old. He has been gradually repaying the loan by raising and selling pigs and by selling eucalyptus oil, and will have it paid off in one year.

Sreytouch and her husband have a debt of R100,000, on which they pay interest of R4800 a month. Eight months from now, they will have paid it back. She used the money to buy a bicycle and fertiliser.

They started to borrow two years ago. She borrowed 1 *chi* and paid back 1.5 *chi* after six months. From the NGO, they borrowed for the first time only three months ago. Her husband borrowed the money, and she does not know the details. The money went for food and fertiliser.

Pen Chey and his wife have several times borrowed two or three *chi* from his mother at no interest, borrowing in May and repaying after the harvest in January or February. He would like to be able to get by without borrowing from her.

Kimleang has wanted to borrow money from the NGO but could not. She says that the committee kept sending her around to different people as a brush-off. She wanted to buy a piglet to raise. They claimed that the loans were already distributed. Later she tried to get a loan to buy a buffalo, but they still would not give it.

Earlier she had a loan from CIDSE [Coopération Internationale pour le Développement et la Solidarité] once only.

A private moneylender is also on the Santi Sena credit committee. There are several moneylenders who are rich people, and Kimleang has borrowed from several. She never negotiates with them; she always pays on time: she borrowed 1 *chi* and paid back 1.5 *chi* after about six months—planting to harvest.

Navy's son is a volunteer for the Santi Sena VDC. Because of this, she said, they receive a part of the interest on its loans, and they also received a well in front of their house.

She would not borrow from a private moneylender because it's too expensive and she thinks it's impossible to repay.

She wanted to borrow from an NGO to buy a buffalo, but her son said that if there was a crisis, they might lose everything. They know of a family east of the village that borrowed from Santi Sena. Then their buffalo was stolen, so they sold their cow to repay the NGO. The NGO delayed the repayment but did not waive it or lower the interest. You can never negotiate with the NGO. The VDC has to collect all the capital; otherwise the NGO will be angry.

Navy and the neighbour with whom she was talking agreed that the interest rate of 4 per cent a month is just too risky, even if the money is used for a productive asset like a buffalo, because they live from day to day. Too many things happen that require money, so the risk is too high. At best a loan can only assist to buy food during an emergency, but for a short term, never long term.

Interview with Mao Sopheak

"I am 44 years old; my husband is 45. We have nine children, five boys and four girls. The oldest is 18 and the youngest is one year old. All of them that are old enough have gone to school.

"If we are sick, we usually go to the commune health clinic. It costs R500, and they give you enough medicine for three days. I have hypertension and many haemorrhages. Treatment at the private clinic in Sangke costs R50,000, and I have been many times. I spent about R200,000 on this last year.

"I was very sick seven years ago, when I had something taken out of my stomach. When I am sick, my oldest daughter or my husband takes care of the other children. The last time I had stay in the private clinic, it cost R120,000 for one week. I had to return early because the children were alone with only the 14-year-old to mind them. My husband had to work and travel to Sangke every day.

"Two of my daughters have gone to work in Phnom Penh. One was a garment worker for three months but stopped because she did not like doing the night shift. The other works in her aunt's shop selling rice. They are 15 and 17 years old, and they left here four months ago. Now they both work at their aunt's shop and the 15-year-old lives there. The 17-year-old rents a room for \$5 a month, including food. Neither has been able to send money home.

"We have three hectares of rice land. On it we use two sacks of fertiliser, which costs R46,000 a sack. We also use two bottles of pesticide, which costs R3000 per bottle. We would use more fertiliser if we had the money, but we are always short. The best yield we can get is 150 *thang*, but if there is not enough water we can only get 50-60 *thang*. This year we will probably get 60 *thang*. Before we were self-sufficient in rice, but the last year was bad and we were short from Khmer new year till harvest.

"Before, I raised pigs and chickens. Now I don't raise pigs because they are too expensive to buy and feed; I only raise chickens. My husband works as a moto-dup [motorcycle taxi driver] in Sangke, but only makes a profit of R500-1000 R on a good day.

"This year I borrowed from the rice bank. If you borrow 13 *thang*, you pay 1 ½ *thang* in interest and pay back after the harvest. To buy rice this year is around R13,500R a *tao*. Two to three years ago it was R8000-9000R a *tao*. I buys everything I need in the village, from the large shop.

I don't know about credit from Santi Sena, but maybe my husband knows. We have never borrowed money, so I don't know how we would decide. We would not use credit because I am afraid that I could not pay it back. It scares me. We will find the best way to survive. If we are hungry, we will eat less, and we will eat more when we have it.

"Having such a big family makes it hard to survive, but I feel more peaceful when we are together. More children mean more expenses; the children are hungry all the time. We have only one cow and no draught animals. But we all rely on each other. Friends and neighbours now more often lend and borrow from each other to survive."

Interview with Keo Vireak

"I am 28 years old. My wife is 25. We have one son and one daughter. I never went to school, but my wife went as far as grade 4.

"I caught malaria when I was a soldier in the army based in Kompong Speu. It costs R100,000 each time I have to be hospitalised. I prefer to go to the private clinic, because I went in 1999 to the public hospital, but they were not able to stop my fever. Since then I have been to the private clinic three times.

"I borrowed R100,000 for one month to pay for the clinic. The interest was R1000 a day. I could not repay it on time, so the interest in the second month became R10,000 a day. A month after leaving the clinic, I went to the barracks to get an advance on my salary.

"My military salary was R70,000 a month. If you get an advance, for each month R5000 is taken out of what is given to you. For month one you are given R65,000, month two R60,000, month three R55,000. Now I have given up being a soldier and have been removed from the list at the base because I am sick, it is far from my home and I prefer to be with my family.

"I borrowed from the moneylender twice. The first time I paid back with some of the advance of my army salary. But the last time my illness was severe and I was in the clinic or in bed for two months. The clinic charges were R200,000, which I had to borrow. I paid this off in the three months I negotiated.

"I did not need collateral for the loan, but the moneylenders visit the house and see what you have before they will lend you any money. Many people in the village have borrowed from moneylenders, and only about six out of 10 can afford to repay without selling something—a cow or a pig, for example. Very poor people can not borrow from moneylenders because their loans have to be repaid quickly.

"I have never borrowed money from Santi Sena. I don't know much about what they do. If I borrow R50,000 from the moneylender, the interest is R500 per day. This is for a short-term loan, usually one month. In the last four years, normally I begin to borrow in October to buy rice until the harvest. I promise to pay back after the harvest. If you cannot pay back in the negotiated period, the interest increases to R5000 instead of R500 a day.

"I have one hectare of rice land. We can't afford to hire labour, so the family does all the work. We get enough rice for eight to 10 months, so we have to buy to cover the remaining months. Prices have risen over the last year.

"Life is difficult, especially because of my malaria. The poor get poorer, just working to pay the moneylender while the rich get richer. The moneylender is able to live by not doing anything else but lending money."

KOMPONG CHAM



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For release:

Interviews find increasing land shortage, debt problems in Kompong Cham

A study of Cambodian village life based on interviews with the villagers themselves has found an increasing problem of land shortage and landlessness in two villages in western Kompong Cham province, the researchers reported today.

"The immediate cause of land problems is often natural disasters such as floods or drought, but a more fundamental cause is a lack of social infrastructure that would give villagers the capacity to cope with such calamities", said Rosanna Barbero, the coordinator of Womyn's Agenda for Change (WAC), which conducted the study.

"Many farmers in these villages produce barely enough rice to feed themselves even in a good year", Barbero said. "When misfortune strikes, in order to eat they have to sell something, which is often a productive resource like a cow or part of their land. But this means that they are even less able to produce in the next growing season: they have entered a downward spiral from which there is often no exit.

"Alternatively, they may borrow. But this also usually leads to loss of their land and other resources. Interest rates in the villages are ruinous, typically 15 per cent a month from moneylenders. Once in debt, many villagers require extraordinarily good fortune in order to escape."

Micro-credit no answer

Micro-credit, provided by non-government organisations or specialist banks, is not a solution to village debt problems, according to Barbero. "Micro-credit organisations generally charge interest of 4 to 5 per cent per month. While that is significantly less than is charged by moneylenders, many villagers say they prefer to borrow from the latter, because you can negotiate with moneylenders if you need to delay a payment, but NGO lenders are inflexible."

Barbero continued that micro-credit interest rates are also unsustainable for many villagers, "although micro-credit may take a bit longer to bankrupt them". The WAC interviewers were frequently told of villagers who borrowed from an NGO or micro-credit bank. When repayment of the principal was due and they were short of cash, they would borrow from a moneylender in order to repay the micro-credit loan.

"Micro-credit is not really an alternative to moneylenders", Barbero said. "Micro-credit has been incorporated into the whole system of village-level usury. In many cases, micro-credit is the easy first step on the path to unpayable debts and loss of a villager's land."

As an illustration of the integration of micro-credit into traditional money-lending arrangements, Barbero said the interviewers were told in one of the villages that local moneylenders borrow from an NGO at 5 per cent a month and on-lend the funds at 15 per cent.

Migration

A number of villagers reported that their situation has become more precarious in recent years. In the past, they said, they had access to forests or to state land, from which they could obtain food, firewood and other resources to cushion them against a poor rice harvest. These back-ups have become less accessible and less fruitful. In some cases they have become the private plantations of agricultural companies; in other cases, they been damaged by clearing and unsustainable demands on a fragile ecosystem.

"This situation is behind an increasing tendency for villagers to migrate in search of work", Barbero said. "Migration can mean the break-up of families—for example, if one spouse goes looking for work in Phnom Penh or Poipet while the other remains to look after the children.

"Moreover, we found an increasing fear that men who migrate for work will return, when they do, with illnesses, including HIV/AIDS."

This outcome, serious illness, "often completes a vicious cycle", said Barbero. "Along with natural disasters, sickness or injury is a frequent immediate cause of villagers going into debt. When a family member is in serious need of medical treatment, many villagers do not trust the inexpensive government clinics. So they sell a buffalo or borrow from the village moneylender to pay for treatment at a private clinic. Eventually, family members migrate, looking for work to pay their debts, and the result is a new illness."

The WAC interviews in Kompong Cham were conducted in November 2002 in a total of 34 households in two villages. They are part of an ongoing study that began in October 2002 and which has so far interviewed villagers in five provinces. Reports on interviews in Takeo and Svay Rieng have already been released. Further reports will be made available as interviews are transcribed and translated. WAC is an NGO based in Phnom Penh.

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Background to the study

The attached interviews and summaries of living conditions in two villages of Cambodia's Kompong Cham province are the product of an ongoing research project of the Womyn's Agenda for Change (WAC). Since October 2002, WAC staff have conducted interviews in rural areas of five provinces. Typically, interviewers spent one and a half to two and a half hours in each village visited, allowing sufficient time for a relaxed discussion, in which those interviewed could express themselves fully.

In each village, the interviewers attempted to visit 10 per cent of the households, randomly selected, whose inhabitants could range from a single individual to an extended family of three or even four generations. Sometimes, however, neighbours or passers-by joined in the discussion, enriching the information provided.

In the two villages in Kompong Cham, a total of 34 households were interviewed. To protect the privacy of the interviewees, all personal names have been changed, as have all geographical names that might make it possible to identify individuals.

So far 240 household interviews have been conducted and translated. That is not a large enough number from which to compile reliable statistical data. But statistics are not the aim. The aim is to allow rural Cambodians to describe in their own words the conditions of their daily lives, their hopes and the problems they face. Further reports based on the research will be released as the information is analysed and checked.

Cambodian terms

A number of Cambodian terms for measures of area, weight and volume appear in the interviews and are reproduced in the summaries. Below are the most common values for these terms, but it should be noted that land and rice measures can vary between villages and sometimes even within a single village.

Damleung: A weight of gold. 26.67 damleung weigh one kilogram.

Chi: One-tenth of a damleung.

Hun: One-tenth of a chi.

Kong: A measure of land, equal to one-third of a hectare.

Thang: A measure of volume, approximately the size of an English bushel. A thang of rice weighs approximately 24-25 kg.

Tao: Half of a thang.

Can: Milk cans are often used as a measure for rice. They hold approximately 250 grams.

'Not even our animals can eat'—Increasing poverty in Kompong Cham

Ampil is located in western Kompong Cham, not on the Mekong River. More often than in Takeo or Svay Rieng, provinces which the interviewers had visited previously, villagers interviewed were either landless or had much smaller landholdings than in the other two provinces.

Sary, the village chief, says that of nearly 300 families in the village, only about 100 have enough food to eat. For the rest, food security is declining more and more. Most of the people search for yams from the forest; they can exchange 1 kg of yams for 1 kg of rice or R800.

There are 71 formerly married women in this village who are now alone, some because their husbands died during the Pol Pot regime, others because their husbands have left the village and never returned.

Land shortages

The chief says that poverty is increasing very rapidly in the village, and land is being sold because of illness and borrowing for health care. Most people who have lost land have done so because of illness, and because household incomes have declined rapidly in the last five years, so the only survival strategy the people have is to sell their land.

Chan is one of the landless. Now 20, she was married at 16 and has a two-year-old daughter. All she has is a small plot that her father gave her on which to build a house. He himself has only 70 ares of land and eight other children, so he could not spare any land. His land can not feed his family for even one month a year.

Her father interrupts the conversation to say that they are better off without land, because it is far too expensive to grow rice. Much more money is required now, and people have less of it. Land itself has risen in price, so most of the young people will become the generation of the landless. "Their children, like my daughter's child, will never know what it is to have a rice field."

Chrek, a widower, lost the lower part of one leg a decade ago when he stepped on a land mine. Over several years, he had many problems with the leg and eventually sold all his land to obtain medical treatment. They have had no rice fields for almost a decade and have managed to survive by going to the forest to get traditional medicinal plants, bark, herbs and betel nut leaves.

San is also a widower. He has four children and only three ares of land—300 square metres—on which he is able to grow about five *thang* of rice a year. During the rainy season, the family eats one meal a day, and sometimes he himself goes without food for a few days in order to spread around the bare minimum they have to the four children. The children go to the rice fields every day to forage for crabs to include in the evening meal.

Ngoy and his wife Kan are both 19. They have no land either for farming or for a house. They live in a small hut on her parents' land. Ngoy's parents died when he was a child and left him some land. But because he lived with his uncle, the uncle took the land for his own purposes and never gave it back to him. When he got married, he received nothing from his uncle.

Kan also has no land because her parents are poor. Her parents have small pieces of land, but they have four children to feed. Her mother has a second husband who does not like Kan, so she was given no land.

Duong is still nominally a landholder. He owns 10 ares, which he used to cultivate, but it was never enough and all the inputs were expensive. Then he got sick and had to mortgage his land for R200,000. He has not been able to pay it back, so the moneylender cultivates the land and gets all the rice from it in lieu of interest. When Duong repays the capital, he will regain the use of his land. But without use of the land, he is unlikely to earn enough to repay the loan.

Soth's family has less rice land than it used to have. They had been living in a house belonging to a son-in-law, so when he asked for his house back, the family mortgaged two pieces of rice land to buy land for their house. Now their rice land is only 20 ares. They use hoes to dig, not ploughing with cows. On their land they grow from 10 to 15 tao of paddy, which can feed the family for two months.

Kolab, 30, and her husband Phal, 33, have one child, a daughter eight months old. Their rice field is 20 m by 30 m. In one year, they can get four sacks of paddy by using 15 kg of chemical fertiliser. They exchange their labour with someone in the village in order to have their land ploughed. Kolab is raising a pig, but it is too thin because she does not have enough food for it.

Phally, 33, and her two daughters were left landless after her husband left her for another woman in the same village. Because they are so poor, she can not send her children to school; they have to sell their labour to farmers.

Phalkun and his wife used to have a plot of six ares, but they sold it to repay a debt. Now they have nothing. They live on the safety hill—the place people retreat to in case of severe flooding. The wife sells salted fish and their son brings in a little money by chopping wood or porting.

Sophy, a 61-year-old widow, used to have a small plot of rice land, 18 m by 8 m. But two years ago her grandson became ill with malaria, and she mortgaged the land with a relative to pay for his treatment.

Sath, 28, previously had 12 ares of land, but she sold it two years ago when she needed medical treatment for the difficult birth of her fourth child. Now she raises a pig and does field work, harvesting or transplanting rice, while her husband frequently bicycles to Anlong Veng to work as a waste picker.

By comparison, Thun and his wife are doing very well. They have 1.5 hectares of rice land and 10 hectares of other farm land. They also have a small mill, although it was not operating when the interviewers visited. They have food security for the entire year.

Their five children are all in school. Thun's wife says she wants them to study so that they can get positions such as teachers or private doctors. She hopes that other village children will not have as much education as hers, because that will mean her children's skills will be more sought after and they will make more money.

Rice farming and other sources of income

Chhom is 62. He, his wife Yan and the younger of their two daughters farm 40 ares. In a season they can harvest only 10 to 15 *thang* of paddy from this land, whereas five years ago he got up to 40 or even 50 *thang* each year. He says that the village and commune authorities, teachers and the military have a lot of land, but ordinary people get only 10 ares per person. Now the soil is becoming less and less fertile. People can not grow anything unless they invest more, and people cannot afford more inputs because they are too poor, just living from hand to mouth.

Neath had to sell all her land to repay two loans she took out to pay for medical treatment for her daughters. Her husband is dead; she lives with one daughter and three grandchildren. She does wage labour in the village and in a neighbouring province. She sometimes goes to pick beans, earning R3000 per day plus meals. Her grandchildren collect a type of leaf that is used to make sweets. Two of them work as wage labourers transplanting rice for their aunt during rice season.

Four or five years ago, she says, it was easier to earn income because she could obtain a lot of resources in the forest, but now the private company has bought the forest for a plantation, so the people can not enter that forest any more. There is a little forest left where people collect some natural resources, but it is far away.

Neath says that in the future life will be harder than now. She feels hopeless because she sells her labour and still cannot feed her family adequately. Sometimes the family has rice and sometimes just rice porridge, with no other food or broth.

Channa, 38, and her husband Phorn have six children. They have 20 ares of rice land, from which they get only two sacks of paddy a year. Her occupation is digging yams and cutting firewood. Before from digging yams she could earn R2000 to R5000, but now she gets only R1000-2000 because the place where she usually went to collect yams is now owned by the plantation company.

Landless Chan raises pigs with her husband to get the money to buy food. She also sells her labour for R3000 plus meals during transplanting and harvesting. She also goes to the forest to collect firewood to sell. But she says this has become increasingly difficult because there are few trees left and they have to travel very long distances. If she brings home enough wood, she can sell it for two to three kg of rice.

Chrek, the one-legged widower, says that it is becoming increasingly difficult to live by gathering various plants, herbs and leaves, because the forest, which used to be a rich source of income generation opportunities and yams for food, has been cut by a private company that has bought the land to create a cashew plantation. Therefore, they have to travel very far, five to six kilometres on a bike, then a further two kilometres into the forest. When they find the products, the daughter has to carry them because the father is unable with his prosthetic leg. "It has become more difficult", Chrek said, "because we do not have the same access to natural products as previously, two to three years ago."

San agrees. "It is increasingly difficult to cut firewood and trees. The plantation has borders, fences and guards, and the people are not allowed to enter. Not even animals can enter." If your cow strays on to the plantation, you have to pay to get it back. "I do not have a cow, but others have had to borrow money in order to get their cow back from the plantation guards." He adds, "This plantation has caused the death of the forests. For years the forest fed us, but now it's gone or going."

If San manages to find at two bunches of firewood, he can sell them for R300-500, but if no one comes to buy them, the children have to go out to try to sell them in the village or the neighbouring village. But this is getting hard because more people go themselves to get wood and fewer people can afford to spend even R200 to buy the wood. "I have no bicycle so I have to walk with my children, who are small and malnourished."

Duong, whose land is held by the moneylender, thinks he is better off raising chickens and ducks, because growing rice was not enough to feed his family, and the cost of inputs has increased too much. "I have no ox or cow to plough a rice field.

Then there are pesticides, fertilisers and seedlings—all are expensive. And there is one more thing to make it bad—floods and droughts.”

He says that seedlings went from R5000 for 12kg to R8000 in just two years. The price of fertiliser has remained the same, although it is lower if you can pay cash than if you buy on credit. “But every year the soil required more and more fertiliser, although the yield did not increase; in fact, it got lower.” He estimates that only about 20 per cent of the villagers produce enough rice for the whole year.

Sophy, the widow whose small plot is mortgaged with a relative, says that farming has become much more difficult. “In the ’80s land was distributed equally, but now because of debts and high costs, this is not enough to live on. Look at us: we cannot eat from our rice fields. There is not enough rice, plus we have to find so much money to buy, borrow and pay back what we need to put into growing the rice. Before we could clear state land and get more yield from collective farming on state land than on our own plots, but now it’s all been sold to the company and we are left with plots that cannot feed us but cost a lot to farm.”

Sophy’s son sells ice cream in the village, earning R3000-4000 on a good day. Her daughter sews. She gets R300 to sew the seam of a sarong. She also cuts and collects firewood and wild plants in the forest. In one day she can collect two bunches of firewood.

The village head says that the soil requires more fertilisers because the forests have been cut, so the natural organic fertiliser and good quality soil have been destroyed. Before, when there were more cows, they could use natural fertiliser, but now there are fewer cows so they use much less. They have become more dependent on chemical inputs. “Now we have to use more pesticides as well. Everything has changed for the farmers, and it’s getting harder.” A non-government organisation, Prasac, tried to introduce a new variety of rice, but the people did not want to use it; the cost of one kilogram of the new variety is R800.

Because he grows only enough rice for two months’ food, Soth earns money making brooms from palm leaves. It takes him 15 to 20 days to make 100 brooms, from which he earns about 40,000 riels. Two of their four children collect fruit from the forest for their mother to sell in the market. From this they can earn around R2000-3000 a day. All members of the family are very busy earning income because now it is harder than before. “Before we could get things everywhere near the village but now it is difficult because the private company has occupied the forest for their plantation and nobody can get into that area any more. I have to go further to collect all those resources.”

During the wet season, Ngoy fishes. Five years ago, people used to catch three or four kilograms of fish a day, which would sell for R3000-4000. But now it is possible to catch only one to two kilograms a day. In the dry season, he works carrying soil. Some days, if they can not borrow rice from anyone in the village, he and Kan go to bed without eating.

Run, a 57-year-old widow, has eight children. All six boys have gone to school but not the two girls. The family has 40 ares of land, from which each year they get 12 sacks of paddy. They use chemical fertiliser mixed with cow manure. Twelve sacks of paddy can feed the family for at most three months. There are three people in the family who manage to earn outside income by working as wage labourers in the plantation. They earn R3000 per day plus meals. Run also does wage labour or digs yams.

Chantha and her husband Tan Sok have two small children. From their 14 ares of rice land, they get only two sacks a year. Five years ago they never used fertiliser, but now if they do not use it, they will get nothing. They also have half a hectare of farm land, eight kilometres from the village, on which they plan to grow cashews.

Phanny, who has three children, owns 20 ares of land. She says that if production is good, they get 20 *thang* of rice, enough to feed them for two months. They use one sack of fertiliser, costing R45,000. This happens in a good season, but good seasons occur less and less often. Previously, when they used organic fertiliser, they would get only 10-15 *thang*. But she warns, "Fertiliser is like drug addiction. Every year you need more and more."

"Now", Phanny continues, "to grow rice we pay so much or borrow for fertilisers and pesticides. And before we get to eat it, a disaster comes and everything is gone, and we cannot access state land."

Before she was able to collect water lilies and sell them, but now she can't because the ponds where the water lilies grow have been privatised, and if she wants to gather them, she has to pay. "But anyway, when I look at the ponds, there are fewer water lilies growing." Her daughter sells labour for transplanting and harvesting and receives R3000 a day but no meals. They go to other villages nearby to sell their labour; they are labourers now and scavengers.

Migrating for work

Sary, the village chief, reports that migration has increased in the last three to four years. The reasons relate to heavy indebtedness, due to the high cost of farm inputs, the lack of natural resources such as firewood and high costs for health care. When people who migrate return, they are often ill with malaria, HIV or other illnesses.

He adds that many families migrate temporarily to be waste pickers, and then they sell cans. How far they go depends on how much money they can borrow. If they can borrow a lot, they go as far as Poipet or Siem Reap; if they have only a little money, then they go as far as Kompong Cham town.

Phanny's husband goes to Anlong Veng as a waste picker, but he usually comes back with little or no money. She says the women are afraid that their husbands will give them AIDS, but they have little choice but to send them away to earn money. Young women in the village are afraid to marry because of AIDS.

Sath's husband also bicycles to work as a waste picker in Anlong Veng. She says that most times he comes back with no money because he drinks. But at least when he goes away she is happy, because when he is at home he just drinks all day every day, and if she gets angry with him, he hits her.

Reth's son has now gone to another province to work as a waste vendor. Previously her husband did this, but while he was away he visited a sex worker and contracted a disease. She thinks that he is HIV-positive, but he has not had a blood test because they do not have the money to pay for one.

Vanna's husband also used to migrate as a waste picker, and now he and Vanna are both HIV-positive.

Until he can realize his dream of farming cashews, Tan Sok works as a waste vendor. He goes to Kompong Thom, Pheah Vihear and Siem Reap for two weeks at a time, and usually returns with a profit of R30,000 to R50,000. He borrows the capital

for each trip from a waste merchant, putting up his land title as collateral, and is obliged to sell the waste he buys through that merchant. He estimates this arrangement costs him 25-30 per cent of what he would otherwise earn.

When San found it more and more difficult to sell firewood, his 21-year-old son decided to migrate and found a job looking after ducks. He is able to earn R50,000 a month and send some of this money home to his father.

Neath reports that now there are people who come to this village to find people who want to work in a factory. They say that people working in the factory can earn \$80 per month, but people have to pay a fee of \$120 in order to get the job.

Chan's cousin, who is her age (20), did not marry because she went to Phnom Penh to work in a garment factory. She had to borrow 3 *chi* of gold to secure the factory job. This was facilitated by a remote connection who works as a guard at the factory.

The village chief reports that 12 women from this village have gone to work in factories in Phnom Penh. He confirms that the garment workers have to pay to get a job. The payments are not to the owner of the factory but to people connected to the guards in the factory or relatives of the low-level managers. They have to pay anything from \$70 to \$100 to get the job. This village knows who the facilitators are in Phnom Penh. All the workers have to borrow money to pay for their jobs, and the moneylenders are believed to be connected to the Phnom Penh facilitators.

Chhom and Yan have two daughters in their 20s. The oldest daughter earlier went to work as a maid in Phnom Penh, earning R60,000 a month. She returned after a few months, but then later went back to Phnom Penh, but now she earns only R50,000. The younger daughter sells fruit in front of their house.

Run has sent one of her two daughters to Preah Vihear province to work to help pay her mother's medical bills.

Sophy's daughter-in-law left her small child in the care of her husband the ice cream seller and Sophy, and went to Phnom Penh to look for work. The plan was for her to go door to door offering to do domestic work, but it has been a month since she left and they have not heard from her.

Loss of forest

Many of the villagers mentioned that their lives had been made harder by the privatisation of the forest.

Chhom says that the local authorities deceived him and other villagers about the big forest sold to the private company. The company came and cleared the forest for its own purposes and then the local authorities came and met with the villagers, asking them to put their thumbprints and signatures on a paper in order to claim back the forest. After they got all the thumbprints and signatures from the villagers, they turned this complaint into an agreement by the villagers to sell the land. Now the villagers have lost the forest and are suffering because of it.

Run tells essentially the same story: The local authorities forced the villagers to give a thumbprint or sign a paper to claim back the land that the private company took, but after the signing they said that this was the agreement by the people of the village to sell the land to the company.

Sophy says that the villagers complained to officials in Phnom Penh about the plantation company taking their land, and for this reason the company will not hire workers from this village. The complaint did no good. Some people got compensation if they had crops at the time, "but compensation will not feed us and our children", she says. Moreover, the fishing lots are now controlled by a private company.

Most of the forest is privatised, Sophy continues. There are armed guards who stop the people entering. If they enter the cashew farm to cut branches, they have to pay R500. "The rich think only about getting richer from our bones. Our cattle can not go anywhere and graze now. We have 50 per cent fewer cattle because we lost the land to the plantation." If cattle stray on to the company's land, they have to pay so much to get the cattle back—R20,000-30,000— that it's better not to have them. "We are more people on less land, and they are just a few on large land, and they still find ways to take from us—first our land, then our animals, then we pay for collecting their waste."

Earlier, she says, even unskilled and uneducated people could get R5000-7000 a day to live on, and they lived well. Now there is nothing. At the same time they privatised the land, natural disasters struck. "Before we could pick and eat corn. Now we have to buy it from the plantation. If we had the land, we would not be in this situation. We could even survive a disaster, because we had all this land and rich resources. We could live and generate income. Now we have nothing."

Phanny agrees. "Life became difficult when the companies came and took our land, our forests and our fish. So we have to live from small rice fields that cannot feed us for a month. If this had not happened, we would live, though not like rich people. Before we thought ourselves rich with all the resources we had. Now not even our animals can eat. Before none of us had to buy food for our cows, but now we cut grass in the plantations and pay R500."

She says that before the company came, they could get crabs and fish from the fields to eat twice a day, but now they are very lucky if they can eat crabs or fish once a day. They believe that the plantation put nets in the water channels to catch the fish before they reach villagers' fields. "The pesticides are also killing the fish, but what can we do? If we do not use pesticides, we can't eat rice. Or if we use them, we can't eat fish. But now we have less or none of both."

Borrowing and debt

The village head says that some in the village are getting ahead. They are generally people who can access assets and support from overseas relatives or from rich relatives in Cambodia. They seem to be able to get ahead by buying more land and investing in production. But the poor are getting poorer, and even middle level people are losing out. "We can already see that debts are being inherited in just the last five years."

Prasac started working in the village in 1995. It has built wells, ponds and latrines. It set up Village Development Committees and makes the plans for development projects and small infrastructure. Prasac gives credit, at 3.5 per cent interest per month. Acleda Bank also charges 3.5 per cent. There are two families in the village that have borrowed from Acleda and 13 that have borrowed from Prasac. But only two of these 15 families are really poor, Sary says.

The moneylenders charge 15 per cent per month interest, the village head continues, but Prasac and Acleda require borrowers' land title as collateral, so the people are afraid to go to these institutions, because they have seen them confiscate

land. The two institutions put pressure on the village chief and commune chief to make borrowers sell their assets in order to repay loans. This happened in a nearby community, whereby Prasac forced a family to sell all its land.

Sary adds that there are also problems when a wife goes to borrow money on behalf of her husband because he tells her that he wants to do business outside the village, but then when she gets the money, he spends it on drinking and gambling, and the wife is left with a debt that she can not repay and so they sell all their land.

Chan sometimes borrows from a moneylender in order to purchase food or for other purposes. The moneylender she uses borrows money from Prasac and Acleda and lends it to desperate villagers at an interest rate of 15 per cent a month. Chan says that it is almost impossible to negotiate with the moneylender, particularly since she had to hand over her land title. She has also borrowed money from Prasac, and claims it is equally as difficult to negotiate because the NGO is very strict; in fact she often has to borrow money from the moneylender in order to make her interest repayments to Prasac.

She borrowed R500,000R from the Prasac program at 3.5 per cent a month; she had to submit her land title in order to receive the loan. She borrowed the money in order to give it to her husband, who runs a small business, buying and selling pigs, but she needed to use part of the money for medical expenses and purchasing rice.

The minimum amount she could borrow from the credit program was R500,000. She knew that she would be unable to repay such a loan, so she negotiated with another woman who also needed money but could not afford the full amount; they are sharing the capital and the repayments. However, she did not dare to tell the organisation that she did this because she suspects that it would not agree.

In the first year, they were able to pay the interest and repay some of the capital. However, the only reason they were able to do this was because they borrowed from the private moneylender in the fifth month in order to reduce the capital. An illness in the family set them back in their ability to repay part of the capital.

Despite these difficulties in repaying, she said she would borrow again. "What else can we do? We have to eat."

Chrek, the amputee, says his family has never borrowed from an organisation because they are afraid it would plunge them even further into poverty. They can not survive now, so how would they be able to repay the money if they borrowed it?

However, they have felt forced to borrow from the moneylender, and the interest rate is 15 per cent a month. They borrow only when there is a dire need. This has always been related to illness and medical costs. They had to borrow R100,000 to R200,000 and had to hand over their land title. They had to pay the interest regularly and repay the capital within six months. If they could not pay it back, they would go to another moneylender and borrow the money to repay the first. "We know this is no way to live and we know that it is putting our heads under water, but when it is a choice of living or dying, which one would you choose?"

"We have lost all our land", Chrek says, "and we are very close to losing our dignity. I have lost my leg too. Life has become harder than ever before. I can not remember it being this hard, even in the period just after my accident. Our income is

lower, it is more difficult to find income, but the expenses are more, and everything costs more, and now we have more children to feed.”

Duong, whose land is farmed by the moneylender in lieu of interest, says he was afraid to borrow from an NGO because it would take everything he has. At least with the moneylender there is a possibility of negotiating. “The rich always win and the poor always lose. The rich get loans from the NGO and then they use that money to lend to poor people at 15 per cent. But we can not go to the NGO because we are poor. They are so strict: it’s not just that you have to have the money ready on a certain day, but it needs to be ready to hand over at a certain time; otherwise there is a risk that one is fined. They say that people are fined about R5000 for late payment of even a few hours.”

Soth reports that his family currently has a debt of R100,000 to the Christian church in the village, with an interest rate of 3 per cent per month. “I am afraid to borrow from NGOs because they are very strict and need collateral, and there is no negotiation about repaying the loan; they even fine us R5000 a day if we do not pay back on the exact time. The moneylender has a high interest rate, 10 to 15 per cent, but the conditions are negotiable. So I would prefer to borrow from the moneylender as long as he accepts my paying only the interest but keeping the principal until whenever we have the money to repay it.”

Neath explains how she lost her land. To pay for medical treatment for her sick daughter, she borrowed 2 *chi* of gold from the moneylender in the village at 1 *hun* interest per month. (One *chi* is 10 *hun*, so the rate was 5 per cent.) She was not able to pay the interest regularly; when that happens, the interest is added to the principal, and interest is charged on the entire amount. When the loan had accumulated to seven *chi*, she sold one piece of rice land to pay back the loan.

However, later her other daughter became sick and she had no money, so she decided to borrow another three *chi* at the same interest rate. The interest and principal accumulated up to eight *chi* and she could not manage to repay, so she sold her other piece of rice land and her house land to pay back the debt. Now she has no land at all; she stays on the land of other people. Now she is indebted to the moneylender for R50,000 at 15 per cent interest. She dares not borrow money from the organisation because it is very difficult and also she has no collateral to put up.

Run also borrowed three *chi* from a moneylender in the village at interest of one *hun* per month. She owed the moneylender for eight years, but now she has paid off everything, after selling a pair of buffaloes to do so. The interest and principal together came to one *damleung* (10 *chi*). Subsequently, she borrowed another 2.5 *chi*, putting up collateral of 35 ares of rice land. She also owes another 0.5 *chi* to the private medical clinic.

Chorn is a former Khmer Rouge soldier with a disabled leg. His wife has run away. He lives by begging for rice from other villagers. He has a debt of one million riels, mainly because he gambles. The moneylender is demanding that Hy hand over the 30 ares of land he still owns, but he is resisting and says he intends to leave the land to his only son, not to the moneylender.

Channa borrowed R200,000 from a village moneylender so that she and her husband could fix up their old house. After four months, the interest and principal have accumulated to R310,000.

Sophy, who mortgaged her small plot of land with a relative to treat her grandson's malaria, explains that the five *chi* were entirely used up but were not enough. She had to borrow an additional R50,000 from a moneylender at 15 per cent interest. For one year, she has managed to pay the interest and repay half of the principal. But she says that she will not be able to repay all the loan.

For a small loan, below R1 million, the moneylender does not demand collateral. Sophy does not seek NGO credit because she is afraid that the NGO is too strict and will take their land. She complains that the NGO is interested in giving credit only to households that have animals, land and anything else that they can take and sell to get cash for themselves.

Vanna and her husband, the HIV-positive couple, have five children, the oldest 15. Two years ago, when three of their children were sick, they mortgaged their two hectares of rice land for R250,000 with a moneylender, who now farms their land. When their children became sick a second time, they borrowed R300,000 from Acleda at 5 per cent per month interest, giving their house land as collateral. He has been too sick to work for the last year, and they have not been able to keep up with payments. Acleda is coming in eight days to demand full repayment. They will try to borrow from a private moneylender to repay Acleda. Otherwise Acleda will put a sign on the house and land—"This land belongs to Acleda"—and the husband and wife will have to move off the land with their children. Acleda does not like delays in payment, even for one or two days.

Sometimes, if he cannot catch fish, fisherman Ngoy will borrow a little money from the middleman to whom he usually sells his catch. He repays without interest when he catches something or has money from other work. "I could not borrow money from the organizations or moneylenders. I have nothing for collateral, so they will never lend me money."

San, the widower with four children, says that in times of dire need he borrows rice from his neighbours and returns the same amount. When he borrows, it is only enough to eat one meal a day. He is too afraid to borrow money because he is alone and responsible for four children, and he does not want them to inherit debts or end up homeless and landless. He has seen families in which the only inheritance they have left the children is unpayable debts.

'Our houses are empty like our stomachs'

Svay is a village of around 1150 people, 51 per cent of them female. There are 82 women who are widows or whose husbands have left (Khmer uses the same word for both).

The WAC researchers interviewed the village chief, who was with three friends who also volunteered information. They reported that most villagers grow both wet season and dry season rice.

Overview

However, agricultural production has been difficult for three years because of floods and drought. Now it costs more to farm because they have to buy seed and fertiliser. To pay more for farming inputs, people have to borrow. The seed price has increased from R4000 to R6500 to R8000. Last year the dry season rice did not sprout because there was no water; production was only 30 per cent of normal.

No one is selling rice because most have food shortages. "We only have to buy, not sell." There are food shortages of four to five months of the year for landholders. Many other people have a year-long food shortage.

This year (2002) they had two harvests, but there was no water at the right time. Then, at the time of the second harvest, there was a flood, so they lost again.

People who have pigs sell them to buy seed and other inputs. If they have no animals to sell, they borrow. In September the village requested seeds, and the people were expectant, but the government provided nothing. In 2001 Oxfam Great Britain gave 55 tonnes of seed, but because of floods the people could not grow rice, and the seeds were destroyed.

Now it is more difficult than ever because of droughts and floods. Before, people could dig yams in the forest, but now they do not grow. The bush is getting smaller. It has been cleared, so yams and other products are not be as plentiful as before.

Some women sell their labour for harvesting and transplanting. If people need work and can not find it, they migrate. About 50 people have migrated so far. Twenty women have gone to work in factories in Phnom Penh. They need \$30-40 to get the job. Some don't get it, but they do not always return. Men go to work in commercial fisheries in Koh Kong.

A total of 30 families have lost land. Some of the landless families still live in/near the village because they have nowhere to go. They are living on state land in the foothills. Twenty families lost their land because of food shortages and health problems. Ten lost their land because of borrowing.

The chief and his friends blame Prasac even though the NGO did not end up owning the lost land. They say that the families borrowed from Prasac to raise pigs, for example. Then, if the pigs died, they had to borrow from a moneylender at a higher rate of interest in order to repay Prasac. When they could not repay the moneylender, they lost their land.

Prasac first came to the village in 1995. At that time, it had 36 groups. Each group has six members, and each member can borrow US\$50. First-time borrowers can borrow 25 per cent more, R250,000. Both Prasac and Acleda charge interest of 4

per cent a month on loans of less than R1 million and 2 per cent a month for higher amounts.

They say that Acleda has been actively promoting its loans. They are for 10 months, so if the borrower repays the principal after three months, he or she still has to pay interest for the remaining seven months. Prasac loans are considered better because you stop paying interest whenever you repay the principal.

A Christian church in the village run by Koreans also gives loans, at an interest rate of 3 per cent a year. The chief says that in this village, people often help each other out, without charging interest. In the next village, however, Chinese moneylenders are accumulating land.

A struggle to survive

Sambou is one of those whose food security has been destroyed by the combination of floods and drought. The 43-year-old woman has seven children and 36 ares of land. In a good year, this produces 400 kg of rice paddy, but good years have been infrequent. She wants to grow dry season rice but does not have seed; she is hoping that seed will be provided as part of disaster relief. In the meantime she and her children try to make a little money by producing palm juice. Sometimes she also makes and sells cakes, earning R1000-2000 a day.

Yun, 58, is a widower who has raised four children. From her 19 ares of rice land, this year she obtained 100 kg of rice. In the previous three years, she lost almost her entire crop to floods. In 2001, she says, she was given 50 kg of seed by Prime Minister Hun Sen. The family survives mainly because her son-in-law goes to Kompong Thom to make palm juice and earns enough to keep them in rice through the rainy season.

A 38-year-old widow, Phivath, has 12 people in her family, five of whom can work. She has half a hectare of rice land and two buffaloes. She does most of the work of ploughing, transplanting and harvesting. In a good year, they get 500 kg, which is enough to last them for nine months. She also works in rice fields in another province, transplanting and harvesting.

This year her children have been sick very often, with illnesses including dengue fever and malaria. She cannot afford to build a latrine because she has no money, and anyway it would be flooded every year. Her family water supply is from a pond about 300 metres from the house.

Lay and his wife Phanny are old now, but when they were younger they had 90 ares of land for themselves and their four children. Some of the land was given to their children when they married, so now they have only 40 ares for themselves, their two sons and their grandson. This is not enough to feed the entire family. Especially in the last three years, they have produced enough rice for only three months of the year. So in order to eat, they raise pigs and cows.

Now life is very hard, says Lay; it has become very difficult because of the floods in the last three years. During the Lon Nol time, when he had more land, he could harvest 200-300 *thang* of rice, but now only 20-30 *thang*. Before, he did not need to use chemical fertilisers. Then, organic fertiliser was sufficient, but now it is not because the soil is no good now. Before they had trees and more land.

“The rich are getting richer since the liberation from Pol Pot”, says Phanny. “In the ‘80s everyone was equally poor. Then in the ‘90s some could climb above the others because everything supports the rich.”

Chrep, a 55-year-old widow, lives with her grandson, the child of the older of her two daughters, whose husband was killed in a shooting. Chrep lives in a shack, having lost her house and land to a moneylender. The older daughter, 35, left five months ago to work in Kandal cleaning houses for rich people. The younger daughter, who is 24, has worked as a cleaner in Phnom Penh for the past seven months. Chrep says the younger daughter earned R50,000 in her first month in Phnom Penh, but she doesn’t know how much she earns now. The last time she came home, she gave her mother R40,000 or 50,000. In a few days, Chrep will go to Kandal to ask the older daughter for money, but she has no idea where in Phnom Penh the younger daughter is.

Chrep says the living conditions of the villagers are much poorer than before because now everyone has to spend more on inputs to grow rice. All aspects require money: money for fertilisers, seeds are more expensive—everything requires money. This was not the case in the past. And then, when people are already in a difficult situation, a disaster like a flood arrives and creates an eternity of disaster. “Look at the house over there, and there, and there. They are closed, and the people have gone to find work because they need money.”

This migration has occurred only in the last three or four years. Before, no one ever left. Her parents did not go outside the village, and the family had everything: cows, buffaloes, wet season rice to eat in the dry season.

Now, Chrep continues, there is lots of domestic violence. She does not remember this in the past. She had conflicts with her husband when they were in dire straits, with no money, no chances, no opportunities. That intensifies tension.

Kong Keo is 70 years old; her husband is 75. The husband is not at home today, having gone to plant bamboo on state land near the mountain. All the villagers do this and then use the bamboo to build their shacks.

They have some rice land, but she is unsure of its area. If there is no flooding, they get enough rice to feed themselves all year around, but if there is flooding they get only enough for two months. They have never been able to sell rice, but they ate all year around and had rice in storage. But now they are short. They sometimes eat twice a day and sometimes three times a day.

Both Kong Keo and her husband are illiterate, as is the 30-year-old daughter who lives with them. The daughter’s seven-year-old son does not attend school.

Bopha is a 46-year-old divorced woman, with five children, two boys and three girls, aged from 21 to three. She divorced when she was two months pregnant with the youngest, after her husband beat her over the head with a bamboo stick, knocking her unconscious. He used to beat all the children. The husband controlled all the money and spent it on drink. The court said the husband had to leave the house and the children. The husband wanted to take the house, but the court helped her. She and all the children are illiterate.

She rents and works a rice field of 75 ares. She has to pay the owner 10 sacks of rice in total (one sack is 70 kg) out of the 40 sacks she might harvest. If the crop is

destroyed, she still has to pay the owner of the field 10 sacks. Sometimes there is no water and she gets no yield.

She also has to pay for inputs such as fertiliser. If she buys on credit, it is R70,000; if she pays cash, it is R50,000. If there are insects, she needs to spend R40,000, but if there are a lot of them, she can spend up to R100,000. She also has to hire transport. For transporting six sacks, she has to give one sack to the transport people. If they leave at noon, she arrives at the rice field at nightfall, but if there is water she hires a boat and pays R10,000 for a round trip.

After all this, Bopha has a food shortfall for half the year. She has never had rice to sell, but if she is sick then she has to sell even her limited supply and has enough to eat for only three months. Her house has only women. If there were a male, he could go and catch fish.

Three of her children sell their labour. They go away for 10-15 days, and when they return they give her R10,000-20,000. The 18-year-old son is a monk. Bopha also works for others in their rice fields, being paid in sacks of rice according to the number of square metres worked.

Theavy's husband died in 1979. She lives with her younger sister, who is 43. They have 16 ares of land after she gave 30 to her son. They often harvest enough rice for only four months of the year. For three years, they have had no rice yield at all.

She had a son and daughter-in-law who died of AIDS. She took over looking after their four children, but one died, so now she has three children.

It costs R5000 to rent a cow to plough for half a day. She needs the cow for three and a half days. Rather than pay money, Theavy and her sister exchange their labour at the rate of two days' work by the two women for a half day of ploughing.

Before five or six years ago, she never bought chemical fertilisers. Now she buys 20 kg at R1000 a kilogram. At the same time the natural disasters came. "Now we have to use chemical fertiliser because we have lost all the cows and buffaloes, so we do not have organic fertiliser."

Theavy raises pigs, and another son works in sugar palm production in Kandal. He rents the trees at R10,000 each. If the tree is full of juice, he can get R50,000; if not, he just survives. The son is married, with two children, so he has other responsibilities besides his mother.

She sells her labour during harvesting and transplanting, earning R2500 plus two meals. She travels to other villages as well, wherever she can go, even close to Phnom Penh, to work in the fields. She just lives from day to day, and in her old age she has these children. She shares the burden of the grandchildren with other relatives.

Lim is a 38-year-old widower who has five children. He says that three years of natural disasters have left him in a precarious situation. He makes palm juice, travelling not only in Kompong Cham but in Kompong Thom and even as far as Battambang province.

The income from his business is around R500,000 to 600,000 in a year. That amount can not support his family, so he has had to borrow money from the moneylender. Now he owes the moneylender R1.5 million. This borrowed money he spent on treatment for his children's sickness, buying rice for the family, buying materials to make palm juice and repaying \$50 that he had borrowed from Acleda. "I

have paid back everything to the organisation, but now I borrow from the moneylender.”

“I want my children to study”, Lim said, “but I do not have the money”. He even wants his daughters to study more than boys so that it will be easier for them to find a job or conduct their own businesses.

Problems of debt

Like Lim, many other villagers interviewed have had to borrow, and are often still in debt.

Sambou borrowed R100,000 from a moneylender when one of her children became sick. She had to repay, with interest of six *thang* of rice, at the next harvest. She says that she would be afraid to borrow money from an organisation because the repayment is so strict. “You have to repay on the exact date and cannot negotiate to delay the time. But if I borrow from a moneylender, I can repay [the principal] at anytime if I keep paying them the interest.”

Phivath also does not dare to borrow money from an organisation “because the repayment is difficult and strict and I would have to comply with their conditions at the exact time”. She borrowed R200,000 from a moneylender at 10 per cent a month interest. “I promised to pay back in a year. To borrow that amount of money, I had to put my land title as collateral.” She has a plan to repay R400,000 this year and she hopes to have a good dry rice crop.

Seng, 44, and her husband have five children. Their main sources of income are fishing and selling their labour in the rice fields. They cannot borrow from a moneylender or organisation because they do not have any land title to give as collateral. They used to have farmland but sold it when her husband became sick. “Now when my children get sick, I am afraid to take them to the hospital because I do not have money.”

However, she was able to borrow R100,000 from a Christian NGO at 4 percent a month interest. They have not charged her the interest for the past three months because she was unable to pay.

In the past, Lay and Phanny never needed to borrow, not even during the 1980s. They borrowed for the first time around 1997. At present they have a R100,000 loan from a rich Chinese moneylender in the next village, on which they pay R10,000 per month interest.

Phanny says she is managing this month, but perhaps next month she will have to borrow again because it's hard; they had no yield from their rice. She can borrow only by depending on her sons' ability to find work. “We borrow just to eat and pay for health care.” They recently had medical expenses of R200,000 because Lay is old and sick and needed to go to the hospital in Kompong Cham town.

Chrep, the widow caring for the grandson whose father was killed, had been borrowing money since liberation from the Khmer Rouge in 1979. She was always able to repay the money. But in the last three or four years she has lost everything because she is old and unable to get ahead. She says that moneylenders used to charge 10 per cent a month, but now it is 20 per cent.

Her husband died three years ago; before he died, he needed medical attention, and she had to borrow to pay for it. She is afraid that dying while owing debts will bring her bad luck in her next life.

After her husband split her head open, it cost Bopha one *damleung* for medical treatment. She had to mortgage her land. So not only did he contribute nothing and beat the family all the time, but he left her in debt as well.

The land is 30 ares. Its use has been given to the moneylender as the interest on the one *damleung* she borrowed. Since moneylenders charge interest of R7000 a month on a loan of one chi, this means the moneylender gets the use of her land in lieu of R70,000 a month. The moneylender hires labourers to work her land for him. She sells her labour to work on her own land, getting R2500 and three meals a day. "The pig does not work, but we feed it. He waits to be fed every day. We also wait to be fed every day, but we have to work for it."

Bopha says that if a flood destroys her crop on the land she rents, she has wasted all her energy for nothing, and she still has to pay the landlord and her debts. She feels hopeless about getting her land back. She just lives from hand to mouth.

For the last three years, Theavy has had to borrow money just to eat and to pay back the investment in farming inputs that they lost. She had an ox before but sold it because she became indebted from the high cost of inputs.

Her debt now is R1 million, on which she pays R100,000 a month interest. By selling a pig she can get R200,000, but she can raise and sell only two a year. So far they have not had to sell land, but "If the moneylender insists, then that's it: I sell."

"If you get sick, the only option is to borrow from a private moneylender", Theavy says. Natural disaster and debt "caused our misery and poverty. At the beginning it is small, but then it increases, and the interest increases because we can not pay. We lose. No rice but more debts."

"Life is harder now than ever before", Theavy believes. "Even during Pol Pot it seemed easier. The younger generation will have no land. Look at our houses. There are walls and a roof, but they are empty like our stomachs."

Lim, the widower with five children, says that people's attitudes have changed. "Before, the people in each village would really help each other; even when lending money they never charged interest. But after having organisations and businesspeople providing credit, the people started losing friendship, relationships and sympathy to each other.

"I suggest to the organisations that give credit not to charge interest and to release small loans, so that poor people can also get loans. If there are credit projects in this village, please do not compete with each other."

Interview with Chrek

"I am a widower. I live with my three daughters and four grandchildren. In 1991, I stepped on a land mine and lost the lower half of my leg. For several years, I had many problems with the leg and had to sell all my land in order to receive hospital treatment.

"We have had no rice fields for almost a decade and have managed to survive by going to the forest to get traditional medicinal plants, barks and herbs. We also pick betel nut leaves. But now it is becoming increasingly difficult to live this way.

"The forest was a rich source of plants and income opportunities and yams for food. Now it has been cut by a private company that has bought the land to plant a cashew plantation. Therefore, we have to travel very far, five or six kilometres on a bicycle, then a further two kilometres into the forest. When we find the products, my daughter has to carry them because I am unable with my leg.

"It has become more difficult because we do not have the same access to natural products as previously, two to three years ago. We have lost all our land and we are very close to losing our dignity. I have lost my leg too. Life has become harder than ever before. I can not remember it being this hard, even in the period just after my accident. Our income is lower, it is more difficult to find income, but the expenses are more, and everything costs more, and now we have more children to feed. Health care is more expensive, and we need it more often.

"We have never borrowed from the organisation. I am afraid to plunge even further into poverty, because we can not survive now, so how would we be able to pay back the money if we borrowed it?

"But sometimes we have been forced to borrow from the money lender. The interest rate is 15 per cent, and we borrow only when it is a desperate need. In the past it has always been because of illness and medical costs. If we had to borrow 100,000 to 200,000 riels, we had to hand over our land title. We had to pay back the interest and capital within six months. If we could not pay it back, then we would go to another moneylender and borrow from the new one to give it to the one that was due. We know this is no way to live and we know that it is putting our heads under water, but when it is a choice of living or dying, which one would you choose?

"If we did borrow money in the future, we would utilise the credit to purchase pigs for selling, and also fish to sell at the market.

"One of my daughters suffered uncountable and brutal assaults from her husband, which has left her semi-disabled. One time he beat her because he took a loan and could not repay it and wanted to sell their house, so after he knocked her unconscious he burned the house down. He has taken off after 20 years of abuse. He left her not only handicapped but with his debt. The police intervened several times, but this did not lead to minimising the violence that she was subjected to. In fact the assaults became more frequent and violent.

"My second daughter was married to a disabled former soldier from Preah Vihear, and he struck her with an axe on her heel, because she refused to sell her land to give him the money so he could start a new life with his second wife. In the end, she did sell her land, because after he attacked her with the axe, she needed the money for medical treatment."

Interview with Bopha

"I am 46. I have five children, two boys and three girls. The oldest is 21, the youngest 3. I can not read or write, and none of my children can. I got divorced when I was two months pregnant with the youngest, after my husband beat me over the head with a bamboo stick and knocked me unconscious. He used to beat all the children.

"My husband controlled all the money and spent it on drink. The court said my husband had to leave the house and the children. He wanted to take the house, but the court helped me.

"It cost one *damleung* for me to be treated after my husband split my head open. I had to mortgage my land. So not only did he contribute nothing and beat us all the time, but he left me in debt as well.

"The land is 30 ares. The moneylender has the use of the land as the interest on the one *damleung* I borrowed. They charge interest of R7000 a month on a loan of one chi.

"The moneylender hires labourers to work my land. I sell my labour to work on my own land. I get R2500 and three meals a day. The pig does not work, but we feed it. He waits to be fed every day. We also wait to be fed every day, but we have to work for it.

"We buy some seed when the children can find money, but then the flood destroys it and it's all gone and we start living day to day again.

"Three of my children sell their labour. They go away for 10 to 15 days, and when they return they give me R10,000-20,000. My 18-year-old son is a monk.

"Sometimes I go to collect thatch to repair my house. I also do exchange labour; I get paid in sacks of rice for the number of square metres I work.

"If I rent and work a rice field, I have to pay the owner 10 sacks of rice in total. I might harvest 40 sacks. If the crop is destroyed, I still have to pay the owner of the field 10 sacks. Sometimes there is no water and I get no yield.

"I rent land that is 25 m x 300 m. I plant 25 tao of seeds. A tao is 12 kilograms, and it's R800 for one kg. I go to another village to do this because the other village has fish.

"Other people do this as well, because everyone here has lost and is poor, like the neighbour whose son and daughter-in-law died of AIDS. This system has emerged only in the last three years.

"I also have to pay for inputs such as fertiliser. If I buy it on credit, it is R70,000; if I pay cash, it is R50,000. If there are insects, I need to spend R40,000 for pesticide, but if there are a lot of them, I can spend up to R100,000. I also have to hire transport. For transporting six sacks, I have to give one sack to the transport people. If we leave at noon, I arrive at the rice field at nightfall, but if there is enough water, I hire a boat; it costs R10,000 for a trip there and back.

"I have food security for only half the year. I have never had enough rice to sell, but if I am sick, then I have to sell it, and then I have enough to eat for only three months. My house has only women in it. If there were a man, he could go and catch fish.

"If there is a flood, I have wasted all my energy for nothing, but I still have to pay the landlord and the debts. I have no hope of getting my land back. I just live from hand to mouth.

"I never receive rice aid from any organisation. The village chief always receives aid packages, but I never get anything. I think it is because I am a woman. The Christians give me 20 kg of rice a year. I do not receive aid from Hun Sen, but other people who have TVs, motos, radios—they receive assistance.

"If we want to borrow, we borrow from the private moneylender. I am like the woman with AIDS, who has lost everything and can not borrow again because she lost the last thing she had, her house. When this house goes, I will have to go and live in the pagoda where the graves are."

PREY VENG



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When there is nothing to eat, there are no rules

Because of alternating floods and droughts, life has become harder in the last three years, according to Vanath, 52, the chief of Kondamrey, a Prey Veng village of about 150 families.

Back in the '80s the government provided seeds, fertilisers, ploughing and money to help farmers. But all this ceased in 1998. Now, costs are going up. One hour of pumping water is R4000. One sack of fertiliser is R55,000. Before 2000, fertiliser was R30,000-35,000, so it is a big increase.

Pesticides have increased as well in the last three years. Before that, they used only natural fertiliser, but now they need to use chemical fertilisers because the soil is less fertile and there are fewer cows to provide natural fertiliser. Also, cow dung is now collected to be used as fuel.

Because of hard times in farming, says Vanath, many young people have left the village to look for work. People come here and get girls from their relatives; as more girls go to work, they then facilitate the way for others. About 40 per cent of girls are gone. Boys migrate to do portering, construction work or drive moto dup. "When we were young, girls never left. But now there are no rules; when there is nothing to eat, there are no rules." A few families can improve their situation, but most are just surviving and depending on the monthly remittances from their children in the city.

"Many children have to stop school when they reach the age of 6 or 8", Vanath continues, "because at that age the children can help the family. That is the reason they leave school, because there is no food". The main cost for schooling is transport. Children need bicycles to get to school.

Another sign of hard times is the increasing amount of debt. ACLEDA and Prasac provide loans at interest of 4 per cent a month. "People always say that they want the loan to do business, but it's not true. They just borrow to eat, and when it comes to paying back the money at the end of the month, they sell cows, pigs and their land bit by bit, until they have nothing left.

"Many people have lost land as a result of debt, and more so since the organisations came to offer credit. Never in my life have I seen so many people losing all their assets—even their houses. If people borrow 1 million riel for eight months, then they have to pay the interest and capital on the very date they name; otherwise they have to pay a fine or sell everything they have. If the people sell everything and can clear the debt, then they remain in the village. If they sell everything but are unable to clear the debt, they run away."

Rice shortages

Phat Vy, now 75, had one son and five daughters, but her husband and four of the daughters died during the Khmer Rouge regime. She now lives with her surviving daughter, Mouy Kea, and Kea's husband, Chin Viseth. They have half a hectare and two cows for ploughing; they typically harvest 10 sacks of 45 kg.

Mouy Kea says that four or five years ago, life was better. They had a reasonable rice harvest, so they had enough to eat and some years some extra for sale. Now sometimes they have to buy rice for four or six months. The land is not good and they use a lot of fertilisers, so they spend a lot without getting good results.

The family also gains some income from Viseth collecting palm sugar.

Kea and Viseth have three children, aged 16, 13 and 10. All three are attending school, in grades 7, 5 and 2.

Rattana Vong is 63 years old. Both he and his 61-year-old wife are in poor health. With them live two sons, two daughters and a grandson whose father died in 1997. The family was better off until 2001, when one son and the grandson both became sick, and they had to sell a hectare of land and two cows to pay for medical treatment.

On their remaining hectare, this year Vong spent R425,000 for seed and fertiliser, and the family did all the work. They harvested 1000 kg, and sold the entire crop for only R310,000. He also bought a pig to raise, but the pig died.

"I'm too old and I have to feed my grandchild and my children", Vong said. "One of my children has been sick for a long time, and I am still in debt. If I were younger, I would travel far away to sell my labour for money."

Van Chann is 57; her husband Sorphorn is 61. They have three sons. The oldest is 17; he got as far as grade 2 in school but stopped studying in order to help his parents with farming. The two younger sons are in grades 5 and 6.

They have a rice field of one hectare, on which they use three and a half sacks of chemical fertiliser, which cost R175,000 on credit. They also use a spray pesticide that costs R5000 and one bottle of pesticide that is put into the soil, which costs R16,000. The family work together in farming, and they have three cows for ploughing. If they hire labour from other villagers for harvesting, they pay them one *thang* [approximately 24-25 kg] of rice per *kong* [1296 square metres]. This year they hired a villager for the harvest and paid two *thang* of rice.

This year their yield was 30 *thang*. For two years they have not had a good yield because of flooding and drought. After deducting seed and expenses, this yield is enough to support the family for only around three months. For the other months, they depend on selling labour and earning money by building houses. For about two months of the year, they eat rice gruel.

Sorphorn has been sick for a long time, so Chann has to pay a lot every year. She never takes him to the commune health centre but always asks the private doctor to check him and pays R3500 for two injections. She says they never go to the commune health centre because it's around 5 km from their house, and if they went there maybe they wouldn't have money to pay the doctor.

Soun Narum is 42, the oldest of four children. Their 70-year-old father is still alive, but their mother is dead. Narum and her three siblings are all illiterate.

She has one hectare of rice field, which all four siblings work together. They use 13 *tao* of rice seed and four sacks of chemical fertiliser that cost R210,000 on credit. Besides this, they use three bottles of pesticide costing a total of R10,500. This year they had a good harvest, 2.5 tonnes of rice. One tonne went to pay for the fertiliser, and the remainder is enough to support the household for around 10 months.

She says that they need to use more and more chemical fertiliser every year because the soil is not good and natural fertiliser can not do enough now.

Makara and his wife Chrek Sivon have two children, a seven-year-old daughter who is studying in grade 1, and a one-year-old son. They farm 70 ares that they received from his parents, and they seem to be more successful than many villagers. Their other productive wealth consists of one motorcycle, two cows, two pigs, one duck and three chickens. Until a few days ago there were also 10 chicks, but most of them died.

They farm both dry season and wet season rice, but can usually feed themselves from the wet season harvest alone. In the rainy season, they harvest 50 *tao* after investing three sacks of fertiliser; the sacks cost R45,000 each. In the dry season, they harvest 2500 kg after using six sacks of fertiliser. They buy fertiliser on credit and repay after the harvest. They do the farming themselves because they have two cows for ploughing.

From the dry season harvest this year they kept a little rice for their own use and sold the rest for R750,000. They eat 2 kg of rice per day and spend R1000-2000 on other food.

When he is not farming, Makara works as a moto dup. He says he can earn R5000 on a normal day, and on holidays up to R10,000 a day because of garment workers coming home to visit. Sivon uses some of their rice to make wine, which she sells for R600 a litre. The dregs of the fermented rice are used for pig food.

Oi Vichika, 40, and her husband Chamrak, 37, have five children. The oldest, a daughter, is 17 and has gone as far as grade 6 in school but quit two months ago to help with tasks like cooking, ploughing and transplanting rice. Two sons, aged 12 and 11, are studying in grade 2; the two other children, 6 and 3, are not yet in school.

Oi Vichika does the farming on their two hectares. This year she harvested 60 sacks of 45 kg, or 2700 kg. She sold 22 sacks for R310,000. She farms only in the rainy season and uses seven sacks of fertiliser that cost R52,000 per sack or R57,000 if paid for after the harvest; at present she owes for three sacks, R171,000. She also used two different pesticides—5 kg of one that costs R2500 per kg and three cans of another that costs R17,000 per can.

Chamrak builds houses. Normally he does four a year, earning R50,000 for each.

Srey Dy is 40 and her husband is 38. Also living with them is Srey Dy's 60-year-old mother and 85-year-old grandmother. They have four sons, aged two months and 10, 7 and 4 years. The 10-year-old is in grade 2 and the 7-year-old in grade 1. Srey Dy went as far as grade 4; her husband is illiterate. She says she will send her children to school even if she has to become a slave to do it.

The family has a rice field but can not farm it because the land is not fertile. They are very poor. They have not cultivated for three years. They have no cow. During the rice season, both husband and wife sell their labour nearby. The people who hire them are also not very well off, but they pay these two to help them. They receive R2500 each per day.

When the grandmother and mother were young and got married, says Srey Dy, they could have land, cows, everything, and they never had to sell their labour. Families could live well, grow rice, they had regular rain and could raise children without too many difficulties. It is not like that now.

Simorn and his wife have 70 ares of rice field, which he inherited from his parents. From it they can get 50 *tao* of rice. If there is a problem, he grows only 10 *tao* and keeps it for seed because it is not enough to eat. It costs him R100,000 a season to grow rice, just for fertiliser and pesticides.

He works as a moto dup. In one day he earns R5000 but clears only R2500 after expenses. His wife produces rice wine and sells it. Simorn worries that their oldest son, aged 7, may not be able to continue his studies because they can not afford it. Simorn studied to grade 4 and his wife to grade 3.

Both of them sell labour for transplanting rice. They earn the same amount: R2500 plus a meal. The grandmother, now 61, has been selling her labour for the last 10 years. She says it's become harder to live day to day. There is less money to purchase household items.

Migrating for work

Nil Rachana is 52 years old. Her 58-year-old husband is paralysed on one side of his body and cannot work. Of their nine children, four are married and three are still in school.

Rachana farms a hectare of rice land, from which she usually harvests 10 *thang* of paddy. Five *thang* are kept as seed for the next planting, and what is left feeds the family for only three months. She says the value of these five *thang* is not much more than the cost of the fertiliser she has used.

Outside the rice growing season, Rachana collects rattan to make pot-stands, earning R2000-3000 a day. The other major source of family income is their 19-year-old daughter, who has been working in a garment factory in Phnom Penh for the past year. She sends home \$10 a month.

Rachana says she would like to farm dry season rice, but she has neither a water source nor a cow for ploughing.

Chhit Srun and her husband are in their mid-50s. They have three sons and three daughters; two unmarried sons and one daughter still live with them. She says they have half a hectare of rice and four buffaloes. If they use five sacks of fertiliser,

they can harvest 12 *tao* of rice. Fertiliser costs R40,000 a sack if you pay cash, or R50,000 on credit.

Twelve *tao* is not enough rice for their needs, so they sometimes rent additional land. In the past they had more land, but drought and bad harvests forced them gradually to sell bits in order to eat. It was also financially difficult when one son and one daughter were married in the same year, and they had to help them. They lent the son and his wife R800,000 to build a house. The son and his wife couldn't earn enough money in the village to repay the loan, so they went to Phnom Penh four months ago to find work, leaving their children in the care of Srun and her husband. She is employed in a garment factory and he is a construction worker.

Srun says that her children stopped studying two years ago because the family was very poor and she needed them to help her work. Also, they were often late going to school and really wanted to stop attending.

Chhin and his wife have a one-hectare rice field now, but some years back they had one and a half hectares. Normally they would harvest 50 *thang*, but in the last growing season floods destroyed their crop.

Of their nine children, five have attended school. Two are still studying—one in grade 7 and one in grade 1. The other three stopped studying and went to Phnom Penh to find work: two daughters in garment factories and one son in construction.

Chhin is taking care of another villager's cow, for which he will eventually receive its calf. He exchanges labour to get his field ploughed, and in transplanting he is helped by his brother.

The children gather rattan, from which his wife makes pot-stands. He also sells lottery tickets in the village. Despite all this effort, the family is very poor. The flood seems to be the main reason.

Mao Phally and her husband are in their early twenties. They have a three-year-old son; one other child died. She went as far as grade 4 in school; he never studied.

She has one hectare of land, located a kilometre from their house, for farming dry season rice. She has one duck and 10 ducklings; when sold, ducks bring R3000 per kilogram.

This year she used five sacks of fertiliser from Vietnam that cost R57,000 per sack. She used 2 kg of pesticide for putting in the soil, which costs R2500 per kilo, and three cans of spray pesticide that cost R17,000 each. She uses a lot of fertiliser because her land is not good. This year she sold one tonne of rice for R310,000. She also has one cashew tree, from which she gets 4-5 kg of nuts a year; they sell for R800 a kg.

Mao Phally's husband sells labour. He has been to Phnom Penh twice, bringing back R50,000 and R80,000. Now he is working in the district town. He stays there a month at a time and earns R3500 a day, but is employed only around 10 days a month.

She gets water from a well at the doctor's house, 100 metres away. She uses six cans of rice a day, plus R500 worth of other food. Her big problem is having enough to eat. Three years ago, she was able to sell two pigs for R300,000. She wants to raised another pig now to solve her food problem. When she gave birth to their son, she was quite sick, and treatment cost R30,000-40,000. Now she has had an injection

of Depo-Provera from the commune health centre, which will prevent pregnancy for six months.

Kuch Sreyno and her husband, both 57, have four daughters and two sons. Two of their children are married. One son is still in school, in grade 4; two girls are in grade 3. The older son went as far as grade 6. Sreyno and her husband both went to grade 7. If people finish primary school in Kondamrey, the high school is a long way away.

They have a rice field of one hectare, from which they get enough rice to last only three or four months. In the last three years, the situation has become worse because of floods and drought. About five years ago, there was enough food for 10 months. Then, three years ago they had nothing, and last year they were able to get six months of food.

Now they start the IR rice, which takes three months to grow. The organisation sells IR rice. It is a company. They can get seedlings from this rice. It grows only during the wet season. It requires a lot of fertiliser, which costs R30,000 for cash or R50,000-60,000 on credit. It also requires a lot of pesticides, and they need to check it daily because it is sensitive to worms and insects. This short-term solution destroys the soil, but they have to eat. The company and nearly everybody in the village use it.

Kuch Sreyno also sells vegetables, and during the rice season she sells her labour for transplanting and harvesting. The children who are not in school sell their labour to the Food for Work programme. She will wait for others who need to buy their labour, and she will raise chickens and pigs. The children travel to Svay Rieng to sell their labour for harvesting and transplanting. This is the way to survive.

The older son sells his labour driving a small tractor for R5000 a day in Banteay Meanchey. He started two years ago. He goes for the dry season and when he returns, he brings R200,000-300,000.

One daughter has worked in a garment factory for two years. This money really helps the family. She paid \$30 to get the job. She wants to stop working but can not because the family is not be able to grow enough rice.

Another daughter spent R100,000 in Phnom Penh for a month and could not get a job because her ID was unclear. She is 18 years old and studied to grade 6. Now she collects rattan.

They eat less fish, less meat. The number of fish has decreased, and in many places there are none. They get their water from a well. If there were no wells, the people would die because there is no water. They have access to 10 wells, but some are located far away.

In the village, she says, 10 people have died of AIDS—five single, five married.

Roth Kunthea, 61, and her husband have four daughters and two sons, all adult. Only one daughter is unmarried. None of the children attended school, because the family was too poor.

They have a one-hectare rice field. To farm it, they use 18 *tao* [around 200 kg] of rice seed and a sack of fertiliser, which costs R57,000 bought on credit and one bottle of pesticide, which costs R6000. Their children help with transplanting and ploughing, so they do not need to hire labour in the village. Their yield, around 15 sacks of 40 kg, can support the household for only around seven months. In the past

they more commonly harvested 20 sacks of rice per year. Kunthea thinks that if they had used two sacks of fertiliser they might have obtained a better yield.

They obtain *prahok* by exchanging rice; one *tao* of rice buys enough *prahok* to last them three or four months.

Roth Kunthea say the family situation is more difficult than before. Two years ago a storm blew their house down, and she cannot earn money because there are no jobs and because she is sick. Before the election in 1993, they lived in a good situation because they had a big house and many cattle. But later someone stole most of the cows, and she became sick with TB. She sold two of the remaining cows to treat her disease, but she has not recovered and her body is thin. Now she lives in hopelessness, and has nothing remaining except a small cow and land that can not grow enough rice for the household.

One of her sons has gone to work in Phnom Penh, carrying second-hand clothes in Ou Russey market. He went with a neighbour. She doesn't know much about his situation, but just waits for him to come back or send some money to the family. One daughter has gone to Kompong Som to help a relative in a small business selling fish. Five or six months ago Kunthea visited her daughter there, and the daughter had given 50,000 or 100,000 riels to support the family.

One of her married daughters is now divorced through a document signed by the commune chef. Her husband hit her with a stick, so she decided to escape and live with her mother. She said she will not go back to live with her husband because he is not a good person. "If he used use violence against me like this, he will use it again and again if I go to live with him again."

Problems of debt

Many of the villagers who farm rice buy their inputs, especially fertiliser, on credit. Nil Rachana is one of them. She says the fertiliser on credit costs R50,000 a sack, compared to R40,000 if you pay cash.

In the past she borrowed R100,000 from Prasac for eight months. The interest was 4 per cent a month, and she was able to pay off the loan.

Now, she says, if a member of the family gets sick, "I borrow around 50,000 riels from neighbours or relatives for the medical treatment. They never charge interest".

Mouy Kea also bought fertiliser, two sacks, on credit. Last year she borrowed R500,000 from Prasac, also for eight months at 4 per cent interest. She used the money to buy two pigs, five chickens and rice because her rice crop had not been good. With the remaining money, she bought vegetables and fruit to sell in the market.

When the time came to repay, Kea had only R300,000, so she decided to sell for R150,000 the two pigs she had bought eight months earlier. Even after she sold her chickens, she did not have enough, so borrowed from her sister to repay Prasac.

Chhin borrowed for rice seed as well as fertiliser and has repaid R250,000. To do this, he had to sell the seed he had been saving from his last dry season rice. The

moneylender didn't require anything for security because the family is too poor. He has only the land their house stands on and the rice field.

They borrowed money from Prasac three times from 1995 to 2003—the first time R200,000, the second R500,000 and the third R1 million—giving a cow and field as security. Prasac charges lower interest than a moneylender, just 4 per cent a month. He has completely paid off this debt.

In the past when the family was short of food, Chhin would borrow rice for three months, repaying it with 50 per cent interest. Now they can borrow from Chet Tor, receiving 4 *tao* in August and repaying 5 *tao* in December.

Rattana Vong borrowed R650,000 from Prasac at 4 per cent a month interest. Part was used to repay a loan and another part to buy a pig. He hoped that the pig would grow up in the eight months of the loan and he would sell it in order to repay Prasac, but unfortunately the pig died. Now he is very worried because he has a big debt, his land has decreased in size (some being sold to pay for medical treatment for his son and grandson) and his efforts to raise animals have mostly failed.

In addition to buying fertiliser on credit, Van Chann has borrowed from both village moneylenders and from Prasac. When she borrowed R100,000 to buy rice, they had to pay 20 per cent a month interest to the moneylender. Then, when Sorphorn was sick, she borrowed one *chi* of gold to pay for his treatment; the interest was one *hun* a month (10 per cent). Later she borrowed R200,000 from Prasac; half the money was used to buy two pigs and half to pay for more medical treatment for Sorphorn.

At different times she and Sorphorn or Sorphorn and one of their sons went to work in the harvest in Battambang. Over two months they collected around 5000 baht, and all this money was used to pay the interest and repay some capital. She thinks that now she still has debts of R300,000. To pay off the remaining debt, she plans to send her sons to find jobs as harvest workers, or as construction workers or porters in Phnom Penh.

Soun Narum borrowed R200,000 from Prasac to pay for the fertiliser that she bought on credit in the previous growing season. Before she could borrow, she had to form a group of six to eight members who would guarantee each other's loans. When the eight month limit of the loan is reached, she thinks that she will borrow from a relative to pay it back. She has done this several times. She also borrowed R300,000 from a moneylender.

Narum has sold four cows to repay loans but still owes R500,000. They have a small pig, and she hopes that after it grows she will be able to sell it to pay off some of her debts. She also makes rattan pot-stands and plans to go to buy fruit in Vietnam to sell in the market here.

If Makara and Chrek Sivon don't get a big enough harvest to pay for the fertiliser they have bought on credit, then they have to find other work, such as his driving a motorcycle taxi.

In 1999, Makara was sick with typhoid. They had to spend R200,000 for his treatment, and he was unable to work for three months, so in 2000 Sivon borrowed R600,000 from Prasac. A friend borrowed the money for them, and they didn't have to give a mortgage. This loan has now been paid off.

Oi Vichika borrowed R300,000 from Prasac in 1999. She first had to join a group of 10 people. The loan was for eight months and the interest 4 per cent per month. Prasac is very strict about time. When it was time to pay, if she didn't have enough money, she would find it somehow, such as borrowing money from neighbours or a moneylender at 10-15 per cent a month interest. Eventually she repaid Prasac by mortgaging her land to borrow three *chi* of gold. She borrowed another R50,000 from Prasac last August. Whenever she has borrowed from Prasac, she has had to mortgage land or something else such as a cow or house.

Mao Phally borrowed R150,000 from Prasac in 2000 in order to buy rice seed. But the crop was not good, so she borrowed money from her sister to repay Prasac. Now she has another loan from Prasac, of R200,000, at interest of 4 per cent a month. She owes her sister one *chi* of gold, but the sister doesn't charge interest. As well, Phally borrowed five *hun* (half a *chi*) from a moneylender at 10 per cent a month. Because she hasn't been able to meet all the interest payments, this debt has increased to one *chi*.

When Kuch Sreyno was sick, she and her husband mortgaged 50 ares of their land so that she could be treated by a private doctor. They do not pay interest on this loan, but the moneylender has the use of the land until the loan is repaid.

According to Kuch Sreyno, the company that sells the IR rice initially gave farmers 50 kg of seed, which had to be repaid with 100 kg at harvest time. Later, they switched to repayment in cash. Because this rice requires so many inputs of fertiliser and pesticide, most villagers need to borrow in order to farm.

If they were able to grow the rice without credit, says Sreyno, they could eat for 10 months, but because they borrow so much, by the time they repay their loans, there is little left. If you try to borrow money to eat, no one will give it to you because it is not production, so you have to lie.

Simorn and his wife usually buy two or three sacks of fertiliser and pesticide on credit. If their harvest is not big enough to repay this debt, the money from their work as a moto dup and selling rice wine goes for this.

He has heard about Prasac but has never joined a group. If he needs to borrow, he gets R10,000 from a moneylender and pays interest of R1000-1500 a month. If loans were available at low interest, such as 2 per cent a year, he would borrow to start raising pigs.

Simorn says that there are a few people in the village who are getting ahead, but most have mortgaged land and have to work hard to get it back. Usually the people lending the money are from outside the village.

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'We just think about our karma and suffer in silence'

Drought and floods have made life hard for most of the residents of Thror Paingthom, a village of more than 500 families in central Battambang province. Bad weather has meant greater expenses and poor harvests, and as a result, many farmers are now in debt.

Chamnan, 24, and her husband, 26, have three children. They farm two hectares, from which they need 30 sacks of rice to feed themselves for a year. This year, because of drought, they harvested only 25 sacks.

They have their own cows, so they don't have to pay for ploughing, but the monetary cost of their farming is 1000-2000 baht. Most of this is for fertiliser, of which they use three or four sacks. Fertiliser costs 400 baht a sack if they pay cash or 500-600 baht if bought on credit. At harvest time, they usually hire one person for a day or two at a wage of 4000-5000 riels a day.

If there is water in the channel, all the villagers can use it, but if there is no water there, everyone who needs it for farming must buy water from rich people in the village, who dig wells in the channel. The well owner then pumps water to sell. The price depends on the cost of petrol; at present, they must pay the owner R5000 for one hour of pumping.

After the rice season, Chamnan's husband grows mangoes or corn and other vegetables, which Chamnan sells. He also sometimes goes with other villagers to the forest to collect firewood; one ox cart of wood sells for R12,000.

Srey Na is 49 years old; her husband is 58. Four of their nine children are married; the other five still live with them.

They need 40 sacks of rice to see them through the year. They farm one hectare and one *rai* (0.16 ha) of their own, from which this year they got only 10 sacks of rice, despite using two sacks of fertiliser. Three sacks went to repay rice they had borrowed to get them through to the harvest.

As well, they rent one hectare from a neighbour. If they get a good yield, they pay the owner eight sacks of rice, but if it's a small crop, they pay five sacks. This year there was no yield at all, so they didn't pay; next year if they get a good yield, they will pay double to the owner.

Srey Na says they cannot grow crops because the village has had drought for three years. They have to hire a pump to grow rice or other crops to support the family, but now it is very difficult because the price of petrol has increased. They now charge R4000-5000 for one hour of pumping; before, when petrol was only R1200 per litre, they charged R3000 an hour.

Besides rice, she grows corn and cucumbers. From corn she gets around R60,000-70,000 per season and from cucumbers about R100,000.

Srey Na says that life is more difficult than it was five years ago, especially in the last two years, when drought destroyed villagers' crops. One of their daughters sells labour for transplanting and harvesting; she can get 4000 riels per day.

Srey Na doesn't want her children to leave the village to look for work, because she is afraid somebody could trick them and sell them into sex work in Phnom Penh.

After the next harvest, she plans to seek work transporting wood, for which she can earn R1000 per cubic metre. She says that in the Pol Pot regime the family ate only porridge but was able to live. Now they eat boiled rice more than porridge, so why can't they live?

Kosal, a 78-year-old widower, has 0.7 ha of rice land, from which he gets only three or four sacks of rice, which is not enough. Three years ago, there was no water in the channel for farming. Last year someone pumped water from the river to the channel for the villagers to use, but this year he bought water from someone who has a well and a pump, at a cost of R4000 per hour.

He also has orange, pineapple and grapefruit trees, a total of 50-60. To get a good crop of fruit, he has to use fertiliser and a lot of water. He also owns four or five cattle, which are kept on other land, where his grandson looks after them.

Kosal thinks families in the village are generally better off than they used to be, because some of them have members who have gone to work at the Thai border and who send money home.

Channa, 33, and her 35-year-old husband came to Battambang from Kompong Cham because they couldn't grow enough rice there, so the family asked them to move. Their two daughters came with them but their son is still in Kompong Cham, living with Channa's mother.

They have three hectares of farmland, but the land has been flooded in the last three years, so they harvest only 20 *thang* of rice. They used fertiliser, which they bought on credit for R10,000 a sack. If they can pay cash, the price of fertiliser is R9000.

They get extra income from Channa transplanting and harvesting for other villagers, and from her husband collecting and selling palm juice. He rents trees for R3500 a year and collects the juice; from selling the juice, he can earn R4000-5000 a day.

Somphors, a widow with 11 children, has half a hectare of rice land. In the last harvest, their yield was six *bao* (600 kg), and two *bao* went to repay rice they had borrowed. They don't have their own cow, so they have to pay for ploughing. They can't afford to use fertiliser.

She sells labour for harvesting, earning a *tao* of rice for two days' work. She also carries dirt, earning R3000-4000 a cubic metre. They also have 30 orange trees, from which they earn 2000 baht a year. A granddaughter works as a servant in Battambang city.

They never have enough good food, and they eat rice porridge. This year the cost of food has increased, so they eat even less. She always gleans rice from other people's fields after the harvest.

Tevy and her husband have half a hectare. Every year they get 15 *bao* of rice, which is not enough to feed the family for more than seven or eight months; they have not had enough for years. They also grow vegetables, but this is becoming difficult because they do not have a pump. They have their own well, but it does not have water all year round.

They are growing string beans, which she sells for R800-900 a kilogram, but they can harvest only around 10 kilos. They grew corn, paying R50,000 for water, and then were able to sell the corn for only R10,000.

Tevy has a sister who lives in the US. Recently she paid R4000 to go to the market and try to ring her sister, to ask for money to build a house for her daughter, who is about to be married. Tevy has another sister who lives in Phnom Penh, and this sister has always kept all the money sent by the sister in America. The Phnom Penh sister will not even give her the US sister's address.

Many relatives have come to Tevy's house to persuade her to let them take her daughter to Phnom Penh or Poipet to work, but she always refused to allow her daughter to go with them. "They try to give me money to take my daughter away, but I will not let her go. When the Phnom Penh relatives come, they say, 'Your daughter is beautiful. She can work as a beer girl in Phnom Penh and earn lots of money.'" But she is lucky that a nephew bought her a black and white television, so she learned that girls are sold and deceived and then they get AIDS.

Many girls have left this village. Men come and take the girls away and tell them they will teach them to sew and then find them a job in the city. They charge each family 1 chi of gold. "Sometimes the girls come back and stay a few days, and they tell everyone that they have a husband in Phnom Penh. But we know they are sex workers." Of all the girls who have gone, only two have returned. Most of these facilitators are relatives of families in the village.

Vanna and her husband have been renting a two-hectare rice field for the last 10 years. They pay a rent of 1800 kg of rice. They used two sacks of fertiliser, for which they paid 340 kg of rice at harvest time. This year, after paying for the fertiliser and the rent, they had only two *bao* (200 kg) of rice left.

She also works carrying soil, earning R3000 a cubic metre, or cuts grass for R3500 a day. Sometimes they hire equipment and go fishing, but to do this they have to be away for two weeks and they usually make little profit.

Most people in the village are becoming poorer, she says, but eight or 10 are getting richer because they buy the land when people need to sell. The rich people are accumulating more land, and they also get money from relatives in America. "They have two hectares of crops and orchids. They always have water and they sell it to us, the poor. Soon they will control everything."

Sarom farms one rented hectare, for which she pays eight sacks of rice. Her husband sells lottery tickets and also pumps water. He was previously charging R4000 an hour, but the price of diesel oil has gone up, so he now charges R4500.

Two of their sons saved for four years to accumulate the 7000 baht price of their second-hand water pump. Last year they couldn't use it because there was no water in their well.

"Even with all the effort we have made to improve our situation, we still lack enough to eat", Sarom says.

Sopha has given up farming her one hectare, and now rents the land to a relative. Three years before, they could grow enough rice, but after that they got only enough for four months.

She and her husband grow oranges. Oranges from Thailand are cheaper than theirs (R2500 a dozen, compared to R4000). Thai vegetables also are cheaper than Khmer ones, but the Thais use fertiliser, so people like to buy Khmer fruit and vegetables because they do not use fertiliser.

From three hectares of rice land, three years ago Somang and her husband got 12 *tao* of rice. Last year they got 10 *tao*, and this year only three. They have a pump and get water from the lake, but some years the lakes are dry; this is increasingly the norm, as is the decrease in the harvest.

They do not usually grow enough rice to sell, just enough for the family to eat for 12 months, but last year they were able to sell some rice. But even though there is enough to eat, there is less and less.

For three hectares of farmland, they need 300 kg of fertiliser. Before they used fertiliser twice, now just once because it's expensive and they have less income. Pesticides have increased in price. They come from Thailand and Vietnam. The price is now 5 baht per kilo; before it was 3.8 baht.

"We did not have the costs of the pump three or four years ago. Now we rely on it more because there is less water. There has been no water in the lake for two years, so we have to pump."

Her husband also grows oranges. Before, when they got the harvest he could sell rice and get an income and then grow oranges. But now they have no rice to sell. This year he sold the oranges for 24,000 baht; he has about 100 trees.

People can no longer earn enough from just farming rice, Somang says. Now you need to have other things like orange trees to make some income. Having orange trees keeps people going.

Socheat's husband Kong is partially blind. He can help with the farming, but can't do other work. Last year she hired labour to help with their farming; this year she did everything herself because she could not afford to hire labour. Last year they had enough to eat all year, but this year they could not get enough and will have a shortfall of three to four months.

Socheat buys corn, boils it and sells it in the market, and also buys beans to sell. She makes enough to buy food and buy a new supply. She never sells her labour. She takes the main responsibility for generating income. She needs to think about getting corn and beans because when her husband is not helping to grow rice in their fields, he stays at home because he is weak.

A 52-year-old widow, Vika has five children, two of them married, and no rice land. During transplanting and harvesting, she sells her labour for R3000-4000 a day. For the rest of the year, she cuts grass in people's orchards for R3000 a day.

She grows some corn, getting R60,000 in one year. She has one cow that she takes care of for others in the village; she gets the first calf and the owner gets the second. Her 14-year-old looks after the cow, and the child finds fish to eat. Fuel wood she collects herself about a kilometre away.

Vika can't think of going to Thailand to work, because you need money to do that. You need 2000-2500 baht for the facilitator and 500 baht to eat until you are paid. Work is in the sugar plantations and carrying sacks of sugar.

Abandoned by her husband, Srey Nou struggles to care for their five children. She has no land. She sells labour and receives one *tao* of rice a day. This year she received two sacks for the harvest time. She also makes cakes that she sells in the village, earning R500-1000 a day.

Her oldest child, 19, sells his labour doing harvesting; for a cubic metre, he gets R3000. He does this for three or four days. This is irregular, so on many days there is very little food. He would like to migrate. He went once last year for four and a half months and earned R30,000-40,000.

They have four cans of rice porridge a day for six people. They can never afford to eat boiled rice. "I have a smile on my face, but I am not happy. I have to smile because I sell cakes every day, but in my heart I am not happy at all. We eat rice gruel, we are in debt, everything is more expensive, and I have 5 children. What can I do?"

Credit and debt

For some villagers in Thror Paingthom, formal credit is almost unimaginable. Sopheap and her husband are both old, with four grown children. She says she would be afraid to borrow from the NGO, because she can't imagine how they could repay. When they were short of rice, they borrowed from a neighbour at no interest; they repaid the loan with rice provided by their grandson after his harvest.

Chenda says that she and her husband have never been in debt. She is afraid she wouldn't be able to repay, having no idea how she could earn the money to do so. However, for their farming they do sometimes buy fertiliser on credit, repaying 500-600 baht a sack at harvest time, compared to the cash price of around 400 baht.

Widow Somphors says she would be afraid to borrow, but also says that she has repeatedly been refused loans by the organisation. There are moneylenders in the village, but they lend only to people who have assets. Usually when people need money, they ask among neighbours who can lend. If people borrow for a few months, then they have to pay interest; if the loan is for only a few days, they don't.

Sarom has never borrowed from a moneylender or NGO, but she borrowed 500 baht from relatives, who do not charge her interest.

"Even with all the effort we have made to improve our situation, we still lack enough to eat", she says. "Our debts have decreased but we still have them. I had three children by the age of 25 years, and sometimes they get sick and we have to go to the doctor and we do not always have money to pay, especially if it is dry season and there is no water in the well. So then we need to borrow again for health. The relatives continue not to charge us interest, but maybe this will change in the future because they may not be happy that we continue to borrow."

For Vanna and her husband, their net harvest of only 200 kg of rice means they will probably go deeper into debt. They started borrowing three years ago, getting R150,000 from ACLEDA at 5 per cent a month interest. The village chief guaranteed her loan. When she got R150,000 she gave the chief R10,000. He did not ask; she offered it to him from gratitude.

To get the money from ACLEDA, they had to organise a group of 10 to start the process. Every month they had to pay. If they were late even one day, they would be fined R2000-3000. Most people were scared.

"When we get the money in our hands, it's good, but then life starts becoming more difficult and we do not sleep at night. Moneylenders are better because they will negotiate and understand that there are problems, but the NGOs do not listen to anything; all they want to hear and see is money, money, money. They close their eyes to our misery."

The couple borrowed 1000 baht, on which the interest is 60 baht per month; now they are in debt for 4000 baht. They bought rice with the money because they had no food. The debt keeps increasing because they can not pay the interest, so it is accumulated. If they can not pay it back, they will take the house.

"The majority of people in this village who borrowed money from the NGO lost everything", says Vanna. "That is what we did: we borrowed from the NGO, then the moneylender to pay the NGO, then from the NGO, then from the moneylender. Then we sold the cows and everything we had, even the chickens. I think if we offered them our children, they would have taken them too and sold them or encouraged us to sell them ourselves."

When Srey Na and her children were sick, she had to borrow R200,000 from a neighbour to pay for treatment. They were able to repay the neighbour R150,000 because her husband went to ask relatives in another village to give him five sacks of rice, which they sold. So now they still owe R50,000.

Before they left Kompong Cham, Channa and her husband borrowed R90,000 from a moneylender. The interest is only R5000 in total, even if it takes them many months to repay; they are sending money back gradually to retire the debt. They also borrowed R40,000 to buy a bicycle; that debt has been repaid.

When Tevy broke her leg, the medical care cost \$2000. After selling their cows, they still had to borrow \$350 from a moneylender in the market. The interest is 5 per cent a month, and they still owe 10,000 baht.

They have another loan of 1000 baht, on which they pay interest of 12 per cent a month. This moneylender wants the full amount in six months. In general with moneylenders, if you can not pay five chi at the end of the year, you have to pay back 10 chi the following year. You can not just pay the five chi in six months; that is, the moneylenders insist on a full year's interest for their loans. "Many people around here have lost their land and run away to the forest. They borrow even only 1000 baht, and years go by and they are unable to pay, so finally the land goes to the moneylender. Many people have gone forever because they were unable to repay loans. A loan of 1000 baht after one year is B2200 [at 10 per cent a month interest, if the interest is accumulated]; the moneylender will accept the full amount only at the end of the year, not before, because they want to make the greatest profit."

"There will be a revolution because of poverty", Tevy concludes. "People run away to the forest [to escape debt]. That is why you can have a Khmer Rouge."

When Srey Nou's son went away, she borrowed R20,000 to pay for him to get work, and she had to pay interest of 10 per cent a month. Then she became sick and called the private doctor for injections. She is still in debt for R100,000, including her medical bill. She repays in rice: 10 sacks per year just covers the interest. "Sometimes the interest accumulates over a year, and then they add it to the capital. Then it all starts again; it just grows and I eat less."

Vika's son borrowed too much when he got married, and she eventually had to sell her land and two cows to pay his debts. Now she can not borrow money, but she has an accumulated rice debt of 300 kilograms. She says she has become like the slave of the people she borrowed rice from: whenever they have work for her, she has to go and do it.

Because of her poor harvest this year, Socheat will probably have to borrow rice to make it through to the next harvest. For each *bao* of rice borrowed, she has to repay two. The same applies if she borrows fertiliser: borrow one, repay two.

Sopha borrowed R200,000 from ACLEDA and pays 4 per cent interest every month for eight months; then she has to repay the whole amount. She lends the money at 10 per cent a month to distant relatives. If her relatives can not repay, she will borrow from others to repay ACLEDA. She also lends to neighbours in the village.

According to Tevy, the commune chief does something similar, borrowing money at 50 per cent and lending it at 70 per cent.

Health and education

Economic difficulties have a big impact on schooling and access to medical care. Sopheap's children are now all grown, but she says that most villagers don't send their children to school because they don't have money to support their study; in particular, they don't have money to bribe teachers so that the children pass exams. So they keep their children at home. Children can help out around the house by cooking, finding firewood, taking care of siblings and cleaning.

Sopheap and her husband had to sell six of the eight cows they owned in order to pay for the medical care they both needed. When her husband became sick, she took him to the provincial hospital. The doctor said that her husband had TB and injected serum and gave him some medicines. She knew that the hospital could not offer good treatment, so she decided to go back home and ask the private doctor in the village to treat her husband. Each injection cost R2000, and he had to be treated every day. Both of them still feel not completely well.

Four of Srey Na's nine children are married. Two sons are still in school. She says that many people study only to grade 2 or 3 because the family meets a difficult situation. They might have a poor harvest, so they don't have money to support the children's studies when they don't have enough food to eat. Srey Na thinks that villagers often marry too young because they are illiterate.

Somphors used to have two cows, but they sold them to pay for medical treatment when her husband became sick. He died anyway, and she was left with no money. If she or her children are sick, they go to the government hospital. She has to pay R500 for medicine. They do not go to the commune clinic. She would rather go to the Battambang hospital, where the cost of treatment is about 1000 baht.

Her children of school age do not study for the whole year because during the harvest and transplanting they have to help with the work.

Not only does Tevy have a broken leg, but her husband is a hunchback. With both parents disabled, the children had to stop studying and help to earn a living.

Of the eight children born to Vanna and her husband, only three, all boys, survived. The youngest, now 18, is still in school. They once had four *kong* of land but sold it to pay for medical care for the children. They did not take them to a doctor, but to a traditional healer.

Vika has one child who has not finished his studies, but she can no longer afford to pay for schooling. Last year she paid R4000, but this year she can not pay. If she is sick, she asks people for money. If she can get it, she sees a doctor; if not, she does not see a doctor.

When Kong husband broke his arm in a motorcycle accident and needed a doctor, Socheat sold her house and its land—not her rice field—to get medical treatment for him. The private clinic was expensive but he was not cured well. Now they live in a simple house next to the rice field.

AIDS is becoming a bigger health issue. Somphors says that both men and women from this village have died from AIDS. The men were working in Thailand, and when they returned they were HIV positive and passed the infection to their wives. Most people are afraid to say they are HIV+ because they fear discrimination.

Vanna says that there are seven or eight people in the village dying from AIDS, mostly women who caught it from their husbands. Many people who return from migrating come back with HIV and die in the village, but they give the virus to their spouses. Many people are afraid of HIV+ people; only their relatives will go to visit them.

Tevy knows of four people around here who have died of AIDS recently. She is happy that the boy who wants to marry her daughter is a good boy and she does not see him going far from the house. Many parents are afraid of their daughter getting married and catching HIV.

Gender relations

Tevy and her husband selected the husband for their daughter, who will be married next month. Here no one has blood tests, and the daughter has no idea about her husband-to-be, but she knows about HIV because people here have died from it.

Tevy reports that there are now many divorces in the village and much violence: beatings daily and screaming because the husband is always drunk. If a neighbour wants to help, the husband will beat the neighbour too. Most of the men in the village drink and play the lottery. Before they played cards; now they buy lottery tickets. Some women have gone to the commune chief about their husbands beating them; others have received some support from the commune chief to divorce.

Now women have more responsibility in the house than the husband does. "This never happened in my mother's time or my grandmother's time, but only now. Because of this, violence has increased. Men are beating their wives when they are pregnant. Then they leave, but before they leave they sell the land, everything, and leave behind the wife and children as scavengers going to other people's rice fields to find the rice that remains after the harvest. Women are still saying that it is their fault, thinking they did something wrong."

Srey Na says that, compared to five year ago, life is much more difficult than before, especially in the last two years, when drought has destroyed villagers' crops. But after the end of the rice season, her husband always goes to cock fights and

gambles on lottery tickets, while Srey Na and her daughter sell their labour to earn extra income.

Widow Somphors' daughter and two-year-old granddaughter live with her because the daughter is divorced from the husband, who used to beat her.

Somphors says that men often go and find another wife. They become violent towards wives and also towards their children. Some husbands abandon their wives when they become sick, like one man in the village who was afraid of catching TB from his wife, so he just went away and left her and the children. The husband used to do seasonal migration, but one year he never returned.

Men gamble as well, usually during festivals. The men play games, sport, watch football on TV, but the women do not have any leisure time or pleasures. When the men are drunk, they beat their wives. "Women have no power", Somphors says. "We just think about our karma and suffer in silence. It's only the men who are violent, and it's always the women who have the bruises. It's not just the violence that we fear but also HIV infection from our husbands."

Sopha is 27 years old. She shares her 60-year-old husband with his first wife. She met him when she worked and lived with her sister in Battambang. The husband did not have children with his first wife, so he married her. He spends a few days with his first wife and a few days with her.

Srey Nou and her five children were abandoned by her husband, who found another wife and had a child with her. He has never sent even 100 riels to help care for the children.

Sophom met her husband when she was living in another village for a year, selling her labour. She knew him for only two weeks before they were married. The mother-in-law gave her one chi of gold for a wedding gift and then took it back the day after the wedding. For the wedding reception, the mother-in-law paid for only six tables, and they only broke even. (In traditional Khmer weddings, guests bring gifts of money, which provides a fund for the bride and groom to set up their household.)

Her husband beat her all the time. Their first child died. After she gave birth to their second child, a boy, when the child was one month old, her husband and mother-in-law told her to leave, but she stayed for seven months because she was scared and had nowhere to go. The husband did not feed her even though she had his baby. Her own mother gave her rice to eat, and she lived outside with the dogs. Her mother-in-law fed the husband but gave nothing to her even when she was breast feeding.

Now the husband wants to divorce her. She asked him for money to support the child, and he responded, "If you can not feed the child, give him to me, and if you do not want to give him to me, cut the child in half" .

Socheat shares Tevy's view that women are taking a bigger role within the family. She herself has to take a lot of the burden of earning their income because of her husband's illness: when he is not helping to grow rice in their field, he stays at home because he is weak. Many women say that increasingly women are taking more responsibility for the family's livelihood as the situation becomes increasingly difficult. This is a new role for women, a changing situation. It's mostly women who have to take on all the situational changes that have come as a result of the increasing difficulty.

"I want to be born a man next time", she says, "because they work less and worry less and have more leisure and sleep much easier than we do. Women work hard and never stop thinking and worrying. Men just know one thing. Even if they sell labour, they come home and lie down. We sell labour, come home, clean, find water, cook, gather wood: we have to do everything and think about the next day. They think about buying alcohol or cigarettes and talking with their friends."