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## Cambodia in 2020

*Preventing a Color Revolution*

### ABSTRACT

In 2020, Cambodia experienced its sharpest economic contraction in more than a quarter-century as COVID-19 crippled its tourism industry, hampered foreign investment, and reduced demand for exports from its crucial garment and textile sectors. Wary of simmering popular unrest, the government of long-serving Prime Minister Hun Sen sought to support the battered economy with one hand while stifling domestic political dissent with the other. Domestic crackdowns brought further erosion of Cambodia's ties with the European Union, and relations with the United States and some Southeast Asian neighbors remained tense as Cambodia drifted closer into a dependent relationship with China.

**KEYWORDS:** COVID-19, authoritarianism, democracy, trade, US-Cambodia relations, China-Cambodia relations

DESPITE THE PANDEMIC, 2020 in Cambodia was marked as much by continuity as by change. As COVID-19 ate away at the economy, the government of strongman Hun Sen and the ruling Cambodian People's Party (CPP), fearing wider social mobilization, continued to repress a beleaguered opposition. Political repression, inequality, and a spike in unemployment fueled simmering popular discontent. When Western officials criticized the government's domestic crackdown, Hun Sen and the CPP defied them, turning to Beijing and further cementing China's closest relationship in Southeast Asia.

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## DOMESTIC POLITICS

Although Hun Sen initially downplayed the pandemic, it posed obvious risks to his regime, threatening the economic growth that oils the gears of the CPP's extensive patronage networks and helps the party manage widespread domestic disaffection. In April, the National Assembly passed an emergency law giving the executive sweeping powers to monitor telecommunications, control the press and social media, restrict the freedom of movement and assembly, seize private property, enforce quarantines, and otherwise combat the virus and the social unrest it could spawn.

The government did fight the pandemic, shutting schools and many businesses in the spring and restricting international travel. Although critics faulted the authorities for under-testing and deploying anti-foreign rhetoric, Cambodia avoided a major detected surge. According to official statistics, the country recorded just 363 cases by late December—one of the lowest totals in Asia. Schools reopened in November, only to shut again quickly after the Hungarian foreign minister visited Phnom Penh and tested positive. Hun Sen and other senior officials promptly went into quarantine, reflecting the government's determination to keep the virus under control.

The pandemic nonetheless took a toll on the economy, and the partial shutdown left many people out of work or home from school, including many urban workers and youths at the heart of Cambodia's opposition movement. Fearing a popular backlash, Hun Sen and the CPP went on "high alert" (Phorn 2020), mindful of the mass protests that have shaken neighboring Thailand, as well as Belarus, and that convulsed Cambodia in 2013 to 2014. "A small fire can destroy a house," said a government spokesman, vowing that the authorities would "smash" minor demonstrations to forestall major ones (Turton and Phorn 2020). The CPP thus sought to extinguish the embers of the Cambodia National Rescue Party (CNRP), a once-formidable opposition party dissolved by the Supreme Court in 2017.

To stifle the opposition, the CPP's now-familiar tool of choice was a compliant law enforcement and judicial apparatus. Hun Sen portrayed the remnants of the country's political opposition as seeking "to destroy the nation with a color revolution" (Chheng 2020). Invoking the need for social order, Cambodian authorities detained and jailed numerous activists on specious charges. These included longtime trade union leader Rong Chhun, who was arrested in July after commenting on Cambodia's border with Vietnam—

a sensitive topic for Hun Sen, whose regime was installed by the Vietnamese army in 1979. Small street protests erupted, leading to further arrests and charges of “incitement,” a vaguely defined criminal charge often deployed by the CPP to intimidate and immobilize its critics (Strangio 2020).

In the weeks that followed, authorities detained roughly two dozen critics. Police arrested two young rappers for lyrics about rising wealth disparities and potential land losses to Vietnam. They arrested others for environmental activism or on charges of plotting to topple the government. In September, a Cambodian court convicted seven activists of treason for online posts supporting the return of former CNRP leader Sam Rainsy. One was jailed, another went into hiding, and three fled overseas. Two chose honey over vinegar, joining the CPP and receiving reduced and suspended sentences.

From exile in France, Sam Rainsy voiced plans to return to Cambodian politics before the next election, in 2023. Another former CNRP leader, Kem Sokha, sought to stay involved in public life by leaving house arrest in Phnom Penh to visit damaged rural villages after monsoon floods. Still, the opposition floundered as the Hun Sen government denied the CNRP its legality and leadership. In late November, the government charged 139 opposition figures with offenses ranging from incitement to treason, launching a mass trial set to continue in early 2021. A CPP spokesman said, “There is no future for CNRP. . . . CNRP’s supporters, if they continue to support the party, continue to stay in jail” (Phorn 2020).

## THE ECONOMY

Cambodia’s economy sagged under the weight of the pandemic. Between 1998 and 2019, Cambodia was one of the world’s fastest-growing economies, averaging roughly 8% growth per year. In 2020, the International Monetary Fund forecast a contraction of 2.8%, the country’s deepest economic downturn since the early 1990s.

COVID-19 caused contractions in all three sectors that have driven the country’s growth in recent years: tourism, construction, and manufacturing exports, which together accounted for nearly 40% of the country’s paid employment and over 70% of its growth in 2019 (World Bank 2020). Tourist arrivals collapsed, depriving Cambodia of its main source of service exports and contributing to a spike in unemployment. Construction and the real estate sector stalled after several years in which foreign direct investment

inflows, particularly from China, had made this the principal source of Cambodia's growth and rising tax revenues.

Manufacturing exports also suffered. More than half of Cambodia's estimated 1,700 factories and most of its manufacturing workers produce garments, textiles, footwear, and travel goods. These account for roughly 80% of Cambodia's exports and 16% of its GDP. As the coronavirus undermined global demand, hundreds of garment and textile factories suspended operations, and more than 110 factories folded by the end of the year. Workers in the vital garment and textile industries comprised more than a third of the estimated 390,000 Cambodians left without work due to the pandemic (Asian Development Bank 2020).

The Cambodian government responded with a series of stimulus measures. These included tax breaks for the battered tourism and aviation industries, modest financial support for out-of-work private-sector employees, and additional subsidies for workers in the garment, textile, and footwear sectors (Medina 2020). Yet these and other social programs did not prevent a dramatic rise in poverty, in a country already suffering from yawning income inequality.

Coronavirus was not the only economic challenge Cambodia faced in 2020. During the monsoon season, heavy rains led to floods and landslides that killed dozens of people and drove many more from their homes. Flood damage required the temporary closure of at least 40 garment or textile factories. With much of its land near or below sea level, Cambodia is one of the Asian countries most vulnerable to climate change. However, the country's rapid and haphazard development policies have exacerbated that danger, most notably the filling-in of lakes and wetlands around Phnom Penh without proper water management.

Cambodia also faced new impediments to trade. In February 2020, after much wrangling with the Hun Sen government, the European Commission decided to withdraw Cambodia's duty-free and quota-free access for roughly 20% of the goods Cambodia exports to the EU market, citing "serious and systematic violations" of human rights (European Commission 2020). Those measures took effect in August. Despite recognizing the toll COVID-19 was taking on the Cambodian economy, EU officials reasoned that those hardships did not override the need to promote basic rights in Cambodia.

## FOREIGN AFFAIRS

The EU decision and US critiques of Cambodia's domestic crackdown brought predictably defiant reactions. In a September address, Hun Sen accused Western governments of a "double standard" in assessing Cambodian human rights and of interfering in his country's "internal affairs" in ways that could spark a "civil war" (Bunthoeurn 2020). Cambodia turned to Beijing, signing its first-ever bilateral trade deal with China the following month to encourage investment and cut tariffs for agricultural and other exported products (Agence Kampuchea Presse 2020). Chinese Foreign Minister Wang Yi also pledged US\$ 140 million in additional aid, while Xi Jinping hosted the Cambodian royal family and promised to take the countries' "comprehensive strategic partnership of cooperation" to "new highs" (Xinhua 2020).

Chinese infrastructure investment in Cambodia continued to generate concern, internationally and locally. In September, the US Treasury Department slapped sanctions on China's Union Development Group for forced land evictions in Koh Kong Province, where the group is developing the vast Dara Sakor concession, including a lengthy airstrip that US officials allege is for military use. Weeks later, satellite photos showed that Cambodian authorities had demolished a US-funded facility at Ream Naval Base on the Gulf of Thailand, where a much larger Chinese-funded port facility is under construction. US officials and others fear that China may soon enjoy military basing privileges there (Asia Maritime Transparency Initiative 2020). Cambodian officials denied granting China military access at Ream or Dara Sakor. Nevertheless, demonstrators gathered outside the Chinese embassy in Phnom Penh to protest China's surging influence in the country. Cambodian authorities quickly dispersed them.

Despite frequent friction, relations between Cambodia and the US were less overtly hostile than in preceding years, as US officials concerned about China's rising influence in Cambodia sought to mend fences with Phnom Penh. The US Agency for International Development provided emergency relief after the monsoon floods, for example, and the Federal Bureau of Investigation opened a new office within Cambodia's national police headquarters to address transnational crime and terrorism. Despite the pandemic, bilateral trade from January to September was 16% above 2019 levels, providing a welcome ballast as EU preferences eroded (US Census Bureau 2020).

Cambodia's close ties to China and support for Beijing's approach to the South China Sea caused continued angst within ASEAN. A former Singaporean diplomat even suggested that ASEAN should consider expelling Cambodia and Laos, "cut[ting] loose the two to save the eight" (Kausikan 2020), eliciting an angry public response from Cambodia's foreign ministry. While such expulsion is extremely unlikely, its mere mention is evidence of the frustration in some ASEAN capitals as Cambodia drifts further toward Beijing. Southeast Asian neighbors and other area powers, such as Japan and India, nevertheless engaged proactively with the Hun Sen government, in part to prevent an even tighter Sino–Cambodian entente. As 2020 drew to a close, Cambodia's domestic politics and foreign relations appeared ever more calcified around an authoritarian regime and a Chinese partnership that buttresses its position in power.

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