THE YEAR IN CAMBODIA: APRIL 2006 TO APRIL 2007

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The Year in Politics

Overview

Two events in Cambodia between April 2006 and 2007 were of particular political importance: The decline and fall of former Funcinpec president and one-time prime minister Prince Norodom Ranariddh, and the discreet but steady rise in popularity of the opposition Sam Rainsy Party.

In October, Prince Ranariddh was stripped of his position as Funcinpec president by his own party. And in March 2007, with less than a month to go until the April 1 commune council elections in which he hoped to compete, he was sentenced to 18 months in prison in absentia for selling Funcinpec's headquarters and buying new land registered in his own name.

For the SRP, the year was a deceptively quiet one. SRP leader Sam Rainsy, who returned after a year in exile in February 2006, appeared to tone down his criticism of both Prime Minister Hun Sen and his ruling Cambodian People's Party. This prompted criticism from several rights groups, who said the SRP was not doing enough to check the CPP's power.

But while the main opposition party may have kept a lower profile at the national level, SRP officials said their grassroots support was steadily gathering momentum. The commune elections proved this to be true. On April 1, 2007, the party garnered more than 25 percent of the vote, a whopping 77.6 percent increase on their result in the country's first commune elections in 2002.

The SRP's massive upward trajectory will likely frighten the ruling party, especially so close to the 2008 national election. The CPP, whose officials have maintained an iron grip of power for decades, might now be forced to deal with an emboldened SRP.

Land Disputes and Political Order

Land issues remained a key political issue. As property prices boomed due to Cambodia's
newfound peace, festering land disputes continued, which observers feared could threaten the country's stability. Hun Sen appeared to recognize the gravity of the problem, and with weeks to go until the commune elections, he declared "war" on land grabbers and promised to take particularly tough action against implicated members of his own CPP. But only one CPP official was arrested in the wake of the campaign, and some speculated that Hun Sen did not dare take action against powerful land grabbers for fear of disturbing the CPP's delicate power structure, which ultimately underpins his own position.

**International Relations**

China and the US both maintained a strong diplomatic presence in Cambodia during the year, with Washington making an unprecedented effort to cozy up to Hun Sen's government.

On April 11, 2006, Hun Sen praised China for pledging virtually as much aid as all Consultative Group members combined, and with no strings attached. Unlike China, Western countries push for reform in return for the money they provide to Cambodia. Western donors and Japan continued to call for a long-awaited anti-corruption law to be passed, and appeared increasingly frustrated about the failure to adopt it. The Cambodian government maintained that it was about to pass the law, which has been meandering through the corridors of government for more than a decade.

On April 13, 2006, the government announced that America had asked Cambodia to commit troops to Iraq, and that Cambodia was considering the request. After days of apparent deliberation, Hun Sen announced on April 21 that Cambodian forces would not be sent, as Iraq was too dangerous.

Had he agreed, the relationship between the two countries, which grew markedly closer during the year, would likely have hit new heights. During the year, US President George W. Bush lifted the US's decade old-ban on direct support to the Cambodian government, and the US began funding the Cambodian military for the first time.

US Ambassador Joseph Mussomeli regularly expressed public support for the CPP, in contrast to all his predecessors. Some saw the US's overtures as a move to check China's influence in the region and to increase US access to Cambodia's off-shore oil reserves. US Embassy officials denied this was the case.

**The Undoing of Prince Ranariddh**

After several years of steady political decline, Prince Ranariddh's major problems began in earnest in mid-2006. In late July, the prince asked the SRP to form an "Alliance of Nationalists" with Funcinpec to compete in the 2008 national elections. Some believe if the two parties were to run together, they could possibly pose a serious challenge the CPP.

The prince's proposal may have rattled the ruling party. On Sept 17, Hun Sen said Prince Ranariddh should be removed from Funcinpec's presidency and accused him of forming a political alliance to compete with the current government. Funcinpec had by this time become racked by internal tensions and divided into two factions: one loyal to Prince Ranariddh, and another loyal to party Secretary-General Nhiek Bun Chhay, who critics accused of being too close to the CPP. As the year progressed, Hun Sen continued to remove a host of Funcinpec officials loyal to the prince from their government positions.
On Oct 18, Prince Ranariddh's career with Funcinpec, which had lasted more than a decade, came to an ignominious end. At a hastily convened party congress in Phnom Penh, Nhiek Bun Chhay announced that the prince had been ousted from the party presidency.

Prince Ranariddh became Cambodia's first democratically elected prime minister in 1993 and had served as royalist party president since 1992. He was commander of royalist resistance forces, based on the Thai border, from 1985 onward. But he had repeatedly come under fire in recent years for his poor political decisions, which included two coalition governments with Hun Sen, and flamboyant private life.

Undeterred by his ouster, Prince Ranariddh on Nov 16 launched the Norodom Ranariddh Party. The NRP quickly reported mass defections from Funcinpec, claiming that for many supporters Prince Ranariddh had been the sole attraction.

On March 13, 2007, Phnom Penh Municipal Court dealt an additional blow to the prince by sentencing him to 18 months behind bars and ordering him to pay $150,000 in compensation to Funcinpec, after finding him guilty of breach of trust in the sale of Funcinpec's headquarters in 2005. Prince Ranariddh denounced the verdict as politically motivated, and many observers familiar with the country's corrupt court system agreed.

New Legislation

The National Assembly passed several controversial laws that some observers said were unnecessary and infringed on personal liberties.

On Sept 1, parliament passed a draconian law making adultery a crime. Observers said they believed the law had been drafted with Prince Ranariddh in mind, as he is known to be in a long-term relationship with another woman while remaining married to his wife Princess Marie.

That law came days after lawmakers voted to scrap their parliamentary immunity from prosecution for comments in parliament that "abuse an individual's dignity, social customs, public order and national security." And on Oct 25, the National Assembly approved legislation obliging all Cambodians between the ages of 18 and 30 to register and, if required, serve 18 months in the Royal Cambodia Armed Forces.

New Political Parties

Several fringe opposition parties emerged over the course of the year. Kem Sokha, the high-profile president of the Cambodian Center for Human Rights, announced that he would be forming his own political party after April's commune elections. Several political observers opposed the move, saying Kem Sokha would be unlikely to win power but would instead draw opposition votes away from the SRP.

Prince Sisowath Thomico, former special secretary to retired King Norodom Sihanouk, returned to Cambodia in April 2006 and formed the Sangkum Jatiniyum Front Party, founded on the political philosophies of retired King Norodom Sihanouk. The party competed in April's election. Although Prince Thomico kept a high public profile over the year, he did not win any commune seats.

The Commune Elections
As the April 1, 2007, commune elections drew closer, several SRP activists were killed in rural Cambodia in slayings that the party said were politically motivated. It can sometimes be difficult to determine whether this is really the case but SRP officials note that police virtually never arrest people for attacking party members.

Observers said the atmosphere ahead of the elections was considerably less tense than in previous polls, and that the numbers of political killings were considerably lower. However, April 1 saw voter turnout drop to about 70 percent, significantly lower than in any other nationwide poll since the UN-sponsored elections of 1993. Observers said a convoluted new method for registering voters had prevented many Cambodians from signing up to cast their ballots.

The CPP announced on election night that it had won 98.3 percent of commune chief positions in the country's 1,621 communes. While the day clearly belonged to the ruling party, the SRP reported winning 25.5 percent of the national vote, adding that the CPP had taken 61.1 percent.

While the CPP still increased its share of the vote by 16.5 percent on its result in the 2002 commune election, the SRP racked up a 77.6 percent increase. Funcinpec and the NRP both won much smaller sections of the April 1 vote, with Funcinpec taking only two commune chief positions nationwide, according to preliminary results.

**Political Futures and the Year to Come**

In the wake of the poll, the SRP seems to be toying with possible alliances with either the CPP or the other opposition parties. If the SRP can forge closer ties with the CPP, some speculate that it may wish to enter a coalition government in the years to come, despite the long-standing animosity between Hun Sen and Sam Rainsy.

But the SRP has also suggested forming a "Democratic Movement" of opposition parties to compete against the CPP in 2008. Such an alliance would include Prince Ranariddh, who is also no friend of Sam Rainsy's, and for various reasons might never be formed.

The CPP appears to be alarmed by the prospect of the "Democratic Movement." In the kind of bellicose language that many thought Hun Sen had consigned to history, he declared on April 9 that the CPP must undermine the alliance using strategies similar to those used to defeat the Khmer Rouge. "We must fight back.... We must start now just like we played with the Khmer Rouge," he said in a heated speech broadcast on state-run TVK.

Hun Sen added that his party would only use "peaceful means" to defeat the opposition. But his speech inevitably raised the ugly specter of the political violence that afflicted the country during the late 1990s. If it wants to sustain its near-total monopoly on power while adhering to the democratic process, the ruling party may well need to revamp its political platform.

The CPP has long campaigned on the fact that it ousted the Khmer Rouge in 1979, but this will appear much less significant to younger voters than it did to their parents. Whether the CPP will be able to attract the votes of hundreds of thousands of young Cambodians, in a country where unemployment is high and corruption is rampant, remains uncertain.

Aside from the US, foreign diplomats posted to Cambodia have long had little time for the SRP, seeing it as an unviable alternative to Hun Sen's political status quo. But if the party continues to increases its popular mandate, the international community may have to reassess this approach and seriously consider Sam Rainsy as a possible future leader.
THE YEAR IN BUSINESS AND ECONOMICS

Overview

Cambodia enjoyed a surprisingly robust and rising economy, fed on garment factories, increasing tourism and agricultural sector revenues. Figures for economic growth released in 2006 put 2005's growth at over 13 percent, one of the highest rates in the world, and forecasts for 2006 were at 8 percent.

To critics of the government's human rights record and its failure to implement reforms, Hun Sen on several occasions appeared to answer that economic growth was proof of his competence and of the irrelevance of many of their complaints.

Economic Growth

Speaking to a Feb 27 seminar in Phnom Penh, Hun Sen pointed out that Cambodia's foreign exchange holdings have sextupled since 1994 to over $1 billion. And he noted that GDP grew by an average of 8.3 percent between 1994 and 2006 as well as by 9.5 percent in the years since, nearly doubling annual per capita income to over $500.

The International Monetary Fund announced on May 12, 2006, that in 2005 Cambodia's economy had grown at the fastest rate since the country was run by the UN in the early 1990s - 13.1 percent, up from 9.5 percent in 2004.

Both the Economic Institute of Cambodia and the World Bank released separate reports on Nov 14 with predictions for 2006 GDP growth. The World Bank predicted 8.9 percent growth while EIC predicted 8.5 percent.

IMF Country Representative John Nelmes said the main factor in increased growth was raising agricultural output, particularly rice production. Protective US and European Union tariffs also helped defend Cambodia's garment sector from Chinese competition in export markets, he said.

However, the EIC reported on June 6 that growth in the agricultural sector had been "slow and erratic," with contributions to GDP growing by only three percent annually in the past 10 years, compared to seven percent in service sector and 15 percent in industry.

An Emerging Market in Resources

Speculation about Cambodia's off-sea oil reserves gathered steam. Experts say Cambodia could make hundreds of millions of dollars in oil revenue from 2009 onwards. Many observers say legislation such as the anti-corruption law needs to be passed urgently if Cambodia is to benefit from its oil. Cambodia says it will use its massive potential oil revenues to build infrastructure, develop the civil service and tackle poverty.

However, some fear Cambodia could be hit by the same "resource curse" that has afflicted other developing countries with oil such as Chad and Nigeria.

The Environment Ministry in August lifted a 12-year ban on mining in protected areas and the Cambodian National Petroleum Authority announced on Feb 23 that US petroleum giant
ChevronTexaco, the parent company of Cambodia's Caltex chain of service stations, has so far spent $100 million drilling exploratory wells in Cambodia's offshore Block A.

The CNPA also revealed in September that the French oil firm Total and an unnamed Chinese firm, likely the Chinese National Petroleum Offshore Oil Company, were vying for the rights to explore for oil in Block B, which with Block A is thought to be the most promising of Cambodia's six offshore exploration blocks.

And a Spike in Foreign Investment

More than $1.1 billion in foreign direct investment was pledged in the first half of 2006, up from $449 million pledged in the first half of 2005, according to the Council for the Development of Cambodia.

Ninety percent of this investment came from a single South Korean company, which pledged to build a satellite city on land created by filling in Phnom Penh's Pong Peay lake.

Documents obtained in January indicated that for the whole of 2006, the Cambodian Investment Board approved $4.42 billion in investment projects, of which $2.32 billion was foreign direct investment. The figure represented a 240 percent increase over 2005's total, $1.1 billion.

New businesses could be seen cropping up all over Phnom Penh, and Cambodia jumped eight places in the World Economic Forum's annual ranking of business competitiveness, which was released on Sept 27. At 103rd, Cambodia was still sandwiched between Gambia and Tanzania in the bottom 20 percent of the countries listed. Thailand was ranked 35th. Vietnam came 77th.

Although cronyism, corruption and back-room dealing remained the order of the day, the government appeared to make at least some efforts to promote legislation to regulate the business environment.

Government officials repeatedly stated that they were preparing to establish a stock market in the coming years, though some said this was unlikely to happen any time soon due to a lack of transparency and accountability in the business sector.

But Poverty Continues

The undeniable dark spots on the country's economic tableau were widespread poverty and corruption, as well as the growing divide between the rich and poor.

The World Bank reported in 2006 that 35 percent of Cambodians live below the national poverty line and that those living in extreme poverty "experienced significantly slower growth in real consumption than the 'normal' poor."

The Tourism Trade

The country's popularity as a tourist destination continued to escalate.

The Tourism Ministry announced on Jan 3 that the tourism sector had posted sharp gains for the third straight year, with arrivals up 20 percent over 2005.
Over the year, 1.7 million tourists visited Cambodia, putting $1.4 billion into the Cambodian economy, a figure equivalent to 12 percent of GDP.

By October, more than 650,000 people had visited Siem Reap province, accounting for nearly half of all tourist arrivals in Cambodia. On Jan 15, Sihanoukville's Kang Keng airport reopened to commercial air traffic for the first time since the early 1980s.

The World Bank Scandal

Despite the country's impressive economic performance, one major event brought a particularly dark cloud over Cambodia's international reputation: The World Bank corruption scandal.

The Bank revealed in May that its auditors from Washington had found evidence of corrupt acts in seven development projects in Cambodia, four of which were finished while three, with a combined value of more than $71 million, were ongoing.

The three projects were the Land Management Ministry's $28.83 million Land Management and Administration project, the $21.18 million Provincial and Rural Infrastructure project administered by the Ministries of Rural Development and Public Works, and a $21.8 million Provincial and Peri-Urban Water and Sanitation project run by the Ministry of Industry, Mines and Energy.

In June, the Bank also found that misprocurement amounting to $8.3 million had occurred in 30 contracts tendered under the projects. And the Bank announced it would seek repayment of an undetermined amount of funds disbursed against 13 other contracts in the four completed projects in which problems were also found, bringing the total value of contracts in question to $11.9 million.

The revelations drew angry censure from Hun Sen and other government officials who accused the Bank of failing to disclose evidence supporting their charges. The government added that foreign consultants should also be held responsible for any malpractice in the projects.

Although the Bank's allegations were leveled at a whole host of government ministries, legal action was only taken against one Cambodian official.

Rural Development Ministry project manager Mour Kimsan, a Funcinpec member, was charged in July with embezzling over $840,000 in connection with the alleged fraud. He was released on bail in December and the case against him appears dormant.

The Bank announced on Feb 7 of this year that it would resume funding for the projects as anticorruption reforms now being enacted by the Cambodian government meant the funds could safely be disbursed. The move was seen by some as a move to reach a diplomatic compromise with the government.

The World Bank was not the only donor organization to announce that it had caught a whiff of corruption in its Cambodia projects.

The Asian Development Bank announced on Jan 31, 2007, that it was investigating possible bid rigging and collusion under its $27.2 million Northwest Rural Development Project loan. An auditor-general's report found problems in the road building, sanitation and training projects focused on Banteay Meanchey, Oddar Meanchey, Siem Reap and Battambang provinces. ADB
reported.

**Corruption**

Corruption in many aspects of daily life remained a systematic problem.

The Economic Institute of Cambodia reported on July 12 that business saw the judiciary as the least honest public institution and that business lost about $330 million to corruption in 2005 while the government lost $400 million in tax revenues.

On Nov 6, Transparency International ranked Cambodia near the bottom of its 12th annual global corruption index, putting Cambodia at the 151st place out of 163 countries surveyed.

Cambodia shared its score of 2.1 out of 10 with Uzbekistan, Belarus, Ivory Coast and Equatorial Guinea. And it was ranked lower than any Asean country in the index with the exception of Burma, which was ranked 160th, and Brunei Darussalam, which was not ranked. Cambodia's score was down from 2005's ranking of 2.3. Cambodia's neighbor Thailand came in 63rd on the list, while Laos and Vietnam shared the 111th spot.

**The Battle Over Indochine Insurance**

Philippe Lenain, the French owner of the defunct Cambodian insurer Indochine Insurance, renewed efforts in May to receive compensation for what he called the Cambodian government's illegal forced closure of his company in October 2004. On May 10, Lenain's lawyer wrote to Prime Minister Hun Sen, accusing him of reneging on pledges to French President Jacques Chirac to allow Indochine to continue operations on a 2002 bilateral treaty to protect French investments. The Cambodian government says it closed Indochine, then the country's largest insurer, because it failed to meet the minimum requirement for registered capital, $7 million, and to pay 10 percent of this to a non-interest account in the National Bank of Cambodia.

Lenain has sought $4 million in compensation for the loss of Indochine, which he said had commitments of $6 million in backing from the French insurer Macif when it was shuttered. Finance Ministry Secretary-General Hang Chuon Naron on May 17 accused Lenain of defrauding the government of millions of dollars.

**Controversial Concessions**

As in previous years, Cambodia's massive agro-industry concessions attracted significant controversy. Critics say the concessions, which are often tens of thousands of hectares in size, lack transparency and negatively impact the lives of local communities.

China's official Xinhua news agency reported on April 3, 2006, that the rubber firm Hainan Natural Rubber Industry Group Corp had signed an agreement with a little-known Cambodian company to plant rubber trees on 63,000 hectares in Preah Vihear province.

Cambodian authorities denied that permission had been granted for the concession, pointing out that the legal limit for such concessions is 10,000 hectares.

However, in an example of the flexibility of Cambodian laws on such matters, Agriculture Ministry documents showed that ministry officials had surveyed the 66,000-hectare area requested by the company to facilitate the deal. According to the documents, 88 percent of the
area was covered by deciduous forest, much of which was officially protected.

In April, Sim Sonthim, director of Suigang Investment Development Co Ltd, the would-be Cambodian concessionaire in the deal, said that government officials negotiated the deal with him for seven months without mentioning the 10,000-hectare limit. In July, Sim Sonthim said the plan had been scrapped.

The NGO Forum on Cambodia, an environmental and human rights record wrote in a report in April that economic land concessions were of dubious economic benefit and that every step of the process of their creation was shrouded in illegality.

The study examined four large but dormant "fast wood" plantations: the Green Rich company's 18,000-hectare acacia and palm oil plantation in Koh Kong province; Cambodia Haining's 21,000-hectare cassava and palm oil plantation in Kompong Speu province; as well as the colossal 316,000-hectare eucalyptus plantation owned by Pheapimex Co which stretches between Kompong Chhnang and Pursat provinces.

Each of the four exceeds the 10,000-hectare limit and the concessions were in many respects situated with "complete disregard" for protected areas, the report said. Concession operators have failed to obey government orders, to observe legal procedures or to consult with directly affected locals, upon whom they have visited violence and intimidation, NGO Forum claimed.

The plantations rarely employ locals, destroy "large swathes" of forest, create pollution and threaten wildlife, seriously affecting the livelihoods of local populations, the NGO added.

In what may become Cambodia's biggest land concession of all, the Commerce Ministry announced on Oct 16 that Australian mining giant BHP Billiton and Japanese firm Mitsubishi Corp were given permission to explore for bauxite on up to a million hectares of Mondolkiri and Ratanakkiri provinces. Cambodia is only about 18 million hectares in size.

**Steps Toward Agricultural Privatization**

Continuing Cambodia's transition from communism to a free market economy, the Agriculture Ministry announced on July 11 that it would sell its seven state-owned rubber plantations by the middle of 2007. The plantations in Kompong Cham and Kratie provinces would be privatized according to a plan drawn up jointly with the ADB.

**THE YEAR IN HUMAN RIGHTS**

**Overview**

The US State Department appeared to speak for many of Cambodia's critics when it reported in March 2007 that when it came to human rights, things had not got any better during 2006.

A wide range of abuses, from extra judicial killings and torture to irregular court procedures and the failure to respect freedom of assembly, caused the US to draw yet another somber picture of human rights in Cambodia.

The US accused the authorities of failing to respect legal prohibitions on excessive pre-trial
detention, arbitrary arrest and detention. Court officials took bribes and were swayed by political pressure, while prison conditions were "life-threatening," the US said.

In its annual review, Human Rights Watch said 2006 saw Cambodia's commitment to political pluralism further discredited as Prime Minister Hun Sen further consolidated his power over his opponents. Rights Watch also denounced continuing environmental plunder, the suppression of peaceful demonstrations and judicial corruption.

The Khmer Rouge Tribunal

Decades after the Khmer Rouge were ousted, 2006 marked the first shaky steps of the Extraordinary Chambers in the Courts of Cambodia, the official name for the Khmer Rouge tribunal.

While judges were sworn in during July, the court was subsequently beset with bureaucratic problems and allegations of financial irregularities, leaving its future hanging in the balance. Many observers questioned whether the government was deliberately sabotaging the tribunal, though government officials firmly denied that this was the case. Some observers speculated that authorities could be afraid of Khmer Rouge defendants revealing sensitive information about members of the current government, who were themselves in the Khmer Rouge, if they appear in the dock. Several current government ministers and Hun Sen himself were members of the ultra-Maoist regime.

Observers immediately questioned the political independence and backgrounds of some of the Cambodian judges, many of whom were trained in the former Soviet Union and are alleged to be CPP members.

Whether the elderly suspects in the Khmer Rouge genocide will survive to stand trial remains uncertain.

Seven and a half years after his capture by government forces, the Khmer Rouge's former military chief Ta Mok died in Phnom Penh's Preah Khet Mealea Military Hospital at 4:45 a.m. on July 21. The causes were old age and tuberculosis, a doctor said.

As the year progressed, the Cambodian Bar Association threw several spanners into the inner workings of the tribunal. The bar, which also has strong links to the CPP, raised opposition to several technical points in the internal rules for the tribunal, which prevented the rules from being passed. Until the rules are adopted, the tribunal cannot proceed.

Relations between the Cambodian and international sides of the court appeared increasingly fraught. As of early April 2007, the rules remained ungratified, with the bar and the international judges fighting over the high fees that the bar hopes to charge foreign defense lawyers appearing in court. On Dec 5, Human Rights Watch accused the government of meddling in the tribunal and trying to delay adoption of the rules.

On Feb 14, the Open Society Justice Initiative, a New York-based group monitoring the court and funding some of its activities, called for a full investigation of what it said were widespread allegations that Cambodian employees at the ECCC had to pay kickbacks in return for their positions at the court.

Cambodian court officials strenuously denied the claims and called on March 9 for a retraction.
Despite the multiple woes of the ECCC, international observers are now hopeful that the court's rules will be approved by the end of May.

**A Crisis Over Land**

In many ways, the burgeoning land crisis was the principle expression of Cambodia's social problems, involving all elements of the Cambodian power structure.

In November, Thun Saray, president of local rights group Adhoc, described a rising tide of landless people across the nation due to land grabbing by the rich and powerful. Between 15 and 20 percent of Cambodia's villagers are landless and a further 17 percent have suffered land-related rights violations, he said.

In roughly a third of Ratanakkiri province's 49 communes, the phenomenon of "land alienation," or the destruction of cultural practice and ways of life that results from the loss of land, was worsening, the NGO Forum on Cambodia reported in February of this year. "The problem has already progressed to the point where some communities have disintegrated," NGO Forum said in a report.

The year also saw a series of large scale forced evictions of impoverished residents of central Phnom Penh.

The eviction of 1,216 families living at Village 14 in Phnom Penh's Tonle Bassac commune began on May 3. Authorities said the shantytown community had illegally settled on land belonging to the real estate developer Sour Srn and began forcibly relocating groups residents to a squalid relocation camp on an undeveloped and unsanitary plot of land some 20 km outside the capital.

Miloon Kothari, UN Special Rapporteur on Adequate Housing, said in a June 2 telephone news conference from Geneva that, due to the government's housing policies, Phnom Penh risked turning into an "apartheid city" separating rich and poor.

Human Rights Watch called on the Cambodian government in August to halt the policy of forced evictions, saying they were against Cambodian and international law.

Week after week, reports emerged of expulsions, protests and conflict over land across Cambodia. On several occasions, bands of villagers traveled to the capital demanding to meet with senior government officials, though their efforts were almost always in vain.

Some protested long-standing disputes involving powerful officials such as CPP tycoon and local Senator Ly Yong Phat. Villagers in Koh Kong province claim a 20,000-hectare sugar plantation owned by Ly Yong Phat is encroaching on their land, and that plantation guards have shot several of their cattle dead.

In one of the highest profile land disputes in the country, 12 ethnic minority villagers in Ratanakkiri province, backed by the Community Legal Education Center, in January sued Keat Kolney, sister of Finance Minister Keat Chhon, for illegally tricking them out of 270 hectares of their O'Yadaw district land. The case is still pending, and a spokesman for Keat Kolney has firmly denied the allegations against her.
Human Rights and the UN

Although rights issues remained a cause for concern, Cambodian officials often remarked in their defense that rights workers are generally allowed to monitor the country situation.

UN High Commissioner for Human Rights Louise Arbour visited from May 15 to 19, the first visit by an official in her position in almost four years. Arbour met with human rights workers to discuss the judicial system.

"There are deficits in the guarantees of judicial independence," she said. "And I think there's a widespread perception of lack of integrity, that is...the pervasive effect of corruption that is felt in many sectors of Cambodian society."

An independent judiciary is essential to protecting fundamental rights and freedoms, she said.

In September, UN special rapporteur for human rights in Cambodia Yash Ghai told the newly created UN Human Rights Council in Geneva that the Cambodian government had undermined the SRP and used the state to acquire private wealth.

In his second written report on Cambodia, which was released March 9, 2007, Ghai analyzed Cambodia's legal system and called it "a principal agency of oppression" in which "innocent people become, at the instigation of the Government, the victims." Such circumstances arise by design, Ghai said.

"The use of systematic human rights violations has been a rational choice for those who hold power in Cambodia and who refuse to accept accountability, vis-a-vis the law and the people of Cambodia," Ghai wrote, adding that "deliberate and systematic violations of human rights have become central to the government's hold on power."

Cambodia's courts are corrupt and its Constitution and laws are routinely bent to suit the wishes of the powerful while both the courts and the bodies charged with overseeing them are also manipulated toward political ends, Ghai wrote. Government spokesman and Information Minister Khieu Kanharith said Ghai did not know what he was talking about and claimed the rapporteur never visited Cambodia. He also dubbed Ghai "the laziest staffers at the United Nations."

Human Trafficking

Human trafficking has long been a problem in Cambodia. However, the US State Department on June 6 announced that Cambodia had significantly improved efforts to combat trafficking, and lifted Cambodia from the bottom tier of its global human trafficking rankings to the Tier 2 "Watch List," meaning Cambodia again be relegated to the bottom if further efforts weren't made.

The report cited increased policing, as well as greater numbers of arrests, prosecutions and convictions for human trafficking in Cambodia but said corruption; lack of training and a weak judiciary remained serious problems.

In early 2006, it emerged that Cambodia's National Police Commissioner Hok Lundy, long a controversial figure among rights workers and donors had been denied a US visa due to allegations linking him to human trafficking. In April 2007, however, Hok Lundy was able to
visit Washington. The visit was made possible by the US State Department overruling its human rights and anti-trafficking offices in deciding to issue Cambodia's top police officer a visa.

Senior US officials told Hok Lundy in Washington that his police must prosecute more of their own for human trafficking and show greater respect for human rights.

**The Heng Pov Affair**

Hok Lundy was not the only senior police officer to attract significant controversy. For nearly six months in 2006, Phnom Penh's former police chief Heng Pov was an international fugitive from justice after fleeing Cambodia, where he was accused of a host of crimes. Heng Pov waged a media campaign from Malaysia and Singapore, making counter allegations of corruption and murder against senior government officials while seeking political asylum.

In December, Heng Pov was grabbed by Cambodian officials in Malaysia and deported to Cambodia. He has since been found guilty of murdering a judge. While the allegations against Heng Pov are not difficult to believe, there is considerable suspicion that his fall from grace has more to do with a personal clash with Hok Lundy rather than a genuine will within the government to punish corrupt officials.

**Unionists and Hit Men**

Heng Pov's case also shed new light on the death of Chea Vichea, leader of the Free Trade Union, who was killed in an execution-style hit in Phnom Penh during January 2004.

In an August interview given during his flight to the French magazine L'Express, Heng Pov said the men arrested for the 2004 murder of union leader Chea Vichea were innocent.

Born Samnang and Sok Sam Oeun, each sentenced to 20 years for the murder in 2005, were arrested following an investigation led by Heng Pov. Many rights workers believed they were framed and that the government may have been behind the killing. The government denies the allegation.

Human Rights Watch, Amnesty International and the International Conference of Free Trade Unions have all called for the pair to be released.

In February 2007, Hy Vuthy, a 36-year-old FTU official at a Phnom Penh garment factory, was gunned as he returned home after finishing the night shift before dawn. His was the third assassination of an FTU official since the start of 2004.

Amnesty, HRW and the International Trade Union Confederation called on Cambodia to investigate the killing thoroughly and described it as part of a pattern of intimidation visited on FTU members at the jointly-owned Suntex and Bright Sky garment factories, where, Licadho claimed in December, there were seven documented cases of union members being beaten or shot at in the first 10 months of 2006 alone.

**Montagnards**

Over the year, a steady stream of Montagnard asylum seekers continued to trickle over the border into northeastern Cambodia, fleeing religious persecution in the Vietnamese Central Highlands. How serious the situation is in the Central Highlands, to which few outsiders are,
allowed to enter, and remained a bone of contention.

Human Rights Watch said in a lengthy report released June 14 that the UN High Commissioner for Refugees had attempted to placate Vietnamese authorities by praising their supposedly improved treatment of Montagnards.

Human Rights Watch said the UNHCR was painting an incorrectly rosy picture of the Central Highlands, adding that Vietnam continued to torture, persecute and jail the asylum seekers and members of their communities. Both UNHCR and Vietnamese officials denied the claims strenuously.

In 2001 and 2004, thousands of Montagnards crossed the border into Cambodia, claiming the government was persecuting them for their worship and stealing their lands. The UNHCR said in September it had collected nearly 200 for the year—but levels never reached those of 2001 and 2004.

Rights groups reported periodically that Cambodian officials had apprehended Montagnards before they could reach the UNHCR and forcibly deported them to Vietnam. Local officials reportedly threatened Cambodian villagers with arrest if they assisted the asylum seekers.

**Extraajudicial Killings and Torture**

In its report, the US State Department said that over the course of 2006, there were 44 extrajudicial killings recorded by local NGOs, which found that perpetrators went unpunished in 26 of these cases. Of the remaining 18, nine were committed by the military, four by police officers, two by prison or rubber plantation guards, and another two by the bodyguards of government officials or wealthy individuals and one by a Forestry Administration official.

Local rights group Adhoc claimed in June that between January and April 2006, at least 90 people had been beaten or shot by government officials, including police, military police and soldiers.

Citing interviews with detainees in 18 of Cambodia's 26 prisons, local rights group Licadho reported in June that 96 people had been tortured between January and May, 78 of them while in police custody and the remainder in prison.

**Prisons**

Perhaps the most egregious alleged rights abuse occurred during a June 18 siege at Battambang Provincial Prison. According to the official version of events, eight inmates who had tried to escape from the jail blew themselves up with a grenade when they realized their attempt would fail. However, video footage of the siege obtained in August appeared to contradict this. The video showed police Special Forces gunning down unarmed hostage takers as they cowered behind a motorcycle inside the prison compound.

Licadho and Adhoc announced Jan 10 that the government had curtailed their access to prisoners and prison records, ending the longstanding practice of allowing monitors to interview inmates.

Licadho, along with Legal Aid of Cambodia and the Danish Charity DanChurchAid, claimed Jan 31 that nearly 500 children languish in Cambodia's dirty, overcrowded prisons and are subject
to excessive pre-trial detention, stiff prison sentences. They are also often denied access to lawyers and education.

"Freedom Parks" and The Right to Assembly

The question of whether Cambodians will ever be allowed unfettered permission to demonstrate against the government came into question several times during the year. Protests in Phnom Penh are almost always blocked, and security forces have been repeatedly accused of violently assaulting would-be demonstrators.

Human rights workers in early April 2006 strongly criticized a draft bill on public assembly, which would have limited demonstrations to "freedom parks." Drafted by the Interior Ministry and apparently modeled on legislation in Singapore, the bill would have limited demonstrations that did not receive prior authorization to gatherings of 30 people in government-designated parks. Sok Sam Oeun, executive director of the legal aid NGO Cambodian Defenders Project, said the law may not be constitutional and that the parks should be centrally located in the capital if they are created. Some fear the parks will be established far from urban areas where the demonstrations will go unnoticed.

Freedom of Expression

The Council of Ministers voted April 21 to remove prison penalties from legislation from the early 1990s that criminalizes defamation and provides for jail time of between eight days and one year as well as fines of as much as $2,500. The legislation has often been used against critics of the government.

Critics noted however that the listed crime of "disinformation" bore a nearly identical definition and remained a jail able offense. It has since been employed in much the same manner as the defamation charge.

The 1997 Grenade Attack

On March 30, 2007, hundreds marked the 10 anniversary of a grenade attack on a demonstration by the Khmer Nation Party, a precursor to the SRP, in which at least 16 people were killed and more than 200 injured outside the National Assembly.

No arrests have ever been made in the case and Rights Watch claimed on March 29 that authorities had failed to investigate the crime earnestly "because of substantial evidence of government involvement."

THE YEAR IN CULTURE

Overview

As a developing country emerging from civil war and communist rule, Cambodia's cultural scene has clear limitations. That said there are signs that cultural life here may be taking off. The temples of Angkor Wat are emerging as one of the region's star tourist attractions and efforts are being made to protect temples nationwide from looting. An increasing number of art galleries are springing up around Phnom Penh, while several feisty shows have appeared on Cambodia's fusty,
state-influenced television stations. Several NGOs are making concerted efforts to revive the performing arts, while sporting events in Phnom Penh are taking place with increasing regularity.

Siem Reap’s World Culture Expo

In terms of money spent, the main cultural event between April 2006 and April 2007 was the much-touted Angkor-Gyeongju World Culture Expo at Angkor. The expo, a joint venture between Cambodia and the South Korean province of Gyeongsangbuk-do, cost an estimated $6 million. Located in scrubland on the outskirts of Siem Reap town, the expo opened with much fanfare on Nov 21 and ran until Jan 9. It featured stalls showcasing Cambodian and Korean food and culture, as well as Apsara dancing, Cambodians parading in outfits from the Angkorian era, and Korean song and dance.

Aesthetically, the expo was something of a flop. Its immediate financial returns were also questionable. Foreigners were expected to pay $18 a ticket, and stayed away in droves, partly due to the prices and partly because they preferred to visit the temples instead. Cambodians paid only a couple of dollars to enter, so while many visited, the government did not generate returns on the money that the expo had cost.

Nevertheless, the expo may have reaped considerable indirect benefits. It was opened by the leaders of the two countries and appeared to significantly bolster diplomatic ties between Cambodia and South Korea. South Korean investors have appeared keener to invest in multi-million dollar infrastructure projects in Phnom Penh and elsewhere in the wake of the project. The expo also bolstered Angkor Wat's profile in South Korea, which already provides more tourists to Cambodia than any other country.

Archaeology at Angkor

As Angkor's commercial potential increased, archaeological work at the temples continued. In April 2006, a team of Cambodian, French and US archaeologists announced they had discovered human bone fragments from the Angkorian era in what they believed was the second cemetery of that time ever to be excavated. The discovery was made at the site of an Angkorian hospital located between the West Baray reservoir and the west wall of the fortified city of Angkor Thom. The facility was one of 102 hospitals built by King Jayavarman VII after his coronation in 1181.

In May, visitors were able to see Angkor Park's biggest monument after Angkor Wat-the Baphoun pyramid-for the first time since the 1960s. Full restoration of the pyramid, which was built from 1060 onward, may take until the end of 2008.

The Koh Kong Shipwreck

Excavation work also continued off the shores of Koh Kong province, where officials attempted to retrieve pottery estimated to be about 1,000 years old from a recently discovered shipwreck. Due to a lack of equipment, divers exploring the wreck breathed through hoses fed down from the surface rather than scuba gear.

Miss World

In August, a 22-year-old from Kompong Cham province became the first Cambodian woman in more than 50 years to vie for the coveted title of Miss World. Sun Srey Mom, a student, tour guide and part time teacher, arrived in Poland for the two-month long competition on Aug 30,
despite Prime Minister Hun Sen publicly stating that Cambodians should be focusing on poverty alleviation rather than beauty pageants.

Rodin in Cambodia

In artistic terms, the most significant event may have been the displaying of Auguste Rodin's sketches of the Royal Ballet of Cambodia at the National Museum. From Rodin's week with the dancers during a visit by the ballet to France in 1906 came 150 of his most famous drawings. To house the exhibit, the French government renovated a wing of the National Museum in Phnom Penh and built a special temperature and humidity-controlled room. The exhibit marked the first time the drawings had been exhibited outside France. Cambodia also exported its own art during the year, sending stone, wooden and bronze Khmer artworks from the National Museum to be exhibited in the European cities of Bonn, Berlin and Zurich.

Ghost Game

Disputably the most controversial art event of the year was the launch in Bangkok of a Thai horror movie called "Ghost Game," which appeared to be set in a fictionalized version of Phnom Penh's Tuol Sleng Genocide Museum. The Documentation Center of Cambodia, which compiles evidence of the Khmer Rouge regime, came down hard on the movie. DC-CAM Director Youk Chhang described it as "disgusting" and "a twisting of the memories of millions of people."

In a tearful Bangkok press conference in April, the makers of "Ghost Game" apologized to Cambodia, though the film still went on to premier in the Thai capital the same day, as had been scheduled. Tension over the incident did not escalate, as some had feared it might; in January 2003, a Cambodian mob burned down the Thai Embassy after rumors circulated that a Thai actress had laid claim to Angkor Wat in a television show.

Religious Relations

At least two Christian buildings in Cambodia's provinces were attacked during the year, though there was suspicion that these may have been related to land disputes rather than religious tensions with local Buddhists. While people's political affiliations can cause major tensions in Cambodia, religious tolerance around the country remained high, with the government generally happy to accept people of all faiths: In October, even UFO-based movement the Raelians arrived in Phnom Penh to rally potential Cambodian supporters.

Buddhism and the World

In June, as the World Cup kicked off, senior Buddhist officials announced that monks were allowed to tune in for the matches, but that rules had been introduced to regulate their emotions. Monks were told that they had to watch the games in silence, and were strictly barred from gambling.

There was criticism leveled against Cambodia's most senior monk Tep Vong during the year, after he gave permission for monks to vote in Cambodia's elections, but said they should remain grateful to the ruling CPP for liberating Cambodia from the Khmer Rouge in 1979. Several commentators accused Great Supreme Patriarch Tep Vong of being too close to the CPP, and claimed the party was using him to control the country's Buddhists, an allegation he denies. In an earlier incarnation, Tep Vong was elected in 1981 as the vice president of the National Assembly of the People's Republic of Kampuchea, a precursor to today's CPP.
Maha Ghosananda

In March, Maha Ghosananda, a monk who played a key role in rebuilding Buddhism after the Khmer Rouge era and who was nominated three times for the Nobel Peace Prize, died in the US state of Massachusetts. Maha Ghosananda, who was dubbed the "Ghandi of Cambodia" by the Western media, campaigned tirelessly for peace during Cambodia's civil war. He was widely known for his peace marches across Cambodia in the turbulent early 1990s. After living in exile from 1975 to 1979, he visited refugee camps on the Thai border in the early 1970s, distributing tracts and later establishing temples for Buddhists expelled by the Khmer Rouge.

His peace marches through areas where the Khmer Rouge and government forces were at war sometimes became caught in cross fire, and in 1994, two marchers were killed. He moved to the US in the late 1980s at the invitation of a Buddhist order that sought to eliminate weapons.

Television

As reality television took off worldwide, Phnom Penh was also drawn in. The Cambodian Television Network, run by local tycoon and Australian Cambodian Kith Meng, began auditioning for "CTN Coffee Shop." In the show, 12 ordinary people were to work at a coffee shop in the capital and live together for three months. Contestants were not allowed to watch TV, use the phone or even leave the coffee shop without permission from the show. Each week, contestants and the audience would vote to remove a member of cast.

In early 2007, another reality-style television show was launched: "Youth Leadership Challenge." The show, inspired by Donald Trump's "The Apprentice," was funded by USAID and produced by the Youth Council of Cambodia and the US-based International Republican Institute. The show is intended to promote democracy and civic participation among Cambodian youth, and included competitive debates on issues such as the role of women in politics.

In December, "Sbai Sbai Sesame," a Khmer-language version of the popular US show "Sesame Street," launched on Apsara TV. The show teaches children concepts like cooperation, how to count to 10 and the difference between living in the country and the city. Money for the show was raised by Arn Chorn-Pond, a former Khmer Rouge child soldier who traveled to the US as a refugee and was adopted by an American family. Backing for the show was also provided by Information Minister Khieu Kanharith and the US State Department, which provided a $20,000 grant.

The Sport’s Scene

Cambodia's sports scene also saw several developments over the year. In September, Phnom Penh's Olympic Stadium hosted the first-ever organized competition of the indigenous Khmer martial art Bokator. The art involves hand-to-hand combat techniques, as well as sword and stick fighting. In early 2007, the national wrestling team began learning World Wrestling Federation-style wrestling, in a bid to hit the Cambodian airwaves and get rich.

Boxing also remains a popular sport in Cambodia, and foreign fighters are periodically brought in to compete with Cambodians. In November, more than 800 Cambodian boxers participated in the 2006 National Selection Championship to compete for a place in the national team.

In December, Phnom Penh hosted the Tep Khunnah Memorial Tennis Cup, a 10-day, televised
open tennis tournament. Sixty-two men and 10 women played 102 matches in the men's and women's singles, men's doubles and under 18 categories. The tournament is named in honor of the late Tep Khunnah, the former Cambodian number one who in the 1960s represented Cambodia at the Davis Cup, the premier team event in international men's tennis.

Theater

The year also saw a minor revival of Lakhaon Yike musical theater. Yike plays are intended to tell people about love, how a couple should treat each other, and how parents should treat their children. Prior to the Khmer Rouge, Yike groups would hold productions at pagodas, sitting in a circle until it was their turn to perform, with the audience surrounding them. Like many other art forms, it came close to being wiped out under the ultra-Maoist regime. In November, the newly formed Kok Thloak Theater Company staged a Yike performance, Toep Sodachan—a love story about love, slavery, poverty and justice, in the grounds of the Royal University of Phnom Penh.

Work also was underway on "Where Elephants Weep," a Cambodian-American opera that resists easy classification. The opera tells the story of Sam, a Cambodian refugee who returns to his native country in the mid-1990s after having become a successful music producer in the US. The show, scheduled to debut in Cambodia and the US later this year, fuses Western rock, hip-hop, traditional Cambodian lullabies, wedding songs and funeral music.

The Water Festival

In November, Phnom Penh hosted the increasingly popular annual Water Festival, with an estimated 1.5 million visitors to the capital, and 24,000 boat racers participating in races on the river. The massive influx to Phnom Penh as usual was a headache for municipal officials, who struggled to cope with waste management and tens of thousands of people sleeping in makeshift tents and shelters on Phnom Penh's Chroy Changva peninsula, across the river from the Royal Palace. The Water Festival marks the period of the year when the Tonle Sap River reverses its flow. The event was wrapped up on Nov 6 when King Norodom Sihamoni presented trophies to the fastest and most beautiful boats in the regatta.

Architecture

Over the end of the year, a high-profile book celebrating Cambodian architecture in the 1960s was launched. The book "Building Cambodia: New Khmer Architecture, 1953-1970," by Darryl Leon Collins and Helen Grant Ross, was nominated as one of Time Magazine's best books on Asia. New Khmer architecture, which flourished under the rule of then-King Norodom Sihanouk, combined traditional Khmer construction with the style of French architect Le Corbusier. The art deco-style movement was responsible for Phnom Penh masterworks like the Bassac Theater and the Chaktomuk Conference Hall, and was considered among the most sophisticated architecture in Asia at the time.