

# Tourism and Local Community Development in Siem Reap

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## Abstract

The tourism industry in Cambodia has grown rapidly since the early 1990s and become a major contributor to domestic economic growth. At the national level, tourism provides jobs and incomes for Cambodians. However, at the local level, people have mixed views regarding the benefits of the tourism industry. Based on surveys conducted in 15 villages in Angkor Park and Siem Reap city, this article shows how local people perceive both costs and benefits of tourism, and argues that the current structure of the tourism industry could be changed to provide greater benefit to the local community.

**Keywords:** benefits, Cambodia, Siem Reap, tourism.

## Introduction

Decades of civil war, particularly the killing fields of the 1970s during the Khmer Rouge regime, completely destroyed Cambodia's basic infrastructure. International intervention in the early 1990s helped Cambodia begin again. Over the last two decades socio-economic development has been rapid, and tourism is one of the most important industries contributing to economic growth in Cambodia. In 1988, the Cambodian government created a general tourism authority, and the Ministry of Tourism and other departments supported the industry throughout the early 1990s.

Cambodia is not alone in regarding tourism as being of major importance. Globally, tourism is one of the largest industries. Governments in both developed and developing countries view tourism as a political economic tool promoting economic development, political legitimacy, and national identity. The Cambodian government put tourism at the top of the priority list of national development planning. After the textile industry, tourism is the second biggest income contributor to the Cambodian people (Chheang 2009: 89). However, the real impact on local communities is still questionable. This article examines the impact of tourism on local communities in inner Siem Reap city and Angkor Park.

## Tourism and Local Community Development

Tourism is defined as “the activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes” (WTO, 2000: 17). Many developing countries believe that tourism can help to develop their economies because the industry does not require much capital investment and tourism products can be created locally. They are convinced that “tourism is perhaps the only sector of economic activity in which the principles of free trade still

apply. More important, it is now possible for underdeveloped countries to improve their economies, not by increasing exports via low-cost production, but by tourism” (Naylon 1967: 23, cited in Opperman and Chon, 1997: 16). Harrison points out that developing countries “are anxious to promote economic growth and tourism – especially international tourism – is one means to this end” (Harrison 1992: 2). According to Jenkins (1998: 52-53), the reasons behind government support for the tourism industry are:

- Historically, tourism has a higher growth rate than international trade in general;
- tourism provides hard currency for developing countries;
- there are no tariff barriers to international tourism;
- it is a labor-intensive industry;
- there is often an availability of natural and cultural resources for developing international tourist attractions.

Tourism not only contributes to economic development but also to peace, security, and the preservation of the environment. David de Villiers, the Deputy Secretary General of the World Trade Organization (WTO), wrote that “three of the most immediate and urgent problems that African leaders will have to address are first, to establish peace, security and stability; second, to deal with poverty and create jobs; and third, to preserve the environment. *It is important to note that tourism is directly linked to all three major challenges*” (de Villiers 2000: xi, emphasis added). “Tourism can foster global peace by reducing world poverty and promoting cross-cultural understanding” (Mark 2004: ix). Tourism has contributed substantially to the development of many developing countries, and many international donor communities and organizations have focused their policies on tourism development.

However, the impacts of tourism are not all favorable. Since the late 1970s criticisms of the non-economic aspects of tourism have started to multiply. The focus of tourism studies has moved from solely economic benefits of tourism to the broader social, cultural, and environmental impacts of tourism (Jenkins 1998: 5). Researchers have drawn on sociology, anthropology, economics, management, and political economy to analyze tourism phenomena, creating tourism studies as an interdisciplinary field of research. Theories and empirical evidence demonstrate both the positive and negative effects of tourism on the local economy, culture, and environment.

Tourism helps to “increase employment opportunities and associated employment income, which may be of prime economic importance to local populations” (Cukier 1998: 51). Through employment, local people can increase their income and living standards, which leads to a better quality of life. Tourism promotes local community development and poverty reduction. It has become “increasingly important to communities around the world ... sustaining the community/particular communities has therefore become an essential element of sustainable tourism” (Richards and Hall 2000: 1). Tourism, especially cultural tourism, has the effect of empowering a local community through income generation (Bookman 2006: 217). For instance, local participation is important for sustainable marine tourism in the Philippines (White and Rosales 2003).

However, “[t]here was a vast body of work that demonstrates that local communities in Third World countries may reap few benefits from tourism because they have little

control over the ways in which the industry is developed, they cannot match the financial resources available to external investors, and their views are rarely heard” (Mowforth and Munt 2003: 211). Others have argued that tourism only serves the economic and political interests of the local elites, particularly in developing countries (Smith 1997). Local residents, particularly the indigenous people, are ignored during the decision-making process in tourism development and they get little benefit from it, while some fare worse, due to their lack of education (Pi-Sunyer et al. 2001, case study in the Maya Periphery, Mexico).

Van Broeck (2001: 173) concludes that residents of Pamukkal (South-West Turkey)

initially welcomed tourism... they often judged the industry positively because of money and the material well-being that it brought, but other changes aroused ambivalent feelings. Tourism had indeed changed the village, including family lifestyles, the social position of women, community bonds, and, to some degree, traditional values and customs. However, some residents fear that increased competition will make the future less lucrative, especially for the family. They are also worried about community integrity.

Puijk (2001) argues that tourism in Ulvik (Norway) has many positive effects but that it creates class differences between the rich and poor: “Tourism was profitable but not comfortable” (Puijk 2001: 182). Local communities can cope with the impact of tourism in two ways. Some choose not to engage directly in the tourism industry and business, or interact with tourists, even though they maintain lifestyles drawn from a materialist world created by tourism. They try to hide themselves from the tourist gaze. Others choose instead to engage in tourism actively by direct involvement in the tourism industry and interaction with tourists (Fagence 2001).

Accepting the aggregate benefits of tourism, Britton (2004) emphasizes the distribution of gains from tourism to the local community. He concludes, “If by ‘development’ one includes the goal of reducing inequalities and redistributing social goods according to priorities of basic needs, then the distributive aspect of tourism is of central importance” (Britton 2004: 45). “Sustaining the community/particular communities has therefore become an essential element of sustainable tourism. The rationale of sustainable tourism development usually rests on the assurance of renewable economic, social and cultural benefits to the community and its environment” (Richards and Hall 2000: 1).

Policies to promote tourism can be good in some ways but bad in others. Therefore, tourism development policies must be studied and implemented effectively in response to the needs of stakeholders, particularly the local community: “[T]ourism should not be seen as an autonomous field, but as part of a wider comprehensive effort towards the general goals of humanity... its development should be related to its capacity in delivering happiness, which requires careful planning” (Russo et al. 2000: 825). Sustainable tourism must “respect needs and aspirations of the local people” (Singh 2003: 39).

## Tourism Development in Cambodia

The tourism industry has been strongly developed since the early 1990s, after peace and stability was brought to Cambodia with the Paris Peace agreement in 1991. Tourist perceptions of Cambodia as a place of killing fields and land mines have been transformed to some extent after their visit to the country. The number of tourist arrivals has increased from more than one hundred thousand in 1993 to more than two million in 2007 (Chheang 2008).

**Table 1: Tourist arrivals to Cambodia**

Year	Visitor Arrivals		Average Length of Stay (days)
	Number	Change (%)	
1993	118,183	00	N/A
1994	176,617	49.44	N/A
1995	219,680	24.38	8.00
1996	260,489	18.58	7.50
1997	218,843	-15.99	6.40
1998	289,524	32.30	5.20
1999	367,743	27.02	5.50
2000	466,365	26.82	5.50
2001	604,919	29.71	5.50
2002	786,524	30.02	5.80
2003	701,014	-10.87	5.50
2004	1,055,202	50.53	6.30
2005	1,421,615	34.72	6.30
2006	1,700,041	19.59	6.50
2007	2,015,128	18.53	6.50

Source: Ministry of Tourism, Annual Report on Tourism Statistics, 2007.

In general, tourism has contributed to the Cambodian economy through direct and indirect employment for the local people, and government taxes. The tourism industry also assists other industries to grow, especially small and medium enterprises, which are dealing with catering and hospitality industries and handicraft manufacturing enterprises.

The former Minister of Tourism, Veng Sereyvuth said: “Tourism is the answer for the future of this country. It is the most active and most powerful force in the economy... tourism generates a lot of benefits to the guy down the street, down in the village... [b]e it the vegetable grower, or handicraft [seller], the moto-taxi [drivers] in the village, the spread is enormous” (*Phnom Penh Post* 2003). Former Minister of Tourism, Lay Prohas, stated that “Tourism is the only sector of the economy which can have a positive, almost immediate impact on poverty reduction through growth, unlike agriculture which needs a longer timeframe... Our biggest potential field in Cambodia is tourism... Tourism creates jobs and brings steady income for the nation and leads to development.” Ly Korm, president of the Cambodian Tourism and Service Workers Federation, said “[T]he industry is now a major employer... Now about 660,000 people get jobs in the tourism industry,

compared to about 330,000 in factories” (*Phnom Penh Post* 2007a).

The growing tourism industry in Cambodia faces several challenges, including the leakages through the import of foreign products, high costs due to lack of infrastructure, and high production costs, especially electricity and water supplies. Moeung Sonn, President of the National Association of Tourism Enterprises, emphasizes the higher cost of tour operations in Cambodia, in comparison with neighboring countries, and further added that “more of the income from tourism in Cambodia goes to private foreign companies than to the national budget or local economy” (*Phnom Penh Post* 2004a, 2004b).

The *Phnom Penh Post* observed that tourists “usually come and visit two or three countries on the same trip, and usually only stay two or three days [in one place]. They stay in Korean-owned hotels and eat at Korean restaurants, so it’s not desirable from the point of view of Cambodian people” (*Phnom Penh Post* 2006).

We have tried to help farmers produce lemongrass and lettuce and other produce for hotels...[b]ut it’s difficult to get the farmers to commit because they worry the buyers will not come. Then, if they’re offered construction work in Siem Reap, they go and we have no products for the buyers (*Phnom Penh Post* 2007b).

According to the Cambodian Prime Minister, Samdech Hun Sen, approximately 30 percent of the revenue from tourism was leaked out through imported products (Hun Sen 2007).

### **Case Study of Siem Reap, Angkor**

Siem Reap is located in the north of Cambodia, bordering the *Tonle Sap* (Great Lake) floodplain. Siem Reap, particularly the inner city, is one of the fastest changing provinces in Cambodia, given its proximity to the Angkor complex, five kilometers to the north. Angkor’s historic period between the ninth and fourteenth centuries resulted in the construction of cities with temples and monasteries, together with a strong administrative and political system. Agriculture was the main economic engine of the time, with a good irrigation system provided by the existing ancient *Baray*. After the collapse of the Khmer Empire in the fifteenth century, the city still accommodated an agrarian society. Studies of the daily life of the Angkorian people are very limited. The only observation is made by the Chinese diplomat, Tcheou Ta-Kuan, who traveled to Angkor at the end of the thirteenth century and said the city was populous and wealthy.

Four hundred years after the demise of Angkor, the small market village of Siem Reap developed along the banks of the Stung Siem Reap. European explorers to the region in the nineteenth century described the town as an “unimportant” and “sleepy” place. In 1864, Cambodia, like most other countries in Asia, came under the influence of European colonial expansion. The Angkor region was added to the French colony in 1907. Having already commenced research at Angkor, the French strengthened their involvement in the region by establishing a headquarters in the market town of Siem Reap.

With the opening of the Angkor Archaeological Park in 1925, containing at least 60 tourist attractions within its four hundred square kilometer area, the region became the most important tourist attraction in Cambodia (Wager 1995: 516). In the same year,

the road from Siem Reap to Phnom Penh was made passable, providing increased access all year (Rooney 2001: 83). The development of tourism gave rise to change in the Siem Reap townscape, with guest bungalows and hotels being opened (Rooney 2001: 70). The largest of these was the Grand Hotel d'Angkor (opened 1929), described as "an immense and dazzling white concrete palace that looked more at home on the Cote d'Azur" (Rooney 2001: 70).

Following Japanese occupation during World War II, the French granted independence to Cambodia in 1953. Cambodia prospered in the 1950s and 1960s. The Siem Reap townscape remained relatively unchanged during these years. Over a thousand people were employed by the Angkor Conservation Office, involved in various restoration, conservation and research activities (Wager 1995: 522). Added to this were the many people employed in tourism and related businesses.

The spread of the Vietnam War to Cambodia in the 1970s led to the abandonment of the maintenance of the Angkor site. The Khmer Rouge, or the Democratic Kampuchea (DK), took control of the country in 1975. The Khmer Rouge regime evacuated the urban inhabitants, including Siem Reap and districts, to the rural areas, and even within the rural areas there was forcible movement of people. The regime also executed millions of civilians and destroyed almost all social and economic infrastructure.

After the Khmer Rouge regime, people in Siem Reap could return home and cultivate their land as before. But some were unable to do so because of the civil war. Some residents fled to the Thai border and joined with the Khmer Rouge forces. After the Paris Peace agreement, the refugees on the Cambodia-Thai border could return home and resettle in their home towns, but some could not get enough land to cultivate. Their entitlements to land rights were also limited.

Poverty and the lack of education led to widespread looting of archeological sites with stones, art, and relics being stolen to sell. After peace was restored in the 1990s, tourism emerged as the main driving force of the socio-economic development of the region. The national and historical significance of the site also led to efforts to preserve and restore the site. The Supreme National Council nominated the Angkor monuments for the World Heritage List in 1991. In 1992, UNESCO added four hundred square kilometers containing many of the monuments to the World Heritage List.

With the end of Cambodia's isolation, tourists started to return almost immediately. In Siem Reap, following 20 years of destruction and neglect, there were just two or three guesthouses near Angkor, and transport from Phnom Penh was in the form of old Soviet planes (Durand 2002: 132). Amongst the early visitors were UNTAC personnel who stayed in the two remaining hotels, the Grand Hotel d'Angkor and the Ta Prohm. Independent foreign travelers attracted to Cambodia by Angkor stayed at smaller guesthouses, or at the temples. These first tourists were attracted by a "new" destination that was emerging out of the jungle still full of mystery (Wager 1995: 516).

Tourism development in Cambodia is driven by globalization and government policy. The Cambodian government considers tourism as the engine of economic growth and poverty reduction, as well as national identity promotion. Cambodia almost lost its identity after decades of civil war. Now Cambodia has resurfaced in the international arena with a better image as a welcoming country for visitors (Chheang 2008). The state of Cambodia emphasizes the security and safety of tourists; infrastructure and tourism

facilities development; stakeholders' collaboration; cultural heritage preservation; environmental protection; human resources development; tourism products promotion; simplification of travel procedures; and regional cooperation (Chheang 2009).

### Research Method and Findings

A pilot survey was conducted in December 2007 in order to design a questionnaire. A field survey with the structured questionnaire was then conducted from January to March 2008. Ten villages were selected in Angkor Park and five villages from the inner city of Siem Reap. We conducted a survey in the rural villages of face-to-face interviews, using a structured questionnaire, of respondents who were present in the village. As a result, we conducted interviews with 252 individuals, often with other family members present. In the inner city, we distributed 500 questionnaires to five villages, 100 questionnaires to each village. We gave them three days to complete the questionnaire. As a result, we got 221 completed questionnaires.

**Table 2: Village name and number of respondents**

Village name	Frequency	Percent
Anhchanh	22	4.7
Inner City (Chong Kao Sou)	32	6.8
Inner City (Slor Kram)	31	6.6
Inner City (Svay Dongkum)	23	4.9
Inner City (Vat Bor)	51	10.8
Inner City (Vat Domnak)	84	17.8
Kirimeanon	31	6.6
Kok Ta Chan	22	4.7
Kravan	33	7.0
Nokor Krao	20	4.2
O Totung	32	6.8
Pradak	16	3.4
Ta Ek	24	5.1
Thnal Bandaoy	22	4.7
Thnal Totung	30	6.3
Total	473	100.0

There were 473 respondents from 15 villages in Angkor Park and the Inner City of Siem Reap. The level of education of the respondents was very low: 18 percent had never gone to school (N: 85), 39.3 per cent only had a primary school education (N: 186), 14 percent secondary school (N: 66), 17.3 percent high school (N: 82), 2.7 percent vocational training (N:13), 8.2 percent Bachelor Degree (N: 39), 0.4 Master degree (N: 2). There was quite a big gap between the rural and urban areas in terms of education level.

Respondents were mainly self-employed, which accounted for 27.9 percent (N:

132), housewife 21.6 percent (N: 102), farmers 18 percent (N: 85), and others were construction workers, public and private servants, NGO staffs, students and Buddhist monks.

The local people in Angkor Park are still very poor. There is a big income gap between those people living in the protected zone and those who live in the inner city of Siem Reap. The majority of the people living in the Angkor Park are farmers, construction workers in the Angkor conservation sites or in Siem Reap city, self-employed (selling souvenirs, food and beverages in front of their houses, making products such as palm sugar, nets, baskets, and raising livestock), while the majority of people living in the city are self-employed, employees in the private sector (especially the construction and hospitality industries), NGOs staff, and public servants.

Many people from other parts of Cambodia have migrated into Siem Reap town to look for jobs and run family businesses. More than 50 percent of the survey respondents in the inner city of Siem Reap came from other provinces and districts, while this number is just about 10 percent in the Angkor Park. The average length of stay of the domestic immigrants to Siem Reap is about five years.

There is a big gap between the people living in Angkor Park and the city, in terms of tourism-relatedness. More than 50 percent of the people living in the town are involved in the tourism industry, while only about 6 percent of people's livelihoods in the Angkor Park is related to tourism. The average length of involvement in the tourism industry is about three years.

The average salary of hotel and restaurant staff is about US\$60 per month. Although this is a little better than salaries of garment workers, it is still very difficult to save because of the increasing living costs in the tourist city. For middle and top managers, the average salary is about US\$600 for locals and more than US\$2,000 for foreigners.

Construction workers could earn about US\$3 per day and save about US\$1.5 for their family, but they have to bring their own lunch and commute by bicycle from their village to the city every day. Health and safety are the main issues concerning these workers.

Moto-taxi drivers and tour guides could earn more than construction workers and hospitality staff, but they depended mainly on the generosity of the guests/tourists through tips. Moto-taxi drivers could earn about US\$200 in the low season (April–September) and US\$350 during the high season (September–March). Tour guides could earn more than US\$20 per day and about US\$500 per month.

As one Cambodian tour guide stated (personal interview, 15 December 2007):

Some tourists spend a lot of money on shopping while others don't. I could earn extra money besides working as [a] tour guide...we could get some tips from the restaurants and souvenir shops. Some places give us 50 percent of the total price. It means that if [a] tourist buy[s] a souvenir [costing] \$100, I could get \$50. But [this] is rare.



## **Perceived Socio-economic Benefits**

A villager from the Angkor Park told us (personal interview, 17 December 2007):

Tourists come here more and more since [peace arrived] in [the] 1990s. Tourists coming here is a good sign [which shows] that we are living in peace now.

APSARA Staff told us (personal interview, 17 December 2007):

Tourism provides us [with] necessary funds for the operation of our conservation projects. We need money to restore and preserve the temples. [A] percentage [of the ticket price] is given to [the] APSARA authority.

The local people's general perception of tourism's economic impact on the region is positive. They think that tourism provides employment, investment, and business opportunities. In addition, tourism helps to improve local infrastructure and local governance. Employment opportunities are perceived to be higher than for other economic interests. They think that investment opportunity is below average: local residents don't see much chance of their investing in the tourism industry because of their lack of capital.

In an interview with an Angkor Park villager (19 December 2007), they stated that, in general, they think tourism is good because it helps to develop the villages. After finishing classes at school, the children were able to sell some souvenirs in front of the temples. They could earn some money for themselves so that they didn't need to rely on their parents. The older children could work for the construction company.

Local people think that tourism can help promote local cultural development and education. Infrastructure and parks are not really developed in the region. Water and electricity supply are the main concerns raised by the local people living in the protected zone of Angkor Park.

Local people started preserving and developing their local cultures in order to serve international tourists. National identity is promoted by tourism. Handicrafts and souvenir products made from wood, bamboo, and palm leaves are very popular among tourists. Local people started producing these products both at household and community levels. Some non-government organizations assist local people in training, and branding or marketing products. For instance, Artisan D'Angkor used to be a non-profit organization and is now a self-sustaining social enterprise which trains and employs hundreds of young Cambodians, usually from underprivileged families and communities. A craftsman says about the project (personal interview, 19 December 2007):

The Artisan D'Angkor used to be sponsored and supported by the European countries. But, [in] 2002, it [became] a self-sufficient private company. The company [helps] poor Cambodians to get [jobs] and income through making handicrafts. They provide six months' training, then we could work in this workshop. We could earn about \$100 per

month and it is enough for us to live. There are about 2000 visitors per day and some of them buy souvenir[s] here.

I think tourism is very good because it helps us to get more income. It would be good if there [were] more initiatives [to produce] handicrafts to sell to the tourists. It also help[s] to promote our culture and national identity.

Host–guest exchanges are still very limited. Tourists tend to stay for a short time and see the temples, rather than communicate and try to understand the local culture and people. The lack of communication makes local people feel inferior to international tourists. The locals generally regard tourists either as rich people or aliens from totally different countries or regions.

**Table 3: Perceived socio-economic interests**

	N	Mean	Std. Deviation	Std. Error Mean
Employment opportunities	473	3.08	1.279	.059
Investment opportunities	473	2.33	1.312	.060
Business opportunities	473	2.55	1.308	.060
Tourism income and local governance and development	473	2.64	1.015	.047
Promote local cultural preservation	473	3.53	1.008	.046
Provide parks and entertaining places	473	2.36	1.051	.048
Improve road and public goods	473	2.95	.936	.043
Provide better education	473	3.30	1.005	.046
Promote cultural development by the local people	473	3.03	.965	.044
Cultural exchanges between tourists and local residents	473	2.65	1.146	.053
Positive impact of tourism on national identity	473	3.52	1.021	.047

Table 3 demonstrates that economically, tourism provides employment opportunities (3.08) more than business opportunities (2.55) or investment opportunities (2.33). It implies that local people do not have capital to create businesses or invest in the tourism industry. They are mainly workers for either domestic or foreign companies in the region. In addition, tourism assists to some extent local infrastructure development and governance. Cultural exchanges between tourists and local residents are just above average (2.65). It is lower than expected. But the local people strongly believe that tourism helps to promote their national identity (3.52).

### **Perceived Socio-economic Costs**

Local residents are faced with high inflation, partly as a result of the tourist dollars. They complain that their livelihood is seriously affected by high prices. Domestic migration is another issue in the region. Many people from different districts and provinces come to seek jobs and earnings in the region, which creates more problems for the local economy in terms of infrastructure-carrying capacity. Environmental pollution, especially air pollution, is a concern of the local people. Local experts are concerned about the water supply, as most of the hotels are using underground water, which could destabilize the underground foundations of the temples. Crime and traffic are not really an issue at this moment. Siem Reap is considered one of the safest places in Cambodia.

Hotel staff commented in a personal interview (January 9, 2008):

The salary of the local [hotel] staff is just enough to survive but not enough to have a good life. We just get only about \$100 per month. With such rapidly [increasing] living cost[s], we find it more and more difficult to live within the current salary.

The development gap between the inner city of Siem Reap and Angkor Park is becoming an issue of social injustice. In personal interviews in January 2008, one farmer said “[T] here is development in the urban area but not in the suburb or rural area. It is not fair.” Moreover, one housewife said “[T]he government must provide rights and opportunities for the poor to enter school the same as the rich.” A moto-taxi driver mentioned “[T]he poor [are] becoming poorer and the rich [are] becoming richer. What does the government think about this?”

In an interview on 24 December 2007, a Angkor Park villager commented:

We are still poor...our kids are still small so they could not get jobs to get money. We don't have [the] knowledge to get jobs. I grow rice and vegetables then sell them to the market. Sometimes we don't have food to eat so I ask my kids to get some money from the tourists.

And in an interview with Professor Prum Tevi of the Royal Academy of Cambodia, and consultant on community development in Siem Reap, she stated (5 January 2008):

Tourism is increasing very fast here in Siem Reap, but I can't see many impacts on the local community development here. It is a pity for us! We have a great potential of economic development through tourism. We have Angkor, the inheritance from our great ancestor, but we don't know how to use it properly. We could have reduced to a large extent the poverty here in this country through tourism. Tourism in Cambodia is faced with corruption and mismanagement. If you go to the souvenir shops you will know who benefits from selling the handicrafts. Only the middlemen could make money, not the makers. In addition, half of the products are imported from neighboring countries. The people living around the Angkor Park in particular and Siem Reap province in general are still poor. They could not get much benefit from tourism, but on the other hand they are the victims of tourism, given they suffer from the rapid increase in living costs. In order to have a sustainable tourism, it requires a strong participation from the local people. Now we can't see it happening in Cambodia. The poor are becoming poorer while a small group of rich are becoming richer. The government never pays attention to improve the livelihood of the local people here. I feel that some NGOs play a more important role than the local government in local community development...

As you can see, at the souvenir shops they sell many things imported from other countries. I would like to see more Cambodian products made by Cambodian people. If the quality and art value of the local products and the imported products are similar, then the tourists will buy the imported ones because they are cheaper. So we need to distinguish the local products with higher quality and art value. If possible, we should reduce the importation of foreign products in order to improve and promote the local products.

People in Angkor Park cannot construct their houses without proper permission from the authority, cultivate their lands (some parts are close to heritage sites), connect electricity (because the electric grid could damage the landscape of the heritage site), or collect firewood (forest preservation), and are restricted in other activities that are considered damaging to tourist experiences and the heritage landscape. Such restrictions make it more difficult for local residents to maintain their livelihood.

In an interview with a craftsman living in Angkor Park, he comments (23 December 2007):

Foreign companies get more of the tourist money than local small businesses. I think generally it is very good for us. The problem we have now is that Korean tour groups and companies don't provide benefits for us. They always travel, eat, message, and drink at their Korean places, not Cambodian. They

are rude sometimes. They don't respect the local people living here. For the tourists from other countries, it is fine. For instance, when I [ask] the clients here to take off their shoes before entering the internet shop and not smoking, few Koreans do that. Among ten Korean tourists here, only five are good. But for other nations, they are almost all fine, no problem.

A local businesswoman observed (personal interview, December 26, 2007):

The Korean travel agencies always bargain with us. When they want to hire *tuk tuk* for the Korean tourists, they always ask for a cheap price. One day sometimes they give to the *tuk tuk* driver only 4 to 5 dollars while they charge the tourists much more than that.

Local salespeople shared their comments regarding concerns over the imported products. In an interview with a saleswoman at the Night Market (January 15, 2008), she stated:

I came here to sell souvenirs for about one year. I need to rent a shop here which costs \$120 per month. The rent will increase but now we don't know. There are some products made in Cambodia and about half of them are imported from the neighboring countries (Thailand, Vietnam, and China). The imported products are cheaper than the local ones, which is why it is difficult for me to sell the local products. But the tourists, they don't know which products are made in Cambodia. They think that all products are made here.

Another saleswoman noted (personal interview, January 15, 2008):

It is profitable to sell souvenirs here. We could earn about \$100 per month. Fifty percent of the products are imported because they are cheaper than the Cambodian ones. For example, this imported handbag costs only \$7 while the domestic handbag costs \$24. Of course, the quality of the handmade product in Cambodia is much better, but the tourists just want to buy cheap ones. They don't know much about the quality of the product. I want to sell Cambodian products, but the problem is the price. The tourists coming here prefer to buy something at a cheap price. They bargain a lot.

Withstanding high inflation, local residents think tourist spending in the local economy is generally good. The culture is preserved, although sometimes culturally-offensive behavior by tourists occurs: revealing clothing; inappropriate expression of human relationships such as kissing and hugging; or speaking loudly and wearing caps in the sacred temples.

Family and community values are threatened by local cultural change in the region. Family conflicts over the unfair division of money from the sale of land, and the downgrading of shared community values because of active engagement in the tourism industry damage the traditional local human relationships. While cultural products

that could be sold to tourists are developing, traditional ceremonies and rituals are decreasing.

A local resident in Siem Reap city told us (December 27, 2007):

Now our community is different to before. We are busy now doing business, so we don't have time to socialize and communicate with each [other]. Another issue is the influence of the sexy international tourists on local culture. We are shy to see that.

Professor Rethy Chhem, professor of Angkor Medical History at Western Ontario University, commented (5 January 2008):

In regard to the impacts of tourism on the local people, there are several concerns so far: the family structure has been destroyed day by day. Before there [was] a strong relationship within the family and the community, but now it changes. There are some cases [where] family members [are] fighting with each [other] over land, given the land price is going up very fast. Now the people here only think of Dollars. Dollars are becoming the goal of their life.

**Table 4: Perceived socio-economic costs**

	N	Mean	Std. Deviation	Std. Error Mean
Increase in price of the products and services	473	4.58	.825	.038
Increase in crime	473	2.35	1.195	.055
Increase in traffic jams	473	2.89	1.368	.063
Increase in noise and environmental pollution	473	3.09	1.274	.059
Increase of immigrants from other regions	473	3.41	1.258	.058
Negative impacts of the spending of tourists on the local livelihood	473	2.16	1.185	.054
Negative impacts of tourism on the local culture	473	2.55	1.198	.055
Difficulties living places with high tourism	473	2.41	1.299	.060

The table suggests that inflation is the top concern of the local people (4.58), although tourist spending on the local livelihood is perceived to be good (2.16). The crime rate is not a concern for the local people (2.35), and local culture is not very adversely affected by tourism. Increases in traffic jams (2.89) and environmental pollution, particularly air pollution (3.09), seem to be a little high from the perspective of local people, who have experienced a dramatic increase in tourist arrivals over a short period.

## Conclusion

Tourism plays an important role in shaping the Cambodian political economy. Economic reform in Cambodia is strongly supported by the tourism industry. The local community thinks that tourism brings jobs and incomes as well as cultural development. However, the real benefits generated from the tourism industry are largely distributed among big foreign and local companies such as airline companies, hotels, and restaurants. Local people can obtain only a small share through small businesses (i.e. selling souvenirs), providing services (i.e. Moto-taxi and tour guide), and employment at hotels and restaurants. Construction work is also another source of income for the local residents, since hotels are multiplying. The benefits derived from tourism are not effectively distributed among the local residents. The Angkor Park residents are left behind in the tourism boom. The unfairness and injustice of income distribution is leading to social tension among the poor. Traditional ceremonies are receiving less attention from the local residents, due to their busy lives making money from tourists, and the local residents are finding it more difficult to make a living. It is imperative that the government should promote pro-poor tourism. Innovation of local products and services is necessary for local participation in the sector.

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