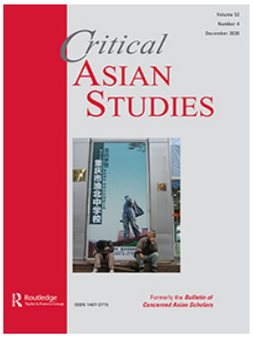

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As far apart as earth and sky: a survey of Chinese and Cambodian construction workers in Sihanoukville

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ABSTRACT

Although much has been written about China's Belt and Road Initiative (BRI), so far little attention has been paid to how Chinese investment is affecting workers in BRI-targeted countries. To explore this dimension of global China, this paper examines the labor rights situation at Chinese-owned construction sites in Sihanoukville, a city on the Cambodian coast that in recent years has been described as embodying the worst excesses of Chinese foreign investment. Based on extensive interviews with Chinese and Cambodian workers, this paper argues that while Chinese-owned construction sites in Cambodia are grounded in a labor regime as exploitative as those in mainland China, workers' agency in the former case is further undermined by their employers' adoption of a policy of labor force dualism that draws boundaries between Chinese and Cambodian workers.

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Global China; BRI; Cambodia; labor rights; construction workers

I came here holding dreams in my bosom
I saw that the gambling house of human life was everywhere
All are grasping opportunities to create their own glory
Some are successful and some lose their bearings

The sea breeze blew on my staunch face
Suffering, weary, in pain, I myself carry the burden on my shoulders
Every time I remember the expectant gaze of my parents
Dry tears keep rushing forward

Without dreams, there is no need for Sihanoukville
Throw away everything and rush forward
Without dreams, there is no need for Sihanoukville
Believe that you have inexhaustible strength

Hai Xin, "Without Dreams, There Is No Need for Sihanoukville"[1]

Introduction

This inspirational song by Chinese singer Hai Xin is a good portrayal of the image that Sihanoukville has assumed in the public imaginary in China since the inception of the Belt and Road Initiative (BRI) in the mid-2010s. Previously known only as a dreamy

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[1]Hai 2018.

tourist destination for its sandy beaches lined with coconut trees, this small city on the Cambodian coast has now become an archetypical frontier town, where fortunes are made or lost. At the same time, Sihanoukville is often described as embodying the worst excesses of Chinese foreign investment. Fueled by capital investments from China, the city by the late 2010s was "bursting with Chinese casinos, massage parlors, hotels, restaurants, and citizens."[2] Official investment in infrastructure was accompanied by speculative capital funneled into casinos and other entertainment venues, a bubble that has produced annual revenue which industry insiders conservatively estimate as between US$ 3.5 and US$ five billion, ninety percent of which until recently was from online gambling.[3]

While Cambodian landowners have profited from this windfall by renting out or selling land and properties to Chinese investors, local people unable to afford rising rents and living costs have been pushed to the margins of the city or forced to leave altogether.[4] In the middle of such upheaval, public security became a serious concern. Faced with repeated complaints about money laundering, illegal gambling, kidnapping, and human trafficking allegedly associated with the flood of Chinese immigrants, the Cambodian government in February 2018 launched a task force to address these problems.[5] More radical measures were adopted in August 2019, when Cambodian Prime Minister Hun Sen unexpectedly announced a blanket ban on all online gambling activities starting on January 1, 2020.[6]

The surprising determination of the Cambodian authorities in enforcing this ban burst the speculative bubble, causing panic among Chinese investors. As casinos fired thousands of staff, local property prices plummeted, real estate transactions sharply dropped, and small businesses that depended on the prospect of the city becoming a Southeast Asian version of Macau went bankrupt. With investors fleeing and the future profitability of investments suddenly called into question, construction companies all over the city suspended operations and stopped paying their employees. Chinese and Cambodian construction workers – the people who were working the hardest, earned the least, and bore no responsibility for the speculation – ended up paying the highest price for the abrupt reversal.

This research was undertaken in the midst of this dramatic shift, as hundreds if not thousands of Chinese workers were stranded in Sihanoukville while waiting for their back wages to be paid before they returned home for the 2020 Lunar New Year. This article is based on a survey I conducted in December 2019 and January 2020 at seven construction sites located in Otres, a village on the outskirts of Sihanoukville. A total of 185 questionnaires were administered, ninety-five to Chinese workers and ninety to Cambodian workers. Table 1 summarizes the basic characteristics of each site, highlighting how most of these had recently gone through a dramatic downsizing of their workforces. To ensure sample coherence, I selected these sites on the basis of three criteria: location, ownership, and accessibility. They had to be located within the administrative boundaries of the village, owned by a Chinese company, either private or a state-owned enterprise

[2]McCann 2018.
[3]Turton 2020.
[4]Ellis-Petersen 2018.
[5]Cheng 2018.
[6]Khuon 2019.

Table 1. Outline of the sites included in the sample.

Site number	Type of construction	Company ownership	Number of employees	Number of interviews
Site 1	Complex with shopping mall, luxury hotel and apartments	State-owned	200–300 Chinese and 100–150 Cambodian workers	Twelve Chinese thirty-eight Cambodian
Site 2	Twenty-floor apartment building	State-owned	It used to employ around 100 Chinese and fifty Cambodian workers, but at the time of the survey only thirty Chinese and fifteen Cambodian workers were left	Twenty-two Chinese six Cambodian
Site 3	Twenty-floor apartment building divided in four blocks	State-owned	eighty Chinese and 120 Cambodian workers	Thirty-four Chinese thirty-six Cambodian
Site A	KTV and apartment building with commercial spaces on the ground floor	Private	It used to employ eighty Chinese workers and thirty Cambodian workers, but at the time of the survey only a dozen Chinese and three Cambodian workers were left	Nine Chinese three Cambodian
Site B	Apartment building	Contractor for Site 2	It used to employ about fifty Chinese workers in the past and thirty Cambodian, but at the time of the survey only ten Chinese workers were left.	Six Chinese
Site C	Six-floor hotel	Private	It used to employ about seventy Chinese and thirty Cambodian workers, but at the time of the survey only thirty Chinese workers were left.	Eight Chinese one Cambodian
Site D	Seaside casino club	Contractor for Site 1	It used to employ about forty Chinese and forty Cambodian workers, but at the time of the survey about fifteen Chinese and ten Cambodian workers were left	Four Chinese Five Cambodian

(SOE), and provide their workers with living accommodations that were accessible to outsiders without the permission of managers or contractors. I have complemented this survey data with thirty-two semi-structured interviews – twenty-two with Chinese workers and ten with Cambodian workers – as well as informal conversations with workers, contractors, vendors, and people living and running small businesses around these sites. This mix of qualitative and quantitative methods provides a glimpse of worker subjectivity in such a fraught context, especially given the impossibility of accessing Chinese construction sites in Cambodia for long stretches of time due to cultural barriers and strong mistrust towards outsiders.

While also highlighting the agency of workers, recent studies on construction workers in China have described the conditions of extreme precariousness and a culture of violence inherent to the labor subcontracting system that dominates the industry.[7] Although research on global China – in Cambodia and beyond – generally focuses on macro-trends and rarely pays attention to the impact of Chinese investments on labor relations and worker rights, a few recent studies have shed light on the workplace dynamics between Chinese expatriates and local workers on Chinese-funded projects overseas and, more specifically, on the plight of Chinese construction workers abroad. These studies tend to emphasize the precarity of workers' living and labor conditions. In her study of Chinese investment in Zambia, Ching Kwan Lee chose the construction sector as a case study in

[7]Pun and Lu 2010; Swider 2015.

light of the specificity of its labor process organized around short-term building projects, in contrast to the relatively stable employment provided by the mining sector. In her words, "construction workers are notoriously difficult to organize and are subjected to the most unrelenting process of casualization worldwide," which was indeed the case in Zambia.[8] Aaron Halegua details exploitation and horrific labor conditions in his account of a scandal related to worker abuse by Chinese construction firms on the Pacific island of Saipan. Having had their passports taken away by their employers, and being subjected to abuses that ranged from wages below the legal minimum to dangerous working conditions, these Chinese workers were "saved" only thanks to the intervention of local and international journalists and civil society actors.[9] Zhang Shuchi's account of the legal struggles of a Chinese worker who was injured after being assaulted by local workers in Papua New Guinea exposes the vulnerability of Chinese workers abroad, as their legal status often is unclear.[10] Finally, Miriam Driessen's ethnography of Chinese road construction workers in Ethiopia brings to light the hidden tensions that undermine relationships between Chinese workers abroad and their local counterparts.[11] As for Cambodia, although in early 2020 some international media outlets reported on the issue of Chinese construction workers stranded in Sihanoukville, this article is the first systematic study of working conditions and inter-ethnic relations at Chinese-owned construction sites in the country.[12]

In this paper, I engage with engage with and build on this burgeoning literature on Chinese construction workers in foreign settings. In light of its privileged position – for better or for worse – in BRI discussions, Sihanoukville has high symbolic value, which itself makes the city an important case to study. Also, being the key destination for Chinese investment in Cambodia, Sihanoukville is a fundamental entry point for understanding the impact that China is having on Cambodian society. However, this also carries two caveats. Considering how Chinese investments began pouring into the city only a few years ago and in such a short time have radically reshaped the urban landscape, Sihanoukville could be considered an extreme case. Also, the fact that this shift was highly reliant on Chinese capital related to the entertainment and gambling industries hardly makes the city representative of broader dynamics associated with BRI. Nevertheless, Sihanoukville offers general lessons that apply to Chinese investments beyond the specific local context. Several of the Chinese construction companies active in the city are SOEs, huge conglomerates that operate in several countries on a wide array of BRI-related projects. Private companies and subcontractors in the construction industry are also highly mobile, relocating from one country to the next depending on the availability of contracts and labor demands. In light of this mobility and trans-national activity, studying the practices of these companies in Sihanoukville can offer insights that apply beyond the specific locality. This, in turn, allows a better understanding of the dynamics and challenges that underpin Chinese overseas investments and often make these so controversial.

The paper addresses the specific question of whether the labor regime found at Chinese-owned construction sites in Cambodia is conducive to the emergence of solidarity

[8]Lee 2017, 25.
[9]Halegua 2020.
[10]Zhang 2018.
[11]Driessen 2019.
[12]For media reports on the issue, see Haffner 2020 and Kijewsky 2020.

between Chinese and Cambodian co-workers. I argue that, while Chinese-owned construction sites in Sihanoukville are as exploitative as are many of their counterparts in China, workers' agency, in this case, is further undermined by their employers' adoption of a policy of labor force dualism that draws boundaries between Chinese and Cambodian workers. While facing the same structure of exploitation, Chinese and Cambodian workers are divided not only by ethnicity and language, but most of all by artificial barriers created by their employers in matters related to wages and benefits. Although this dual regime is found in other industries in China, where it usually manifests in the form of disparity in treatment between permanent and temporary workers,[13] the wedge between expatriate workers and their local counterparts in Sihanoukville cuts much deeper due to language barriers and cultural differences. Although the existence of such a regime does not negate the agency of the workers, these splits fundamentally undermine the potential for working-class solidarity and enable managerial abuse, especially given the weakness of local governance institutions.

The paper is structured in five sections. The first sketches a profile of the workers included in the sample, highlighting the main differences between the Cambodian and Chinese workforce. After this, I describe hiring processes and contractual arrangements, followed by an analysis of wages, work hours, and the expectations and needs of workers. Next, I consider how workers perceive the law and their ability to fight back in the event of a labor dispute. In the final section, I assess prospects for solidarity between the two groups.

Chinese and Cambodian construction workers

Construction sites in Sihanoukville are dominated by men. While it is relatively common for Cambodian construction workers to bring their families with them and eventually find jobs together, Chinese workers are predominantly male and most often migrate alone. This was reflected in the survey, as only one of the Chinese respondents was a woman, compared to eighteen (twenty percent) on the Cambodian side. Female workers usually are assigned relatively lighter tasks, such as cleaning up the site, moving bricks and other materials around, laying cables, and tying wires. We encountered only two Chinese female workers, both of whom had come to Sihanoukville with their husbands to work at Site A. One of these two women recounted how she and her husband had decided to leave their hometown in Sichuan province and come to Cambodia after hearing that salaries in Sihanoukville were higher. With almost 10,000 Chinese Yuan (US$1,428) of annual school fees to pay for their son, approximately 7,000 Yuan (US $1,002) in monthly medical expenses for a seventy-year-old parent, and a mound of debt accumulated while caring for another deceased parent, they felt they had no choice but to leave together. They had worked at Site A for more than forty days when management stopped paying wages. At the time of our meeting, they were living at the abandoned half-built construction site in the hope of receiving what they were owed before going back to China for the Lunar New Year.

Somewhat surprisingly, it is not the youngest and strongest Chinese workers who undertake the arduous path of international migration. In fact, most Chinese workers

[13]For instance, Lu Zhang describes this dual regime in her work on the Chinese auto industry. See Zhang 2015 and 2018.

we met belong to the so-called first generation of peasant-workers (*dì yī dài nóngmíngōng*). Fifty-nine percent of our respondents had been born before 1980, the watershed year generally used by scholars to divide generations of migrant workers, compared to those born either in the 1980s (twenty-four percent) and 1990s (seventeen percent).[14] In comparison, the Cambodian workforce was much younger, with only twenty-two percent of the workers born before 1980, forty percent in the 1980s, thirty-six percent in the 1990s, and two percent in the 2000s. This difference in ages was mirrored by differences in work experience: while ninety percent of the Chinese workers had been employed at construction sites for more than five years (and seventy-one percent for more than ten years), this figure dropped to twenty-eight percent for their Cambodian counterparts, with the majority (fifty-three percent) of Cambodian workers having less than three years of experience. The educational level of Chinese workers was also higher, with seventy-one percent reporting they had attended middle school or higher, compared to thirty-six percent of the Cambodian workers. An additional eighteen percent of the latter were illiterate.

Both groups showed extraordinary mobility. Only one of the Cambodian respondents was originally from Sihanoukville. All the others had migrated from other provinces and, in seventy-three percent of the cases, had lived in the city for less than two years and were planning to leave as soon as they found themselves out of a job. The same pattern held for the Chinese workforce: eighty-eight percent had been in Sihanoukville for less than two years, and of these, sixty-nine percent for less than one year. For sixty-six percent of the Chinese respondents, this was their first work experience outside of China, while the remaining thirty-four percent had been employed at construction sites in a broad variety of countries in Africa, Asia, and the Pacific. When we asked these transnational Chinese workers how Cambodia compared to their previous experiences, almost all of them expressed dissatisfaction, often saying that this was by far the worst situation they ever had found themselves in due to difficulties in getting paid, high living costs, dirty surroundings, and a lack of security. Asked whether they were planning to return to Sihanoukville after the Lunar New Year, only eleven percent responded affirmatively. The remaining workers were either sure they would not come back (forty-five percent) or had not decided yet (forty-four percent). This uncertainty resonates with Miriam Driessen's analysis of Chinese road construction workers in Ethiopia, who viewed their time abroad as a "transitional space rather than a destination, and their time spent there as liminal."[15]

In sum, Chinese workers were more experienced, while most Cambodian workers had left their homes in the countryside only recently. Although separated by ethnicity, language, age, educational levels, and construction experience, the two groups of workers had one fundamental thing in common: they both were "guests" in Sihanoukville. Leading a transient existence entirely bound to the fortunes of the company or contractor that had hired them, they were unanchored to any local social network that could provide them with support. As the following sections will illustrate, this lack of roots made them all the more vulnerable to exploitation.

[14]On this generational divide see Franceschini, Siu, and Chan 2016.
[15]Driessen 2019, 29.

Hiring practices and contractual arrangements

Employers at the surveyed sites purposefully left their workers in a legal limbo. The level of informality was such that, when approaching potential respondents in contexts other than on-site dormitories, it was often very difficult for us to ascertain who their employer was. Seventy-six percent of the Cambodian workers we surveyed had been hired by contractors, to whom they had been introduced by family members or friends. They were paid only for the days they worked, and their only connection to the Chinese employers they actually worked for was through their contractor. For example, when asked what company they worked for, most would only point at the site where they were currently laboring. Chinese workers had a clearer idea of who their employer was, but did not fare much better in terms of job security. They were hired through three main channels. The first was through introduction by family and friends who were already working for the company back in China (fifty-two percent of respondents), a method particularly common for SOEs, which therefore had workforces largely composed of people from their home provinces. The second was by private agencies (thirty-four percent), which charged a fee that ranged between 3,000 and 16,000 yuan. Lastly, a small number had been recruited by a labor contractor (twelve percent), often someone from their hometowns with whom they had worked for years. This was mostly the case at small private construction sites.

Predatory agencies were quite common and some of the Chinese workers stranded in Sihanoukville complained bitterly about how they had been cheated. For instance, Chinese workers at Site C had signed contracts with an employment agency that bound them to stay on the job for at least one year, or they would lose a substantial deposit. They were also promised furnished accommodation with air conditioning – essential in a tropical climate like Cambodia – but when they arrived they found that the only accommodation available was on the site itself, in the unfinished rooms of what would be a future hotel. Not only did they not have air conditioning, they also had no beds or running water, and had to use a nearby field as an open toilet. The only way to wash their clothes was in muddy water, which they found disgusting. In addition, the site managers had hired a local cook who could cook only Cambodian food, which the Chinese workers found unbearable to their taste, so they had to buy their own food, sometimes supplemented by fishing after work. In spite of all this, they were not too put off by these appalling conditions. As one man told me, "We don't mind to eat bitterness (*chīkǔ*) as long as we are getting paid." Unfortunately, after a few weeks on the job, they no longer were getting paid.

Informality in employment was widespread in both private companies and SOEs. Ninety-seven percent of Cambodian workers and seventy-five percent of Chinese workers had no written contracts with their employer, contractor, or agency. To make matters worse, even those Chinese workers who had signed a contract had not been given a copy. That the lack of written contracts was not a result of a choice made by the workers is evident if we consider that sixty-seven percent of Chinese and twenty-six percent of Cambodian workers believed that a written contract would be beneficial for both themselves and the company or mostly for the worker (fifteen percent of Chinese and forty-nine percent of Cambodian workers). The few written agreements that existed included clauses unfavorable to the workers. This was the case for the above-mentioned agreement between the workers at Site C and their employment agency; it was also

the case for an agreement between some Cambodian workers at Site 1 and their contractor, according to which the workers bore sole responsibility for any job accidents and which deferred their wages until the contractor had been paid by the contracting company.

Besides leaving workers in legal limbo, employers had other ways to control their workforce. Some companies and employment agencies required workers to pay deposits ranging from 4,000 (US$571) to 10,000 yuan (US$1,428). Moreover, both private and state-owned companies routinely held the passports of their Chinese employees; fifty-seven percent of our respondents reported this. However, workers did not see any problem with this kind of arrangement, which appeared to be entirely voluntary.[16] Indeed, most workers said they worried that, if they kept their passports, these would just disappear, lost in the chaos of their accommodation or stolen by a criminal.

In brief, the extreme informality of the hiring process for both Chinese and Cambodian workers put the entire workforce in a position of extreme vulnerability. But, although both groups of workers shared this common plight, other barriers separated them.

Wages and work hours: reality, expectations, and needs

The informality of the hiring process was paired with an extreme flexibility in work arrangements. Before the companies scaled back construction due to the crisis that ensued the announcement of the ban on online gambling, both Cambodian and Chinese laborers worked an average of nine hours a day, with one day of rest each week, although work hours were subjected to the vagaries of the construction schedule. Of the Cambodian workers, seventy-nine percent were paid by the day, twelve percent by the month, and nine percent by piece rate. The going rate for a day of work for the Cambodian workforce ranged between US$8.00 and US$ 20, but in the vast majority of the cases fell between US$10.00 and US$15.00, with women earning a significantly lower amount (between US$8.00 and US$10.00 per day). Eleven percent of Chinese workers were paid by the hour, thirty-seven percent by the day, twenty-five percent by the month, and twenty-eight percent by piece rate. For a day of work, a Chinese worker received between US$50.00 and US$70.00; hourly pay was around US$ 4.75; and monthly salaries were approximately US$1,435. Only twenty-seven percent of the Chinese workers and twenty-eight percent of the Cambodian workers reported being paid for overtime. Being mostly casual laborers, most Cambodian workers we surveyed said that they would have liked to rest no more than one day and a half a month, compared to the four days per month their Chinese counterparts expected.

Bonuses were extremely rare, with only fifteen percent of the Cambodian workers and seven percent of the Chinese workers reporting having ever received one. Even more troubling was the fact that employers did not provide any insurance or pay any social security: only fourteen percent of the Chinese workers, all employed by SOEs, reported that their employer provided work-related insurance. In fact, stories about accidents abounded among workers, which is not surprising considering that, although most of them received safety equipment (eighty-seven percent of the Chinese and seventy-three percent of the Cambodian), only a minority (fourteen percent of the Cambodian and forty-three percent of the Chinese) had ever taken part in a training program on health and safety.

[16]Halegua 2020.

Moreover, government labor inspectors were nowhere to be seen, and the only inspections on site were by immigration officials checking the visas of Chinese workers.

Workers at Site 3 told a of a Chinese worker who a few weeks earlier had fallen from a high floor and had his body cut in half on a piece of steel, but they had no idea what had happened after the horrific accident. Another Cambodian worker at Site 3 heard of two other, more ordinary accidents. In one instance, a Cambodian worker had his jaw broken by a bar of steel. The company had paid him US$500 for treatment and other US$500 for sick leave. In the second instance, another Cambodian worker had lost two fingers in a work accident but his employer paid only for his medical fees and gave him no compensation. A middle-aged Cambodian worker at Site 3 complained:

> I don't feel like I am working for a big company, just for an individual boss, as I have no any protection or safety at work … one time, some steel dropped on me and I hurt my ankle. The boss was there when it happened, so I took a few days off because of the pain. It turned out that he did not pay me for the two days that I stayed away, so I had to get back to work even if I was still feeling hurt and could barely stand.

Paid by the day and without any insurance or other safety net, these workers' incomes were constantly at risk. If construction slowed down, an accident occurred, or a manager was displeased with a worker's productivity, incomes would fall. Tables 2 and 3 show how tight their budgets were, even at the best of times. Cambodian workers at these sites earned on average US$336 per month, compared to the average US$413 per month they deemed reasonable pay and the average US$316 they needed to cover their basic living expenses and provide for their dependents. They lived in very simple accommodations provided by their employer (in the case of SOEs), on the construction sites of private companies, or in sheds that they built on empty land. In all cases, they paid nothing for rent, electricity, water, or gas. Their main monthly expenses were for food (US$105), drinking water and energy drinks (US$50), and much-needed remittances to their families left behind in the countryside (US$151). After meeting their own needs and allocating money to send home, they were left with, on average, just US$24 per month for entertainment and other random expenses. Moreover, forty-nine percent reported debts to

Table 2. Monthly wages and living costs for Cambodian construction workers.

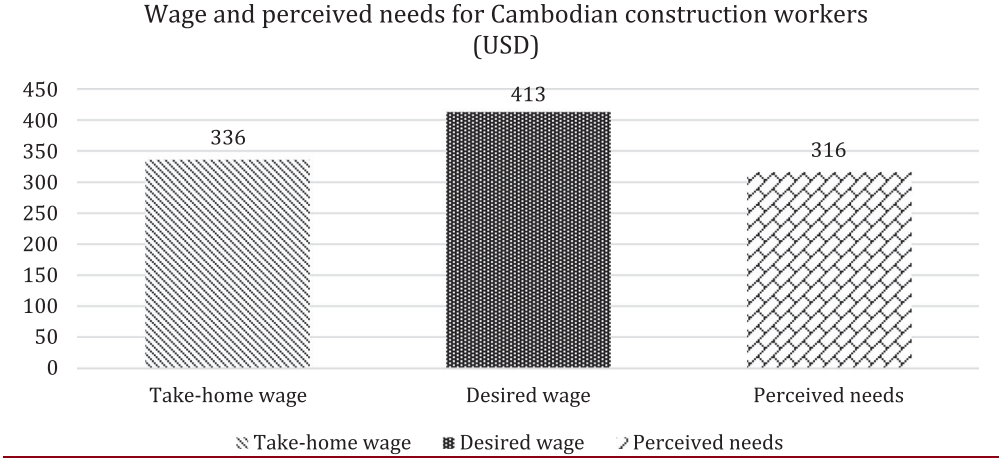
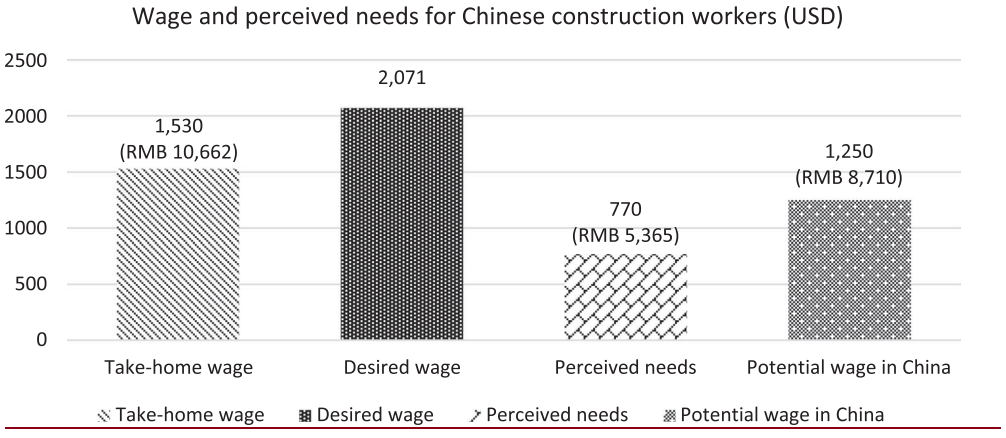


Table 3. Monthly wages and living costs for Chinese construction workers.



microcredit agencies, having to pay an average sum of US$131 per month. Often using their land as collateral, they and their families had borrowed a few thousand dollars to buy some piece of land, build a house, start a small business, or simply purchase a vehicle, and now they had to pay back a fixed amount every month for up to five years. These figures show how tight the financial situation of these Cambodian construction workers was, pressed as they were between the vagaries of an extremely precarious job and obligations towards their families.

Table 3 shows the financial situation of Chinese workers. Like their Cambodian counterparts, Chinese workers lived in basic accommodations provided by their employer in the case of SOEs, and at the construction sites in the case of private companies. In both situations, they did not have to pay rent or for electricity, gas, and water. They lived separately from their Cambodian counterparts, and in more spacious accommodation, in some cases even with air conditioning. In addition, accommodations for Cambodian workers were more crowded as entire families often lived there. On average, Chinese workers earned US$1,530 a month, compared to the US$2,072 that they on average deemed reasonable for their workload and the US$770 that they calculated they needed to cover their basic living costs. Since most construction sites housed canteens that provided subsidized meals for employees (although workers constantly complained about the quality of the food), expenses for food were relatively modest, an average of US$172 per month. These low living costs provided substantial leeway for remittances (an average of US$880 per month) and left them with money for leisure (an average of US $116), which included alcohol, prostitutes, and on occasion, gambling at one of the low-end Chinese casinos in the area.

These figures show that, although Chinese workers believed they deserved salaries substantially higher than what they were paid, they were getting a much better deal than their Cambodian colleagues. One Chinese labor contractor remembered nostalgically the beginning of his career in the construction sector in the 1990s. When he started working as a teenager in Beijing in 1991, he earned seven yuan for an eleven-hour work day. Now he earned more than 400 yuan a day. The survey also asked how much workers would have earned for the same job in China. Respondents reported that, on average, they

would have earned US$1,250, twenty-two percent less than what they were earning in Cambodia. But, as to whether this increased pay made the journey worth it, many believed it did not. The weather in Cambodia was harsh, cases of wage arrears were too frequent, the cost of living for foreigners was too high, and the place was too dangerous.

We did find differences between private companies and SOEs. Chinese workers in SOEs earned on average US$1,581 per month, compared to the US$1,377 earned by workers in private companies, a fifteen percent gap. The pay gap between SOEs (US$342) and private companies (US$280) was slightly higher for Cambodian workers, a twenty-two percent difference. In addition, although both private and state companies had problems with wage arrears, there was no certainty that private enterprises and contractors would make good on owed wages, while most while most workers in SOEs believed that they would eventually be paid by their employer.

This data illustrates the divide between the wages of Chinese workers and those of their Cambodian colleagues. It is true that Chinese workers were more experienced and educated, and in many cases, they were skilled laborers, but it is hard to see a rational justification for wage gaps as broad as those that separated these two groups. Chinese workers on average earned 4.5 times as much as their Cambodian colleagues while doing work that in most cases was not that different. There was also a clear gender gap in pay, with Cambodian male workers on average earning US$344 per month, compared to US$299 for female workers, a fifteen percent difference, as well as between employees hired directly by employers and those hired through subcontractors to carry out menial tasks, such as moving and laying bricks, who were mostly paid by the piece. These divides served only one purpose: to break up worker solidarity and facilitate exploitation.

A legal and social void

The power of employers over labor in Cambodia is reinforced by the weakness of local institutions and the widespread perception among workers that they are living in a no man's land where they can get no support whatsoever. One late evening, I encountered a Chinese labor contractor from Site A, his right arm covered in blood and his face all bruised. He told me that he had just been assaulted by some Cambodian workers to whom he owed money. He complained about how he was caught between the four Chinese shareholders of the construction project and the workers he had brought with him from China, as well as a few Cambodian employees. The four bosses had stopped paying salaries in August 2019 and had fled to China. The contractor had called them repeatedly (he even sent them photos of his bruises and scars after he was assaulted), but they did not return his calls. One of the bosses offered a lump sum of US$ 1,000 for all the workers – a ridiculous amount compared to what they were owed, their living expenses, and the cost of flights for the Chinese workers – while another one complained that she also faced financial difficulties and asked for their understanding. The contractor had borrowed money to pay at least part of what he owed to the workers, but it was very difficult for him to find anybody willing to lend him more.

A few days later, another worker from the same site, a sixty-year-old man from Jiangsu province, stopped me in the street. Screaming and swearing, he told me that he and a dozen of his co-workers had not yet been paid and did not know what to do. The bosses simply ignored their phone calls and the contractor was powerless. They were

now living in horrible conditions in the unfinished building they had been working on, hoping to be able to return to China before the Lunar New Year. Bitterly, he compared his predicament to his experience in Libya a few years earlier. He had been there when civil war had erupted, and remembered how the Chinese government had promptly sent a boat to evacuate all Chinese citizens, a strong contrast with the neglect that he was experiencing now. He had paid 9,000 yuan (approximately US$ 1,285) to an employment agency for himself and his son to work in Sihanoukville, but his son had left after less than three months due to health problems and wage arrears. Now he was owed four months of wages, but did not hold much hope. He repeatedly complained that in Cambodia there was no law, so everything was pointless.

"There is no law" was a constant refrain in conversations with Chinese workers. This perception of lawlessness was further exacerbated by stories of kidnappings and attacks targeting Chinese nationals that swirled around the Chinese community in Sihanoukville. There was reason enough to justify these worries. For instance, the victim of one such attack – a middle-aged woman from eastern China who had arrived in Otres in August 2019 to open a small guesthouse – was living right next to Site A. Upon her arrival, she had rented a piece of land and a small building in the village for over US$ 4,000 a month. She paid three months deposit and one month in advance, and spent a substantial amount to renovate the property. But this was the worst possible time to invest in Sihanoukville, coinciding with the government's announced ban on online gambling. In the beginning, she could rent rooms for US$50 per night, but, unable to attract guests, she had to slash the nightly rate to US$10 to US$15. At the end of September, three guests from Sichuan attacked her. They forced her to transfer 12,000 yuan (US$1,712) to their WeChat account, give them US$600 in cash, and hand over her new phone. A security camera in the lobby captured their images, but when the woman went to the local police to report what had happened, they showed no interest. Since then, she had been living in terror. She wanted to go back to China, but she stood to lose too much money.

Some Chinese workers refused to go out in the evening for fear of being targeted. This perception of lawlessness, and an ensuing feeling of powerlessness, emerges clearly in our survey results. When asked whether they believed Cambodian labor law would provide them with some protection in the event of a labor dispute, ninety-eight percent of Chinese workers replied negatively. Cambodian workers were slightly more optimistic, but still the level of trust in the legal system was very low, with less than half of respondents (forty-six percent) believing the law would help them. This mistrust in the law was mirrored by an unwillingness to stand up for their rights. When asked what they would do in the event of a dispute with their employers, twenty percent of Cambodian and forty-seven percent of Chinese workers stated that they would do nothing and keep working. Four percent of Chinese and forty-eight percent of Cambodian workers stated that they would quit and look for a new job – a gap that is easily explained by the limited mobility of Chinese workers in a foreign country, especially when the companies or agencies hold their passports or substantial deposits. Only thirty-two percent of Cambodian and forty-nine percent of Chinese workers said they would stand up for their rights.

However, potential resistance took very different forms. Of those workers who said they would fight for their rights, sixty-four percent of the Cambodians declared that they would seek help from the police, while ninety-three percent of the Chinese said that they would request assistance from the Chinese Embassy in Phnom Penh. It was Chinese workers who

had no experience of labor disputes who expressed confidence in the ability of embassy officials to help them. Those who had had previous experience with pay disputes were unanimous in saying that the embassy was useless: not only was it too far – no worker could afford to pay for a flight to Phnom Penh, and it took at least six hours to get there by car – but Chinese diplomats had bigger fish to fry than to help some random construction workers recover their wages.

Somewhat unexpectedly, considering the vibrant history of labor unionism in contemporary Cambodia, unions were not part of these conversations.[17] No unions were active at the sites included in the survey, which reflected the general situation in Sihanoukville. A staggering eighty percent of Cambodian workers had no idea what a trade union was (although they expressed interest in learning more about them), compared to just twenty-two percent of Chinese workers. This does not mean that workers did not trust unions: of those respondents who knew what a union was, eighty-two percent of Cambodian and seventy-four percent of Chinese respondents believed that a union would protect their rights and interests.

These data should not come as a surprise, if we consider how Cambodian unions mostly focus on the garment sector and are based in the capital and its surrounding areas.[18] Some Chinese business and provincial associations have been trying to fill this void by offering to mediate disputes related to back wages, organize flights home, pay visa-overstay fines, and even intervene in cases of kidnappings.[19] However, their reach is very limited compared to the extent of the problem, and none of the people we interviewed in Otres had heard about these organizations. In her study of Chinese road construction workers in Ethiopia, Driessen shows how Ethiopian workers could rely on the law to keep their employers in line.[20] Similarly, in his study of Saipan, Halegua highlights the fundamental role played by independent media and civil society organizations in providing assistance to Chinese construction workers stranded on the island. Unlike in Ethiopia and Saipan, in the absence of strong legal institutions, independent media outlets, and civil society groups, Cambodian and Chinese workers in Sihanoukville were living in a legal and social void, which put them entirely at the mercy of their employers.

Prospects for solidarity

Divided by ethnicity, language, and economic interests, but sharing a common feeling of powerlessness, what are the prospects for the emergence of solidarity between Chinese and Cambodian workers? At first glance, there are some reasons for optimism. For instance, for several days in January 2020 a construction site in the center of Sihanoukville exhibited a significant show of solidarity between Chinese and Cambodian workers. Owed several months of pay, they unfurled banners in both Khmer and Chinese begging the new provincial governor to intervene on their behalf. As Figure 1 shows, the messages on the banners were articulated not so much in the legalistic terms so common in the protests

[17]On trade unions in Cambodia, see Arnold and Shih 2010.
[18]Franceschini 2020.
[19]Kijewsky 2020.
[20]Driessen 2019, 12–13.

Figure 1. Written in both Chinese and Khmer, the banners on the building read: "Give us back the money of our salary, give us back our blood and sweat money, allow us to go home," "Work stopped two months ago, we haven't been paid for four months, who is going to help us?," "Governor Kouch, please support us peasant workers," and "The Chinese and Cambodian governments are our strongest support." Credit: Ivan Franceschini.

of Chinese migrant workers within China over the past couple of decades, but in the moral terms usually employed by workers in China who have been laid off by SOEs.[21]

However, there are significant challenges to the emergence of solidarity between the two groups. As one Cambodian worker remarked: "We and the Chinese workers are

[21]Lee 2007.

just like oil and water: we work and live together but don't mix." A critical issue is communication: none of the Cambodian workers could speak Chinese and none of the Chinese workers could speak Khmer. While working together, they had to rely on hand gestures to understand each other, even for the most complicated tasks. Interpreters, when available, usually followed higher-level managers or were themselves contractors. This led to frequent misunderstandings between co-workers of different nationalities, with subsequent shouting matches in which nobody could understand what the other person was saying. In fact, many Cambodian workers expressed deep annoyance with their Chinese colleagues, repeatedly complaining that they were bossy and arrogant. "If I understood what they were saying, I doubt I would keep working here: they are always so rude," a Cambodian worker told us. Chinese workers did not seem to hold similar grudges against their Cambodian colleagues, but after all, they were the ones in a position of relative power. They complained mostly about what they perceived as the laziness or inefficiency of Cambodian workers.

The lack of a common language also limited social interactions between the two groups outside the workplace. While we encountered one mixed couple (a Chinese male worker and a Cambodian female worker) and at least one Chinese worker who regularly hung out with his Cambodian colleagues (using a translation app on his phone to communicate with them), such instances of inter-ethnic bonding appeared to be quite rare, especially considering that, as noted above, accommodation was largely segregated according to ethnicity. Seventy-two percent of the Cambodian workers and seventy-three percent of the Chinese workers reported no interaction whatsoever with their colleagues of the other ethnicity outside of the workplace. An additional twenty percent of the Cambodian and twenty-six percent of the Chinese workers said that they rarely interacted with each other outside the workplace, with those rare instances involving having a drink together or going for a walk on the beach.

However, the biggest divide between the two groups was their perceptions of unfairness related to wage gaps. As noted above Chinese workers were paid between US$50 and US $70 a day, while most Cambodian workers received between US$10 and US$15 a day. While eighty-eight percent of Chinese workers were convinced that the wage gap was justified – the common refrain being that they were more qualified, skilled, efficient, and had to face living costs that they believed were substantially higher than those of their Cambodian colleagues – sixty-four percent of Cambodian workers believed that the gap was not justified at all. While some Cambodian workers explained their dissatisfaction along nationalist lines, the most common complaint was that they were working the same hours and doing the same tasks as their Chinese counterparts. In addition, they shared a widespread perception that, although some difference in compensation might have been warranted due to the fact that the Chinese had come a long way and were more skilled, the current gap was way to broad – "as far apart as earth and sky," in the words of one Cambodian worker – and therefore unfair. Nevertheless, none of the Cambodian workers who expressed dissatisfaction with the status quo planned to leave. They believed that everywhere was the same, and if they ended up working for some Cambodian boss, they might earn even less.

Some Chinese workers were very critical of how Cambodian workers were treated, but they constituted a tiny minority. One of the Cambodian workers at Site 1 recounted that one day a Chinese colleague had asked him how much he was getting paid by using hand

gestures. With his fingers, he had responded that he was getting US$14 a day. The Chinese had gestured this was not enough even to eat and that, were he paid that amount, he would just stay home and sleep all day. Another Chinese worker at Site A pointed at some Cambodian workers who were wrapping up some work nearby and told me:

> Look at them, they get paid fifteen dollars a day – less than 100 yuan – to do that work, and it is very hard work because those boxes are very heavy. Once I tried to tell the boss that he wasn't paying them enough, that he should have given them at least twenty to thirty dollars a day. He said that it was none of my business and I shouldn't care. The truth is that they would do that job for ten dollars or even less.

To assess the potential for solidarity, the survey included one final question: "In case your Chinese/Cambodian co-workers did not get paid and decided to go on strike, but you got paid, would you be willing to go on strike with them in solidarity?" Fifty-two percent of Cambodian workers and seventy-eight percent of Chinese workers responded no. However, this figure is not really indicative of a lack of solidarity, as many workers said that they would not do so simply because the scenario was absurd. Many Cambodian workers believed that it was impossible for their Chinese co-workers not to get paid, as they spoke the same language as the bosses and had a much better understanding of their employment terms. Chinese workers, on the contrary, thought that it was impossible for Cambodian workers not to get paid, as they could always pick up the phone and the police would come to their rescue. And yet, the truth was that many workers on both sides were not paid what they were owed. It was this misperception that the other side was better off, carefully cultivated by employers through the establishment of a dual labor regime, that most undermined worker solidarity.

Conclusion

"How many people had their dream shattered in Sihanoukville?" commented one anonymous YouTube user under the clip of Hai Xin's song, "Without Dreams, There Is No Need for Sihanoukville." Indeed, the stories described in this paper show that for many Chinese and Cambodian construction workers, the dream of Sihanoukville turns out to be a nightmare. Many Chinese workers who had come to Cambodia believing in the empty promises of employment agencies and labor contractors found themselves stranded in the city, owed months of wages, and living in horrific conditions. Their Cambodian colleagues toiled at their side, were paid only a fraction of their daily wage, and barely made ends meet amid the rising living costs of the coastal city. Neither Chinese nor Cambodian workers had written contracts and almost none of them had insurance or any other safety net.

However, in spite of some notable exceptions, these common challenges have hardly brought Chinese and Cambodian workers together. This is because Chinese employers have established a policy of labor force dualism that draws boundaries between Chinese and Cambodian workers. They pay Chinese workers substantially more than they pay Cambodian workers, men more than women, and direct employees more than contractors. On top of this, language barriers and segregation in accommodation play a fundamental role in preventing the emergence of a united front among workers. In a situation in which local institutions and trade unions are extremely weak – if not

non-existent – these divides substantially undermine worker solidarity, giving employers a free hand in exploiting their workforce.

The gambling ban announced in August 2019 followed by the coronavirus outbreak in the early months of 2020 might have put an end to the dream of Sihanoukville as a new Southeast Asian Macau. To give context to this upheaval, according to official data from the Preah Sihanouk Provincial Labor Department, only 2,000 of the 22,000 Chinese nationals who held business or work permits in the province in 2019 were still there in early 2020. According to Cambodian immigration data, over 200,000 Chinese nationals left Cambodia in the first two months of 2020, with the majority from Sihanoukville.[22] With the fate of the area now more uncertain than ever, Cambodian authorities are trying to reshape the narrative of Sihanoukville as a new Shenzhen, going so far as to bring in experts from the Chinese metropolis to draw up a master plan for the city as a new industrial hub.[23] What is apparently missing from the current discussion is how Shenzhen was built through the systematic exploitation of a migrant workforce drawn from the Chinese countryside. No matter what the future of Sihanoukville, one can only hope that the Cambodian authorities will avoid these past mistakes.

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