Urban Speculation, Economic Openness, and Market Experiments in Phnom Penh

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Introduction

In a May 2013 Facebook posting, the ruling Cambodian People's Party shared a pair of images of Phnom Penh under two different regimes.[1] Taken decades apart, each photo captures the city as a found object (fig. 1). The grainy bottom image is that of an abandoned street. In the background are concrete shophouse blocks. The buildings appear intact although the street is otherwise deserted. The caption reads "the genocidal regime" (*robob broleypuichsas*), a pointed reference to the Khmer Rouge. Its antiurban and anticapitalist rule (1975–79) entailed the wholesale evacuation of Phnom Penh in April 1975. The image documents stillness and provides a visual corollary to descriptions of the city from that period like that by the journalist Richard Dudman (1979), who described his first impression of the city of the Khmer Rouge as having "the eerie quiet of a dead place." Rendered silent in the

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image of the abandoned city is the enormous human cost of evacuation, which began with the forcible march of 2 million refugees and residents from Phnom Penh into the countryside.

Separated by forty years, the top is of contemporary Phnom Penh defined by a nascent verticality. Jutting towers stand conspicuously against the city's low-rise profile. The interplay of shadow and light emphasizes a skyline in flux. The photo caption reads "the Decho era" (*samey decho*), an allusion to Cambodian Prime Minister Hun Sen and the auspices of his rule. The term *Decho* comes from Hun Sen's self-stylization as the modern incarnate of Decho Yort, a famous Khmer general of yore (planner at Municipality of Phnom Penh, pers. comm., January 29, 2015). Each photo represents the city as epochal and each epoch with its own provenance: the destruction of the city by the Khmer Rouge juxtaposed with Hun Sen's stewardship of a celebratory and resurgent urban modernity. But the high-rises in view are Korean built.

Three towers dominate this contemporary vista. Clustered along Monivong Boulevard, one of the city's major commercial axes, is Phnom Penh Tower, built by Amco, the construction arm of the South Korean *chaebol* (conglomerate) Hyundai Group.[2] The office tower was completed in May 2011. The imposing structure in the center is Gold Tower 42. It occupies land that once housed a hospital founded in 1906 and funded by the city's ethnic Chinese merchants (Lim 2012; Willmott 1967). The building in the foreground is the luxury condominium complex De Castle Royal completed in 2014 by a Cambodia-based Korean development and construction firm. They are part of the first generation of built projects that triggered what has been an irreversible vertical turn.

Marking the beginning of a skyward push, Gold Tower was supposed to be Phnom Penh's first and tallest skyscraper. At least this was the intent until the project was suspended several times after it broke ground in 2008. The hulking gray shell stands as a monument to an early experiment in vertical form and the fragilities of urban speculation. In a turn of phrase, residents refer to the incomplete shell as "Ghost Tower 42." The financial backing of Korea's largest pension fund had been an important selling point for the mixed-use skyscraper. Mired in scandal in Korea and in Cambodia, that financing has since fallen apart and the project frozen in time.[3] Both

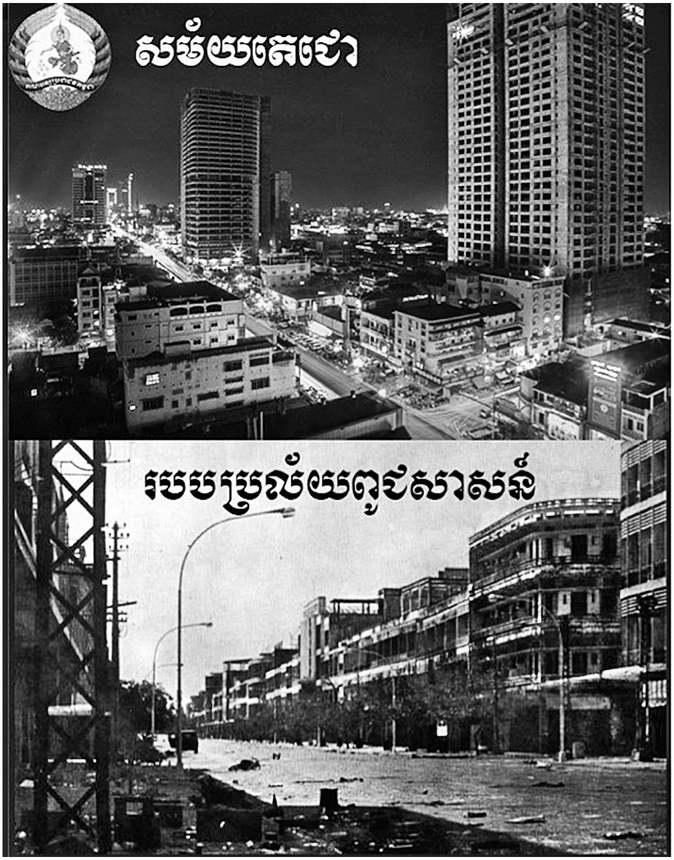

Figure 1 Phnom Penh, present and past. Cambodian People's Party, Facebook, May 7, 2013

the financier and the developer were sanctioned by the Korean government for accounting fraud, including inflating Gold Tower's value.

These varied projects are exemplary of the context of Phnom Penh's inter-Asian urbanization and the diverse experiments that bring together market ambitions with built forms in an open economy.[4] This highly splintered and uneven cityscape authorized by Hun Sen is produced by a motley group of actors stoked by exuberance over property values and expectations of growth. Prominent among this group are Asian developers motivated by projected windfalls of property-centric development and spurred on by competition with one another. Despite a multiyear lull following the global financial crisis, the serial reproduction of visually similar high-rise forms has rapidly resumed since 2011.

In the 1990s, property prices increased so quickly that *speculation* became an indexical term for urban transformation wrought by foreign money (Igout 1993; Blancot 1994; Shatkin 1998). In contemporary Phnom Penh, speculation is pervasive as an urban practice focused on capturing increasing ground rents (Ea 2002; Simone 2008). As growth expectations and the country's openness serve as the grounds for property speculation, I take the unparalleled rise of Cambodia's postconflict economy and its correlative urbanizing forces as a starting point to think through new configurations of space in the city. What is striking is that Phnom Penh's pivot toward the global is a turn toward Asia. Crucially, speculation is the vanguard of accumulation in Phnom Penh.

In this article, I explore the experiments, fantasies, and calculations that make this fragmented speculative cityscape possible. In attending to the instability of built projects and the ways that developers mediate access to the urban economy, my focus is on real estate experts and the capitalist dreamworlds they seek to conjure. Specifically, I pay attention to the acts of translation that frame Phnom Penh as a lively terrain of possibility and their related struggles and trials of experimentation. Inaugurating real estate as a regime of accumulation is fraught with uncertainty and risk. Visions of futurity and fantasies of profits are important, but so are the mundane strategies that do the work of transposing market potential into built form. The scholarly literature on urban speculation often treats real estate accumulation as the more powerful twin of dispossession. Writing on urban India, Llerena Searle (2014) insightfully reminds us that dispossession alone does not turn land into profitable real estate. Conditions of possibility must also be constructed before such transformation can become material and viable. I look at developers' experiments to construct the conditions of possibility through the stories that they tell about Phnom Penh, with the city's ascendance imagined as if through shared development arcs that have transformed Asia; the social and regulatory structures that make the economy open and accessible to developers' attempts to unleash new property forms; and, finally, the market strategies behind built projects that must be continuously modified in order to make property sales viable.

Markets of Possibility and Idioms of Equivalence

The prospects of untapped profits conjured market effects that reverberated throughout Phnom Penh's cityscape beginning in the mid-2000s. Developers pledged billions in construction projects. The value of these projects jumped from US$500 million in 2003 to US$3.2 billion in 2007 (UNDP-Cambodia 2009). Over three-fourths were foreign financed. It was a heady time as developers joined hands with Cambodian power brokers with deep connections to propose forms that included satellite cities and high-rise towers theretofore unseen in Phnom Penh. Some projects promised would-be buyers 50 percent returns for buildings that were under construction or still on the drawing board. To be sure, pledged amounts and anticipated returns represent the market as spectacularly buoyant, lending itself to the appearance that Phnom Penh is not just ascendant but integrated into a wider regional and global field. Figures are also hard to confirm, given that pledged investments are approved rather than implemented. But there is a commonsense undercurrent that capital of all sorts—anticipated and actual alike—is crisscrossing the city, with money to be made. The continued influx of foreign investment and a mutating skyline have fortified these views.

Other kinds of figures signaled Cambodia's economic growth as nearly axiomatic. A World Bank economist, for one, characterized the country's growth as "remarkable," with growth rates averaging above 10 percent over a ten-year span. Its growth rates put the country at number six in the world, or slightly faster than China, he told me.[5] On the matter of property, real estate guides and media reports heralded the city's boom as one of the largest in Asia prior to the global financial crisis. Recently, a land price index published by the real estate consultancy Knight Frank (2014) placed the city at the top of its list of East and Southeast Asian cities for its land appreciation rates.

Bolstering beliefs in upward-moving prices and unbounded growth has been an increasingly visible private sector. Developers, armed with proposals and promises, helped to champion property as a speculative asset. In a view shared by industry experts, an attorney who advises the largest investors in Phnom Penh pinned the mid-2000s rush specifically on Korean proposals for the city: "Korean interest triggered off a lot of Cambodians to invest in land with the expectation that they were going to sell it to Koreans at inflated prices. And everybody was a land agent here [in 2005]. You couldn't talk to a *motodop* [motorbike taxi driver] without him telling you where to buy land and you could buy this piece of land and double your money in three months. It was all true." Cambodians envisioned new values for urban land, he observed, speculating with its prices. This involved trading urban land at a rapid clip. Land priced at $500 in 2004 was valued at $5,000 a square meter in 2008. Currently, land parcels along major boulevards are priced between $6,000 and $10,000 per square meter.[6]

What is important to note here is that price is not regulated. State officials, urban planners, and developers repeated this point to me to underscore the flexibility of property exchange and the economy's openness. Of course, the lack of oversight is not the same as the absence of coordination. A senior official with the Ministry of Economy and Finance (one of the country's most powerful ministries) put it this way: "You can say that what you are seeing in the real estate market is the 'true' price. The market decides, and it depends on supply and demand. But, of course, people will try to influence the price through speculative buying." He explained that buyers and sellers had the right to determine the terms of sale, including transaction prices.[7] There are no price ceilings, and the government does not publish price histories on parcels, nor should it, he insisted.

Price here reflects two different kinds of market. One is a market structured by the impersonal forces of supply and demand. Rational and abstract, the market adjudicates land prices through free, competitive bidding. The other is a market constituted through relations among speculators who work to build in higher prices through rapid turnover, a perspective shared by the state official and the real estate attorney and others with whom I spoke during my field research on Phnom Penh's property markets. Markets are not socially static or historically fixed but, rather, in the way that Timothy Mitchell (2002) has discussed the economy as a set of contingent effects, reliant on ad hoc logics, embodied actions, and competing knowledge practices (also Ho 2009; Elyachar 2005). In the sections that follow, I turn to the stories and practices that are part of the work that transforms land into real estate, including disentangling values historically rooted in land into new relations of space. The built environment not only indexes the flourishing of the economy; it is the very terrain on which its promises are brokered and managed.

If developers helped to facilitate speculation focused on urban land, they also worked to make Cambodia's economic arcs legible through comparison. With an eye toward property's profitability, investors and developers drew Phnom Penh into continuous reference with other Asian cities. That is, the city's promise was made legible within metropolitan transformations across Asia. The city's ostensible integration into development arcs recalls geographer Doreen Massey's (2005: 68) insight that urban modernity is often serialized such that "spatial difference [is] convened into temporal sequence." She continues, "Different 'places' [are] interpreted as different stages in a single temporal development." Developers and investors narrated Phnom Penh's arcs through idioms of equivalence that tied disparate places together as if through a shared destiny.

An investor, Philippe, told me the following in May 2009, meant to illustrate the entanglements of time and possibility that animated market ambitions in Cambodia. I had met him at a business launch at the Cambodiana Hotel hosted by its *neak oknha* (tycoon) owner. The launch was typically ritualistic, with dignitaries from government and business asked to sit in baroque chairs on a stage facing the audience. Behind the stage was a green backdrop featuring the pictures of the titular monarchs, the Cambodian flag, and the event's name emblazoned in Khmer and English. Because it was held outdoors, the launch was at the mercy of the afternoon monsoon rains. It started to pour before the ceremony was scheduled to begin. I found myself huddled under a corner of a white canopy seeking cover from the rain and glad for a brief reprieve from the heat. Many used the time to swap business cards, shake hands, and exchange greetings (*sampeah*). I began chatting with a group of fund managers standing next to me. Based in Bangkok, Philippe had arrived in Phnom Penh in order to establish an investment fund. Like others I met from Bangkok, Seoul, and Kuala Lumpur, Philippe had come to Phnom Penh seeking ways to financialize the economy and capitalize on land. The country had recently announced its first securities exchange as a joint partnership with the Korea Stock Exchange (Hang 2007), and investors were working on ways to capitalize projects (Kinetz 2007). In a later conversation at a bar on the riverfront near Psar Chas, the old market, Philippe would explain his motivations in comparative terms, marking Cambodia's possibility through place and its development as succession. This story was typical of the kinds of narratives I heard about Cambodia's economy, the "Asia" factor, and interconnected horizons of geography and history:

> Asia's an interesting place in the sense that they're all different but actually, in my view, they're all the same. [Cambodia's] just at a different stage in the development cycle. From an investor's perspective and the reason that Cambodia is still very interesting for us is that all we have to say is, "Wow."
>
> And the classic saying you're going to find from investors here is, "Cambodia is Thailand twenty-five years ago and Vietnam fifteen years ago." It's a generalization, but it's probably a fair comparison. That's an easy comparison. It doesn't take a rocket scientist to figure that out because, look, they're right smack in the middle of the region, and they basically get the same thing.
>
> And the other interesting thing about Cambodia is because they're starting from a zero base, they have no legacy infrastructure; they have no legacy anything. So, they're adopting the latest and newest of everything. So if you look at Vietnam as an example, Vietnam was in the same position fifteen years ago.

In Cambodia, the "rhetoric of linkage and circulation" (Tsing 2000) illuminates shared connections. What Ananya Roy and Aihwa Ong (2011) call "inter-Asian references" also make for good investment stories. Among investors and developers is an awareness that the histories of the region's economies provide evidence of Cambodia's market potential (Nam 2011). While glossing over radically different geopolitical and cultural contexts, such idioms of equivalence tether geographies through temporalities of market development. Phnom Penh's future is made legible in reference to the growth arcs of neighboring metropolises. Whereas the pasts of other countries provide important clues about Cambodia's future, it is also Cambodia's own past, the absence of legacy or "a zero base," and the cleaning of the slate that frees investors in their quest to move headlong toward the future. These are the multiple histories and time registers at play that render Phnom Penh's cityscape a lively terrain.

Comparisons make for good media stories too. A 2008 *Wall Street Journal* article referred to investors' perceptions of Phnom Penh as "the New Ho Chi Minh City" (Barta 2008). Whether a function of time or political stability, the city's association with the sheer lawlessness of the 1990s faded away as Phnom Penh morphed into a different kind of frontier where legitimate wealth could be made. A *New York Times* headline trumpeted an identical claim a few months earlier: "For Investors, Cambodia Could Be the Next Vietnam" (Kinetz 2008). These allusions to Vietnam and the riches generated from timely real estate projects in Ho Chi Minh City in the 1990s and 2000s augured potential fortunes to be made in Phnom Penh. Vietnam was a prominent if not common comparison, though other references were at play. Developers were as quick to think of Phnom Penh through Ho Chi Minh City as they were to cite Seoul and the windfall profits from property in both cities as part of the rationale behind their presence in Phnom Penh. All evoked the productivities of real estate and the desire to unleash property's potential. More importantly, the economy's openness became a way to begin making claims on potentially large profits for those with the social and bureaucratic capacities to do so.

An Economy of Openness and Contingency

While building practices in Phnom Penh are frenetic and visually disorderly, they are anything but arbitrary. The economy is distinctively open, prompting the trade and development division of the United Nations (UNCTAD 2003: 2) to characterize it as one of "the most open economies in what is a fairly open economic region." Developers have made strategic use of this openness, highlighting how investment decisions are motivated by the ease of moving money and taking profits out of the country. Reflecting a common sentiment, a country representative of a multinational construction firm contrasted the regulatory environments of "strict" countries, namely, Cambodia's socialist neighbors Vietnam and China, where closing out projects and repatriating profits were difficult. In contrast, he observed that "taking money out of Cambodia is easy," a belief shared among developers that Cambodia's economy was amenable to a wide range of market practices that were also spatially and legally porous. But with the economy open, land deals and built projects must be socially brokered and bureaucratically calibrated.[8] To put it another way, urban experiments with property are mediated by social and legal networks that, in turn, are part of what make market practices possible (see Hun Kim, this issue).

A number of thinkers have questioned the assumed ontological stability of markets, instead pointing to how they are produced through speculation, invisible and marked socialities, and mundane repetition (e.g., Peterson 2014; Thrift 2005). What these scholars remind us is that the market is neither disembodied nor always spectacular. Instead, they emphasize how markets are made through situated practices with all their inconsistencies and frictions. In a city where property is a part of daily debate and gossip, developers are deft in mapping out the terms of impending construction deals as they invoke market metrics, government policy, and the patronage networks that facilitate access to choice parcels of land. If developers' ambitions tested credulity and laid bare the range of expert opinion on how to build new forms in one of the last low-rise cities in Asia, these were not struggles of valuation or opinions alone. They were calculations that sought to tie values to the material construction of the city as well as to real estate forms that did not yet exist. Oftentimes, projects were no more than proposals on paper. Yet these representations were part of a wider set of practices to create property by inscribing it with new values (Verdery 2003; Searle 2014).

In analyzing the pervasiveness of speculation as a practice across Phnom Penh's popular and investment economies, AbdouMaliq Simone (2008: 189) writes, "Present-day Phnom Penh is experiencing enormous change. A limited banking system that results in savings being placed in land acquisition has combined with excess liquidity derived from a substantial illicit trade economy supported by the ruling regime, with the rush of speculative investment from Korea, China, Singapore and Malaysia in particular to ensure strategic emplacement in the city, and with the easy circumvention of existing land regulation systems to produce highly inflated land values."

Simone convincingly relates speculative practices in Cambodian economic life to regulatory flexibility. Others have argued that the state facilitates speculation through regulation, although the alliances that govern development are loose and varied (see Paling 2012). The economy is indeed organized around values and norms that are open-ended rather than delimited. In a 2007 white paper on urbanization, the Bureau des Affaires Urbaines (now called the Urbanization Division and part of the Municipality of Phnom Penh) argued that the state is an active agent in speculation. Enticed by the profits of real estate and the pressures from the private sector, the state is "a main player in land speculation" ("L'Etat est devenu le principal acteur de la spéculation foncière," 185).

Urban speculation is buttressed by Cambodia's regulatory and legal apparatus. The Law on Investment passed in 1994 opened up all economic sectors, including state-owned enterprises, to private initiatives. This extended efforts that began in the late 1980s when the government actively sought to leverage the economy's openness in order to attract foreign investment. In its version of perestroika, reforms under the banner of market transition entailed formally opening up property to private ownership for the first time in over a decade. To court investors and incentivize economic activity, the government guaranteed capital investments, including the rights of investors to repatriate profits and hard currency overseas (Curtis 1989). Presently, there are no restrictions on capital conversions for investors, and full foreign ownership is permitted in most sectors. Real estate is priced in US dollars, and the urban economy is predominantly dollarized. The dollar circulates freely alongside the national currency, the riel. The dollar was introduced in the 1990s as the de facto tender to hedge against political instability in the aftermath of the civil conflict. Defying expert predictions, dollarization has increased with stability (Duma 2010), with dollars making up over 90 percent of currency in circulation, by some estimates. It is unclear how much money is held outside the banking system or how much currency enters and exits the country. If these numbers are elusive, like investment figures, they also cannot be ascertained because currency entering and exiting the country is not monitored.

The domestic banking and real estate sectors are minimally integrated. Prudential oversight by the International Monetary Fund is responsible for a financially conservative banking sector. There is a 100 percent exemption from import duties for construction materials and production equipment, and no price controls on goods produced or services rendered by investors. Officially, the one asset off limits to foreigners is land. Foreigners may not own land outright; the constitutional ban is explicitly meant to prevent speculation in real estate and to offset boom-bust cycles in the property market (Chun and Hor 2009). However, other regulatory instruments and laws enable foreign land acquisition. Investments of a certain size can be counted as contributions to national development. In such cases, the government may grant Cambodian citizenship to that investor. With citizenship, the investor has the right to buy land. Citizenship can also be purchased, from what foreign developers frequently told me—an option worth the hefty cost when securing landed investments. Such techniques of accessing the economy and hedging against risk (such as the risk of state expropriation) vary and require interpersonal and institutional savvy. Buying Cambodian citizenship for future projects points to how foreign investors are adept at mediating the economy's openness through bureaucratic strategies and legal structures.

There are two other features of Cambodia's economy worth noting here. For one, the economy is highly reliant on external sources of funding. Cambodia has depended on foreign aid since the formal cessation of conflict in 1991. Aid provides a sizable portion of the government's operating budget, which has totaled anywhere from $400 to $800 million annually since the 1990s. This dependence is consistent across regimes, as no government since independence from the French in the mid-1950s has lived on its own resources (St. John 1995). Whereas Phnom Penh's public infrastructure has been financed by development assistance from the Japanese and French governments, private investment has surpassed aid since the mid-2000s. Asian money dominates Cambodia's investment economy, constituting upward of 96 percent of total amounts.[9] Despite efforts to increase the tax base, tax-derived revenues are minimal, even by regional standards. Since 2006, foreign direct investment has outpaced foreign aid (Hill and Menon 2014). Currently, China is Cambodia's largest investor, while developers from Korea, Singapore, Taiwan, and Japan have sought to build banner projects across the city with tens of thousands of residential and commercial property units in the pipeline.

The government leverages its accessibility and the openness of the economy to generate flows of investment and aid. But this access must be vigilantly brokered and secured through "permissions," with high-value projects requiring greater scrutiny. The economy is thus open rather than laissez-faire. As Andrew Cock (2010: 243) argues, authorities "involve themselves in every facet of economic interaction" to advance their own personal wealth and strengthen their power and prestige networks. Urban projects above a certain size must be vetted at the highest reaches of state, despite recent efforts to decentralize urban planning decisions. Money of all sorts is welcomed by the Cambodian government, which offers the openness and accessibility of the economy in return. But these conditions restrict as much as they enable. Contemporary efforts to build in Phnom Penh are not so much predictable as they are provisional.

Market Experiments and the City as a Terrain Value

Construction is constant in Phnom Penh, its noise ceaseless and the dust pervasive. An ethos of experimentation prevails as developers not only bring built projects to market but also work to build markets by reconfiguring space. By calling these efforts "experiments," I attend to my interlocutors' analyses of their market calculations and miscues as they introduced radically new residential and commercial forms, and how their approaches shifted with changing economic tides. These experiments take such forms as residential high-rises (*akear khpours*), which sprout across the city in scattershot fashion, and enclave developments (*borey*) at various stages of completion on the city's edges. Behind these projects are developers—diverse in composition and in origin (Fauveaud 2014)—who actively seek to redraw the city. With Phnom Penh a fertile ground for experiments that bring together market ambitions and their spatialities, projects have flourished at unprecedented speeds and heights. However, bringing built projects to completion is far from linear and subject to the vagaries of money and time in a progressively crowded field. In her research on property markets, Anne

Haila (1997) argues that real estate investment logics are grounded in predictions of future rents and anticipated increase in values. She contends that such logics are guided as much by beliefs as by "facts." Insightfully, she argues that real estate markets have no predetermined essence, and instead facts, regulation, and financing must be stitched together. Some built projects in Phnom Penh are suspended in time, with their shells shrouded in fraying green nets; others are completed according to schedule only to stand virtually unoccupied. In a city where openness flourishes, developers have struggled to transpose their market ambitions spatially.

Urbanists have long noted the importance of space as the primary regime of accumulation. In his well-recognized argument, Henri Lefebvre ([1974] 1991) foregrounds the production of space as vital to creating surplus value through the commodification and exchange of space. The production of space is defined not only by the vibrancies and volatilities of capitalism but also by compression and speed that has altered cities across the region (Roy 2011). There is an endless push toward height, newness, and the serial reproduction of similar forms—all hallmarks of Asian urban modernity. Such dynamics were prefigured as early as in the 1960s in the rapidly growing metropolises of Seoul and Singapore (Watson 2011). Across Asia, real estate accumulation yokes property speculation to urban growth and state power (Shin 2011).

Developers, motivated by assumed future gains and increasing property values, have targeted urban space. In Phnom Penh, property-oriented urbanization is not supplanted or supplemented by industrialization. Cambodia has little in the way of an industrial base, with the exception of an export-oriented garment sector. Driving capital and capitalists in their quest to actively shape space, in other words, is not so much the need to sustain appropriate conditions for production in other spheres but, rather, "the market in spaces themselves" (Lefebvre [1974] 1991: 86). Decades earlier, this very decoupling of urbanization from development prompted Terence G. McGee (1967) to famously characterize Southeast Asian cities as shaped through "pseudo-urbanization" or urban transformation without commensurate economic or societal change. With implications for growing inequality, urbanization is nevertheless productive of value. Like cities before it, Phnom Penh's landscape is generative of investment and relations over space premised on future gains and profits. But the more interesting question, perhaps, is not whether real estate is valuable but how commodity forms that are fundamentally new can also become desired and valued through exchange (Searle 2014; Gotham 2006). To put it differently, in a low-slung city of two- to four-story shophouses (*pteah lveng*) that combine commerce and living and stand-alone villas (*pteah villa*) favored by the wealthy, foreign developers continue to build high-rises, in effect selling spaces whose values are divorced from land.

For instance, a developer relayed the following, meant to illustrate the contingencies of real estate and how projects do not happen as a fait accompli. With real estate development projects featuring prominently in daily conversations and media accounts, Cambodians actively speculated in land. But getting Cambodians to buy new property forms such as condominiums and commercial offices proved to be a source of struggle. As the company representative of a real estate and construction affiliate of a widely known *chaebol*, Mr. Baek had moved to Phnom Penh in 2007 as part of a massive wave of Korean engineers, contractors, and suppliers who sought to build in the city. Korea has been a major source of investment in Phnom Penh's real estate market, and its companies have been "pioneers" in property development (Percival and Waley 2012). Historically, Korean construction has been defined by intense supply-side strategies (S. Kim 1988). This approach has prevailed in Phnom Penh, where there are no identifiable local buyers for the kinds of projects being built. Korean developers routinely described their proposals for high-rise condominiums and office towers as motivated by a strategy to "build first," with eyes set on wealthy Cambodians and expatriates. Efforts to capitalize on land and to build outward and upward have been ad hoc, neither guided by a coherent vision for the city nor governed by strict plans and policies. Instead, projects are structured by contingency.

I sat across Mr. Baek's cherrywood desk with the company logo prominently displayed behind him. The shades were drawn to block out the morning sun. The din of cars, motorbikes, and construction beyond the office's walls provided ambient noise during our conversation. He told me that, before scoping out potential locations, he registered the company in Cambodia as two separate legal entities, a common industry-wide practice among foreign firms. Each entity had different liabilities and, more importantly, rights and benefits. He worked closely with a Cambodian tycoon, Oknha Meas, who was his liaison with government regulators and his partner in other construction and engineering projects. In fact, the only reason Mr. Baek agreed to meet with me was because of a formal introduction by the oknha's daughter, who was the director of the family's construction business. An established industry player, Mr. Baek explained that the company's plan was to build international-grade commercial space on state land that he had purchased soon after it had been privatized. State land is often privatized through legal reclassification (Un and So 2011). Market surveys, if not commonsense, pointed to the city's need for office space. It was normal for businesses and government ministries to operate out of repurposed villas that had to be individually secured by fortified gates and staffed by private security guards (Sidaway et al. 2014). An office building would standardize security and infrastructure and reduce maintenance costs. The demand for proper office space was obvious and thus drove building plans.

But there was a hitch in the market approach. The company would sell rather than lease office space to individual buyers. The approach was contingent on the expectation that wealthy Cambodians (*neak mean*) who recognized the value of property would buy commercial space to rent out to private firms or even aid agencies, many with offices spread across villas in the real estate hot spot of Boeung Keng Kang I. The problem was that selling office space to end users or individual buyers was outside the norm, even in developed markets; Mr. Baek rattled off the names of neighboring countries where this was uncommon, as he reflected on the difficulties with sales. The company hadn't misjudged the market in terms of need, but its market approach reflected a set of assumptions that were not fully aligned, he explained. They had conducted surveys and evaluated different price points at which they would build and sell office space. But one miscalculation became clearer in light of Cambodian exchange practices.

Earlier, I discussed how Cambodian speculators are key agents in moving land through the value chain, elevating its status as a value-rich asset. Cambodians were comfortable with trading in land because it is durable and tangible and, historically, an important store of value. But what about a building that had yet to be built? What about commodified space whose values would not have the tangibility of land? Mr. Baek discovered that Cambodians who would readily buy land and hold it as an asset would not do the same for office space. Despite pronouncements that the project was among the first of its kind, presales were slack. Potential buyers did not want to buy property that is bought before it is built in a practice that is known as "buying off-plan." They would ask Mr. Baek to show them the office space the company sought to sell. Mock-ups and sales brochures failed to convince people to pay the $2,000 per square meter asking price. They wanted to see the part of the building they were going to own, and he fielded questions that he could not answer such as, "Where's my portion of the building? Show me." Rather than buy an asset in name or on paper, would-be buyers told him that they would wait until construction was finished before they made any decisions about investing in a nascent property form. The company had to adjust its approach and in the face of contingencies shifted to a lease model. This meant that revenues would not come in until a few years down the road after construction was completed, tenants secured, and lease terms negotiated.

Some of the contingency elaborated by Mr. Baek is inherent to the built environment. David Harvey (1982, 2012) has long argued that the very circuits of capital that allow real estate to flourish also make investments in the built environment inherently speculative and prone to risk. Spiraling prices, slick mock-ups and showrooms, and glossy marketing materials betray the difficulties of getting a project off the ground. What's more, profit alone tells us very little about how construction and real estate practice occurs or what processes drive real estate capitalism forward (Haila 1997; Appel 2012). My interest here is how developers struggled to translate their market ambitions spatially: to disentangle values from land and reascribe them to new forms. Developers, planners, and lawyers shared similar stories of proposals derailed by ballooning costs or bids undercut by competing interests. Others talked about the real estate market as a work in progress that involved spreading opportunities across future contracts or the imperatives to realign market strategies in the face of miscalculations about cash flows and exchange practices. Property speculation encompasses a wide array of practices, from flipping land to holding onto property and thereby excluding it from present use. Transposing fantasies of land speculation into new property forms required that developers adjust their market approaches.

Specifically, developers like Mr. Baek described the immense work of fabricating and selling built space. Speculation here is not based on the exchange of already existing commodities, such as apartment units or land parcels, but through experiments with its spatialization.

Conclusion: Urban Frontiers and Spatialities of Speculation

Diverse linkages drive metropolitan transformation in Phnom Penh. Over the last decade, the city has gone from being part of Asia's periphery to a frontier of experimentation in real estate construction.[10] With its future pitched as ascendant, investors have mobilized idioms of equivalence to make possibilities and capitalist arcs legible. And indeed, Phnom Penh continues to be drawn into comparisons with cities in the region that tie projections of the city's future to historic increases in real estate values and property price appreciation. Translating these ambitions spatially continues to be a massive undertaking and a source of incredible work involving practices of trial and error as new urban forms are introduced to make, in coconstitutive ways, a nascent property market.

Those who are materially reshaping the city imprint their experiments onto the city in grand, mundane, and uneven ways. To secure projects, a diverse group of developers have experimented in shaping the market by shaping space with varying degrees of success, buying land, collaborating with state officials, and working with the Cambodian elite (*neak thom*, literally big men) to bring proposals to fruition. Anna Tsing (2005: 28) has argued that the frontier is a zone of opportunity and uncertainty that animates deals and encourages investors to act quickly before real regulation sets in. The arrival of Asian developers ushered a property frenzy from 2004 onward, inflating urban land prices while also resurrecting property as an object of speculation. In Cambodia, openness is a central feature of a speculative real estate economy buttressed by legal instruments and state sanction.

Construction in Phnom Penh is continuous and lends itself to the feeling of perpetual transition. The explosion of high-rises is in one breath shocking and normal. By looking at these projects as urban experiments, I have explored how experts mobilize and envision interconnection to fuel speculation in the built environment. Interconnection has been central to the making of globalizing places (Tsing 2000, 2005). Rather than representing the city as fixed, recent works have focused on the situated practices and social imaginaries that make the city a space in motion (Roy and Ong 2011; Goldman 2011). My focus here has been the fabrication of forms without existing precedents, specifically, how market ambitions are translated spatially. Rather than explain these experiments as the inevitable rollout of capitalism's relentless pursuit of its own reproduction and profits, I argue that developers work to mediate the economy's openness and real estate's innate instability through trial and error. These are the mundane practices that take place in a context of market vibrancy, as harnessing space is messy, ad hoc, and driven by constant calibration.

Notes

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1 The contemporary landscapes of investment and spatialities of real estate that I describe here draw on over seventeen months of fieldwork (fifteen months in 2008–9, and in 2012, 2013, 2015) in Cambodia as Phnom Penh was poised to become the next Asian city associated with the kind of growth that has transformed agrarian backwaters into urban frontiers across the region. My interlocutors were engineers, planners, architects, and developers who sought to bring their expertise on urbanization to Phnom Penh, including transposing the profitability of real estate of other Asian metropolises to Cambodia's capital.

2 Hereafter, I refer to South Korea as Korea. Cambodia has had strong ties with North Korea, specifically under King Sihanouk, who was friends and allies with Kim Il Sung. Kim Il Sung Boulevard in Phnom Penh is a testament to that relationship.

3 Daehan Real Estate Investment Trust (REIT) was the original financier of Gold Tower 42. Its parent firm, the Mutual Military Aid Association, solicited buyers to take the project off its hands in October 2012 (Military Mutual Aid Association, 2012). On the accusations of fraud, see Kim 2013. Attorneys involved with the sale told me that the project was sold to a third party sometime in 2015.

4 Of course, Cambodian developers have built vertically in the city as well. Faint in the image

of Decho's Phnom Penh are two office towers, Canadia and Vattanac Capital Towers, built by prominent players in Cambodia's trade and banking sectors.

5 His comment refers to GDP (gross domestic product) figures for the years 1998–2007.

6 Field notes, August 2015.

7 See Chan and Acharya 2002 for a vivid account of land speculation in Cambodia's provinces.

8 See Springer 2013 on how Cambodia's written law overrides customary claims to land. On the political agency of spirits (*neak ta*) in land disputes, see Beban and Work 2014.

9 Based on International Monetary Fund's figures for 1995 to 2006.

10 I borrow the conceptualization of peripheries turned frontiers from Hiba Bou Akar (2012), who writes on postconflict spatial reconfiguration in Beirut.

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