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# Entrepreneurial Women in a Saturated Marketplace: How Gendered Power Shapes Experiences of Debt in Rural Cambodia

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## ABSTRACT

Debt can be both a path to freedom and prosperity and a source of exploitation. This article analyses the embodied debt relations of rural shop owners in Cambodia to show how gender, class, and ethnic relations of power shape people's ability to benefit from micro-credit. Drawing on 25 interviews with rural shop owners, the article analyses how the expansion of micro-finance loans for Khmer and Indigenous women to set up micro-businesses with little capital has encouraged an over-supply of rural shops. Struggling shop owners seek to retain loyal customers and perform obligations of altruism rooted in gender and ethnic norms by offering interest-free credit to customers, a practice that brings benefits to communities but entails gendered risks and embodied labour that is disproportionately borne by poorer women. This analysis reveals how formal debt can articulate with traditions of reciprocal assistance in ways that expand reciprocal bonds, while also enabling exploitation. The expectations placed on "entrepreneurial women" neglect the structural conditions of loan saturation and the intersectional relations of social power that shape people's ability to run small businesses.

## KEY WORDS

Cambodia; debt; gendered labour; in-kind lending; micro-finance; rural shops

A rising interest in debt and social relationships in critical social science literature reveals how debt has become an organising feature of everyday life (see, for example, Pellandini Simanyi and Banai 2020, 279–280; Green and Bylander 2020, 204–207; Guérin 2014). The ideologies underlying the expansion of micro-finance over the past three decades imagine individuals pulling themselves out of poverty through debt by accessing loans to start small businesses. Worldwide, it is estimated that 70–80% of micro-finance institution (MFI) clients are women, and advocates argue that credit provision can help combat gender inequality by improving financial independence, and that this will have flow-on effects to families (see D'Espallier, Guérin, and Mersland 2011, 758). Micro-finance is also seen

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to enable “financial inclusion” of the poor who are excluded from formal finance and must depend on exploitative loan sharks (Taylor 2012, 601).

In practice, however, the situation is often less rosy for MFI. Borrowers frequently struggle to repay loans, use credit for consumption rather than productive purposes, and debt management falls on the shoulders of those already performing the bulk of unpaid household work (Dattasharma, Kamath, and Ramanathan 2016, 153–154; Elyachar 2005). The expectations placed on “entrepreneurial women” tend to neglect the fact that most clients of micro-credit face competitive markets with insufficient capital and few assets. Power and social differentiation shape debt processes, often reinforcing pre-existing inequalities in categories such as gender, class, caste, and ethnicity (Guérin, Morvant-Roux, and Villarreal 2014, 232–252).

Furthermore, the idea that the rural poor exist in conditions of “financial exclusion” does not mesh with reality in many parts of the world, where households are comprehensively “included” in debt relations through family and friends, moneylenders, shop owners, landlords, and formal sources (Taylor 2012, 604). While the proponents of micro-credit expected it to supplant informal lending, the pressure to repay MFI debt forces people to take on debt from multiple formal and informal lenders (Bylander 2015, 547–549). Moreover, the widespread access to micro-finance is shown to fragment existing credit relations based on reciprocity within communities, such as peer-to-peer no-interest credit and in-kind loans (Federici 2014, 237–238).

In this article, an analysis of the embodied credit/debt relations of rural shop owners in Northern Cambodia is undertaken to show how micro-finance debt outcomes vary depending on people’s gender, class, and ethnic social locations within rural society. This responds to Karaagac’s (2020, 2) call to expand analysis beyond formal financial institutions to “grasp the invisible, mundane, and embodied aspects” of debt relationships, and builds on Harker’s (2020, 41–60) theorising of how indebted subjectivities emerge through gendered experiences of obligation through attention to gender’s intersection with ethnic and class dynamics. Two core arguments are made. First, it is argued that the global micro-finance industry’s focus on micro-loans for rural women entrepreneurs encourages an over-supply of small shops that can be established at low cost, which undermines their long-term viability and contributes to women’s diminished capacity for social reproduction in rural communities. In rural Cambodia, the expansion of MFI loans has made it possible for women to set up shops with little capital, but these shop owners face challenges due to their lower social status and limited resources, with women from poorer families and Indigenous women in particular struggling to make businesses viable in a saturated marketplace. Second, it is argued that formal MFI debt articulates with traditions of reciprocal assistance in ways that can expand reciprocal bonds, while simultaneously enabling exploitation. It was found that struggling rural shop owners are extending provision of interest-free credit to encourage customer loyalty and to support kin and community networks, which contributes to rural food security and income smoothing. However, they struggle to enforce repayment due to their lower social status and obligations of altruism rooted in gender and ethnic norms, thus undermining the long-term viability of their businesses. This analysis reveals the ambivalent and unexpected effects of micro-finance, and its entanglements with informal credit practices, suggesting that the potential effects of micro-finance as a tool for development must be understood through an intersectional lens.

Below, this article is situated in debates over the entanglements of formal and informal debt, and the embodied relations of debt in rural communities. This is followed by a discussion of methodology and the context of debt relations in Cambodia. The empirical

component of the article consists of two parts. First, an exploration of the proliferation of shops in upland rural villages and their connections with rising indebtedness, followed by an examination of shop owners' experiences of extending credit to customers. Throughout, the focus is on the gendered implications of the changing socio-economy of debt in rural communities to emphasise how new relationships of debt are being woven into a wider process of social differentiation based on class, gender, and ethnicity.

### **Entanglements of Formal and Informal Debt**

The history and anthropology of debt reveals that it is shaped by and constitutive of social relationships and moral values (see, for example, Graeber 2012, Ch. 5; Karaagac 2020, 606–609). People take on debt for all manner of reasons, including social rituals, housing, cementing social ties, education, sickness, and food, as well as establishing and running businesses (Green and Estes 2019, 143–145). Debt should therefore be understood as a relationship between debtor and creditor that is continually negotiated in specific socio-cultural contexts (Guérin and Venkatasubramanian 2022, 176–177). Long-term relations of trust, upholding reputations, and maintaining social relationships are often more important than interest rates in people's decisions to take on debt (Ovesen and Trankell 2014, 182–185). Because debt is embedded in these broader socio-cultural relationships, all debt relations have an inherent ambiguity: while debt can provide solidarity and reciprocal respect, it can also be a source of exploitation and shame when it is imbalanced (Guérin 2014, S45). Over-indebtedness – defined here as impoverishment from debt – can take many forms, from material loss of land, going without food, and exclusion from socio-cultural events, to feelings of downward social mobility, shame, and humiliation, often manifesting in constant worry or conflict (Guérin, Morvant-Roux, and Villarreal 2014, 2). Debt is thus productive of social power, acting as both a vector of hope and a source of distress with place-specific meanings and manifestations (see, for example, Harker 2020; Lainez 2014).

This question of whether debt is exploitative or emancipatory is often equated with whether debt is “formal” or “informal.” Proponents of financial inclusion through micro-finance aim to eradicate interpersonal, informal debt that is deemed exploitative, replacing it with “empowering” formal credit (Guérin 2014, S44–S45). Critical work on micro-finance, in contrast, tends to romanticise interpersonal debts as forms of egalitarian solidarity from a pre-capitalist “golden age” that have been corrupted by money (Guérin and Venkatasubramanian 2022, 154). In practice, however, formal and informal debts are not mutually exclusive; they can reinforce one another and accumulate. Pressure to repay MFI loans is shown to lead households to take on informal debts to repay MFIs, contradicting the hopes of micro-finance proponents that formal debt will supplant informal debt (Dattasharma, Kamath, and Ramanathan 2016, 133; Green and Estes 2019, 139). In Cambodia, Ovesen and Trankell (2014) document what they call a “symbiosis of micro-credit and private moneylending,” whereby micro-credit and private borrowing are systematically used together by poor borrowers. This practice of “juggling” formal and informal loans can enable people to find room for manoeuvre by multiplying and differentiating their means of indebtedness, even as it entangles people further in debt (see Guérin, Morvant-Roux, and Villarreal 2014).

Analysis of formal and informal debt relations is complex because the loans that make up so-called informal debts encompass a spectrum of credit/debt relations, from wealthy moneylenders and traders lending at high interest to zero-interest lending to family and community members (see Green and Estes 2019, 144; Parsons 2019, 147; Phlong 2009,

79–96). The economics-dominated debt literature has neglected these intimate debt relations, a gap that contributes to the caricatured figure of the exploitative local moneylender and the demonising of informal debt. Some recent literature does rectify this omission by drawing attention to the complexity of reciprocal relations between family members (Green and Estes 2019), group loan members (Dattasharma, Kamath, and Ramanathan 2016), and friends (Phlong 2009). Yet, other forms of intimate debt – including credit purchases from local shops – have attracted little attention in a recent surge of literature on debt. This is curious, as rural shops have long operated as financial institutions for the poor, offering credit to help food security needs and smooth incomes, and literature from the 1970s and 1980s recognises the roles rural shops play in agrarian change (Hart, Turton, and White 1989). Indeed, buying goods on credit and obtaining small cash loans from shopkeepers are important coping strategies seen in Asia and Africa (see, for example, Klijn and Pain 2007, 10; Phlong 2009, 29; Zander 2019, 199, 201–202). Yet, as Chuma and Molyneux (2009, 252) point out in their study of Kenyan shopkeepers, little scholarly attention has been directed towards the role that shops play in community debt relations. While offering credit was generally reported to be beneficial in Chuma and Molyneux's (2009, 267–268) study, some shopkeepers reported negative impacts, including losing customers who avoided the shop due to unpaid debts. Hayes (2017) takes this analysis further to chart the hidden labour women shopkeepers in Honduras perform as they manage their own debts while also managing credit relationships with customers.

### **Embodied Relations of Debt in Rural Communities**

Importantly, Hayes' (2017) work, alongside that of Schuster (2014), draws attention to the centrality of gender, and its intersections with class, ethnicity, and political connections, in the socio-economy of rural credit relations. Shop owners who are seen to be of higher social status can leverage repayments as it is in people's interest to maintain good relationships with these families (Schuster 2014). Shop owners with more political networks may also have greater access to informal financing through family, wider kin, and social networks (Chuma and Molyneux 2009, 254). In Cambodia, purchasing food and other household items on credit from local shops is an important safety net with a long history in Khmer village life (Ovesen, Trankell, and Ojendal 1996, 16–19). Shopkeepers in Cambodian agrarian communities were mostly men who belonged to a merchant class that was wealthier than peasant farming families (Delvert 1961, 519–520). This pattern has been observed in some other parts of Southeast Asia (see Goenka and Henley 2010). Their business connections enable them access to information and political networks. They played protective roles as patrons towards loyal rural customers, providing them credit with an interest rate of 10–20%, and it was in people's interests to repay in order to maintain good social relationships with patrons (Delvert 1961, 519). Now, the availability of micro-finance for small shops has enabled these businesses to proliferate, and the gender and class profile of creditors to change (Hayes 2017, 34). Schuster (2014, 566) argues that women shop owners may be at a disadvantage compared with men in leveraging repayment in patriarchal communities where they are seen to have less power. In addition, women shop owners with greater access to capital may provide lending services and supply pricier items, which can increase their power and influence over others, while poorer women may depend on customers repaying debt quickly in order to repay their own creditors (Hayes 2017, 32–34).

Furthermore, proponents of micro-finance argue that it may reduce incidences of gender-based violence (Buller, Peterman, and Ranganathan 2018, 345–250). However, the

evidence for these claims is limited (Peterman, Palermo, and Ferrari 2018). In fact, women entrepreneurs may also be subject to increased physical or emotional violence when they are seen to be overstepping gendered roles (see Karim 2011, 95–133). The limited research in this area is inconclusive, however, with Worthen (2012, 373) suggesting that the potential for violence towards women entrepreneurs depends on the type of business they run; women running shops or selling foodstuffs may be seen as an extension of their gender-based responsibilities as food providers in the home, and thus provoke less defensiveness amongst male family members. At the core of this debate is the way the micro-finance industry exploits gendered “obligatory subjectivities” (Harker 2020, 94). Women’s supposed altruistic character justifies micro-finance’s focus on women borrowers – women are seen to be more likely to use loans to improve the well-being of others (Brickell and Chant 2010, 145–147). They are also considered to be responsible and dependable borrowers (Federici 2014, 236). However, Brickell and Chant (2010, 150) argue that women may behave altruistically to defuse gender conflict, as a tactical move to improve their long-term interests, and/or because they often have no other alternative. In Cambodia, the social legitimacy of women rests on their care for family and community, so they face pressure to perform the role of a “good woman” who cares for others, or risk shame, social censure, and even violent retribution from intimate others (Brickell 2011, 457).

This article builds on the limited research on gender and debt relations in rural areas through a feminist focus on the embodied experiences of everyday life (see Elias and Rai 2018). This makes visible gendered social reproductive labour in the maintenance of life, including the labour of managing debts, and the gendered forms of agency that intersect with other axes of social power including class and ethnicity (Roberts 2015, 114–116). This study contributes to the growing body of scholarship on embodied relations of debt, which illuminates how debt is felt and experienced on and through bodies, taking up the call to go beyond borrower-centric frames in studies of debt to focus instead on the experiences of shop owners who are both borrowers and lenders, as they borrow from MFIs and offer credit to customers. This article also speaks specifically to research on debt and broader agrarian transformation of rural communities in Cambodia. Previous research on debt in Cambodia has focused primarily on the formal loan sector (see Bylander et al. 2019; Liv 2013), while more recent work shows how indebtedness through micro-finance loans places pressure on familial relations (Green and Estes 2019, 140–142). With little work focusing on informal loans, and particularly, on shop credit as a form of debt relations, this article’s focus on rural shop owners brings a perspective that reveals the complex ways in which the socio-economy of debt shapes everyday rural life, and, more broadly, asserts the importance of taking an intersectional perspective that examines gender, class, and ethnicity to understand people’s experiences of debt.

### **Studying Debt: Methods**

This article draws on qualitative interviews conducted with 25 rural shop owners in Cambodia in 2016 and 2019–2020. These interviews were a part of a large-scale study, carried out by a research team of which the author was a member from 2016 to 2020, into gendered dynamics of land commercialisation (DEMETER 2020). Research permissions were granted by provincial and communal level authorities in Cambodia and ethics approval was received from the Graduate Institute for International and Development Studies in Geneva. Within Cambodia, the research focused on rural upland areas within Ratanakiri, an Indigenous-majority province, and Kampong Thom, a Khmer-majority

province. While some 90% of Cambodians are of majority Khmer ethnicity, the north-east is home to more than 15 ethnic groups that make up around 2% of the country's population, including the Charay and Tampuan. These groups are collectively termed Indigenous (*Khmer Leur* or *Khmer Daom*), and have diverse languages, cultures, and livelihood traditions (see Baird 2011).

Two communes in each province were selected for study. In Kampong Thom, Bong Lvea (population about 16,000) and Kraya (population 17,100) were selected (RGC 2019). In these areas, 98% of the population identify as ethnic Khmer (Gironde and Torrico Ramirez 2021, 2). In upland Ratanakiri, the two studied communes were Loum Choar (population 2,800) and Malik (population 4,800). These communes are ethnically diverse; according to our household survey, around 40% of the population are Charay, 25% Tampuan, 5% Cham, and a growing population of Khmer (27%), migrating from the lowlands (Gironde et al. 2021, 1489). The selected communes are rural and far from major towns but have experienced rapid agrarian transformation through the presence of large agribusiness concessions leased by the state to domestic and international companies and cash crop booms. The rapid transformation is evident in the rise in landlessness and near landlessness, a process seen particularly in Kampong Thom, where families with less than 1 hectare of farmland rose from 27% to 38% of households between 2016 and 2019 (Gironde et al. 2022, 31). The trend is the same but at a slower pace in Ratanakiri, where land is still more abundant, but access to forest resources has been greatly depleted (Gironde et al. 2022, 31). Cash crops like cassava have become the most farmed crop in all the study sites, followed by cashews (Gironde et al. 2022, 38). This latter fact indicates an increasing dependence on the market for food in a context where logging and plantation development has also depleted access to wild foods. Local people are increasingly engaged in off-farm and non-farm activities as they lose access to land and commons resources, with wage work and non-farm small businesses representing 86% of total household income in Kampong Thom in 2019, compared with 45% in Ratanakiri (Gironde et al. 2022, 34). As these figures suggest, non-farm businesses are more developed in the Kampong Thom communities, and many household members work in urban wage work, while in the more isolated communities in Ratanakiri, there are fewer wage work opportunities and the Indigenous households were also less likely to have the social networks that enable labour migration to urban areas.

The research team conducted interviews with 25 shop owners, composed of 11 participants from Kampong Thom province (10 women and 1 man), all of Khmer ethnicity, and 14 participants from Ratanakiri Province (12 women and 2 men), including 11 Charay, 1 Tampuan, and 2 Khmer. The shop owners were selected for interview following an initial transect walk around each study community, noting the different sizes and positions of shops, and then purposively selecting several shops in different parts of the village, seeking a range of class positions by including people who owned very small shops outside their homes as well as mid-sized stand-alone shops, and large shops.

The large proportion of women participants reflects the gendered labour of shopkeeping in these areas; while men may operate larger shops and will often help their wives and mothers (for example, by purchasing stock), the day-to-day operation of small shops is gendered as "woman's work." Participants ranged in age from 18 to 68 years old. Most participants had little formal schooling; in Ratanakiri, none of the participants had formal education past elementary school (the first six years of schooling), while in Kampong Thom, several participants had been to junior high school (school years seven to nine).

Interviews with a range of community members as well as ethnographic observation were undertaken in a first round of fieldwork in 2016, which aimed to understand

people's broader experiences of changing rural livelihoods. This revealed the importance of rural shops in debt relations and was followed up with semi-structured interviews with shop owners in 2019–2020. The interviews with shop owners aimed to understand how and why the shop owners opened their business, how they managed financially, and the challenges and benefits of running their shop. The interviews were undertaken in Khmer, Tampuan, or Charay languages, depending on the participants' preference.

The author conducted some interviews with support of Khmer and Indigenous researchers, while further interviews were conducted by other members of the research team.<sup>1</sup> The research team included men and women of Khmer and Indigenous ethnicities who are familiar with the study areas but are not from these communities. The researchers took time to build rapport and explain the research. For the author, although a Khmer speaker and conducting interviews in Khmer, a Khmer or Indigenous researcher was also present to culturally support participants. Debriefs were held to ensure the contexts of the interviews were captured and understood by the whole team. The interviews were then transcribed into English. Transcripts of the interviews were coded in Nvivo using inductive coding. In cases where debts resulted from illegal activities like logging in restricted areas or where they had spent loans on activities other than those proscribed in their loan contract, some participants were initially hesitant to discuss details of indebtedness. This was noted by silences or hesitations. However, most participants were candid, even when discussing sensitive topics. Because the interviews took place at participants' shops, which are usually small huts with seating areas, or small lean-to structures attached to the participants' house, the researchers often stayed for between one and two hours, purchasing refreshments from the shop owner and observing their interactions with customers as they came and went.

### **Micro-Finance and Informal Debt**

Micro-finance became a central pillar of Cambodia's national poverty alleviation strategy in the 1990s, as aid organisations including the United Nations Development Programme and International Labor Organization financed non-profit MFIs to provide small, non-collateralised group loans to women, retired soldiers, and poor farmers (Green and Bylander 2021, 207). However, the structure of the industry has changed dramatically, and private for-profit micro-finance lenders owned by foreign investors are now the norm. This shift began in the late 1990s, when the Asian Development Bank led an effort to create a regulatory system to commercialise micro-finance, and MFIs began to transform into commercial banks and began to prioritise individual, collateralised loans (Green and Bylander 2021, 208). As MFIs have transitioned to a commercial model, they increasingly rely on foreign capital to grow their operations, and by 2018, nine of the ten largest MFIs in the country had either transitioned to banks or sold majority shares to outside investors (*Phnom Penh Post*, September 6, 2018). This transformation in the industry has created confusion amongst borrowers, and interviewees in this study often referred to the same loan providers as an "MFI," an "NGO," or a "bank."

Cambodians are heavily indebted. In 2020, the average MFI loan was \$4,280, and there were 2.8 million MFI loans held across the country's 3.6 million households (Licadho 2021, 2). Over the past 20 years, loan sizes have grown more than four times as fast as household income, which is extreme even among other micro-finance-saturated countries (Green and Bylander 2021, 215). This indebtedness marks Cambodia as an important case for understanding how debt reshapes everyday life. In a context where loan sizes have risen much faster than income, and there is little government oversight or social safety

net, borrowing from multiple sources is prevalent and over-indebtedness has become a central concern for many borrowers (Bylander 2015, 549). The “slow violence” of debt in contemporary Cambodia identified by Brickell and colleagues (2023, 606) includes: widespread loss of agricultural land through pressure to repay loans (Green and Bylander 2020, 2018–225); economic deprivation (Brickell et al. 2022, 612–614); social exclusion, shame, and constant stress from managing repayments (Green and Estes 2019, 140–143), and “socio-cosmological exclusion” as people can no longer afford religious blessings and are excluded from village ceremonies, thus devaluing one’s connection to the spiritual realm (Ovesen and Trankell 2014, 180).

The recent expansion of formal rural credit markets intersects with pre-existing relations of credit and debt, built on underlying class, race, and gender hierarchies (see Green 2020). Historically, Southeast Asia’s societies were perceived as debt ridden, and a comprehensive study in 1953 found that one-quarter of Cambodian farmers were indebted to moneylenders and merchants (Delvert 1961, 519). The Khmer Rouge identified the “exorbitant profits” of middlemen and usury as a major hindrance to development in the 1970s (Galway 2022, 191). In rural communities, non-monetary debt obligations underpinned rice agriculture in the 1980s and early 1990s, but have largely been replaced by monetary debt used to fund household needs and commodified agricultural production (see Green 2020).

The expansion of MFIs and their articulation with everyday debt relations in rural Cambodia can be understood within the context of rapid agrarian transformation in rural areas across Latin America, Africa, and Asia (see McMichael 2011). Rural communities in Cambodia’s northern regions enjoyed access to plentiful communal forest, fishing, and grazing areas until the early-2000s when an influx of migrants and state-sponsored agribusiness concessions ushered in the construction of roads and links to market centres, facilitating massive deforestation and loss of commons resources (Gironde et al. 2021, 27; Padwe 2020, 161–184). Small farmers who are now producing export cash crops face high production costs and volatile global markets which make micro-loans a necessity and bring farmers into cycles of debt (Mahanty and Milne 2016). Rural families have shifted from relative food self-sufficiency to dependence on purchases. Inequality has increased as some households sold land, while others accumulated it and hired people to work their large holdings. Rural families looking to move into non-farm livelihoods to escape this precarity or to bolster their income take loans to operate small businesses. However, the precariousness of rural income sources means that potential customers often have limited means of payment (see Green and Estes 2019; Ovesen and Trankell 2014). Thus, as Taylor (2012, 606) remarks, rural demand for debt does not reflect the rationality of micro-finance as a vehicle of financial inclusion, but the irrationality of contemporary agrarian transformation.

Alongside micro-finance, traditional “safety nets” still play an important role in the rural economy. These are embedded in culturally specific social obligations, with patronage central to Khmer and Indigenous society (Chandler 2008, 124–127). The Khmer didactic moral codes (the *chbab*) portray the offering of patronage as a moral obligation of the wealthy, while the seeking of patronage is acknowledged as a socio-economic necessity for the poor (Vickery 1998, 36). Parsons (2019, 1) argues that informal loans, which are given in times of need often without formal conditions attached, “take on many of the social characteristics of a gift, cementing close ties and strengthening social relations in a manner rarely focused upon in the economically dominated literature.” Despite Frings’ (1994, 50) suggestion that relations of reciprocity were severed by the trauma of the Khmer Rouge period, Phlong (2009, 79–96) finds that various forms of

reciprocal relations including patronage and generalised reciprocity remain. However, these have become less reliable when better-off community members face hardships themselves (Heltberg et al. 2013, 714–715). In fact, while these informal credit relations may be romanticised as bonds of solidarity, they can also be exploitative and reproduce unequal power dynamics.

Compassion and mutual aid are also core to the collective practices of Indigenous Charai and Tampuan cultures, including sharing rice seed, managing land communally, and looking after others who are struggling (see Ironside 2013; Padwe 2020, 161–184). Indigenous communities have been impoverished through government-sponsored agribusiness concessions, land dispossession by Khmer migrants, and government assimilation schemes, a high incidence of social and political exclusion, and legacies of colonialism that make people particularly vulnerable to debt bondage, and paves the way for coerced forms of land accumulation (CIWWG 2020, 27–32). While there is evidence that traditions of non-economic, collective support in Indigenous communities are fragmenting in the face of rapid social change, practices of reciprocity persist (Park 2015). Gendered social obligations differ from Khmer communities; while Khmer women are expected to provide care for the family, Indigenous gender norms entail greater expectations of obligation to support others in the wider kin group beyond family and neighbours (Maffi 2009, 130). This can be seen, for example, in rural labour practices. While reciprocal labour circles where people provide in-kind support with no money changing hands have dwindled in lowland Khmer communities, labour circles continue to flourish in the Charay and Tampuan communities, particularly amongst poorer farmers who lack cash resources and machinery (Park and Maffi 2017, 1238–1240). In a recent survey, more than half of Indigenous rural households were found to engage in reciprocal labour circles, with women primarily performing this labour, as they are seen to be more embedded in the village economy and thus carry the social obligations to kin groups on behalf of the family, while men are more likely to migrate for wage work (Beban and Bourke-Martignoni 2021, 12).

Gender is a central element shaping formal and informal debt relations in Cambodia. The gendered effects of agrarian transformation are exacerbated by traditional gender roles that view women as responsible for maintaining a harmonious household, including financial management, raising children, and performing domestic work, as well as engaging in trade and crop production; while men are tasked with protection and governance (Ledgerwood 1996). Boys generally receive a higher level of education and have greater mobility, while gendered notions of travel as dangerous for women limit their mobility (Park and Maffi 2017, 1244). For Khmer women, however, these norms are changing with the proliferation of urban factory jobs (Derks 2008). Men are over-represented in local government and formal economy employment (Chanlinda et al. 2020, 4–20). They are able to leverage their greater mobility, education, and social networks to access wage work and income to purchase land, a phenomenon also seen in other Asian contexts (Cramb et al. 2009, 329–332).

Indigenous women and girls face a “double marginalisation” due to their ethnicity and gender (Loek and Hyma 2021, 9). This includes exclusion from education and political participation, systematic discrimination, and resource alienation (Loek and Hyma 2021, 6–10). While gender relations in Khmer communities have historically been organised along gender-differentiated tasks, with women primarily responsible for care work and household food provisioning, gender relations amongst Charai and Tampuan communities have historically been less segregated, with men and women both working in shifting cultivation farming and performing care work for children and elderly family members

(see Park 2015). Matrilineal land inheritance and matrilocality has provided some status for Indigenous women as inheritors of the land, while men most often take political leadership roles (Park and Maffi 2017, 1238–1241). However, as ties to the global cash crop economy have extended to rural upland areas, along with roads, migrants from the lowlands, and large-scale agribusiness concessions, gender inequality has grown. Men have increased their mobility, travelling frequently and visiting villages and district towns, widening their networks with Khmer social and economic life out of the village, while women's mobility is more constrained to the village (Park and Maffi 2017, 1244).

Because women are traditionally charged with financial management within Khmer households, and also often in Indigenous households, the strains created by over-indebtedness are disproportionately borne by them (Green and Bylander 2020, 212). Financial stress can exacerbate gendered violence, and Cambodian women report experiencing sexual harassment and economic abuse when they step out of gender norms (see Brickell 2011, 447–450; Mauney 2015, 10–12). Charay women report that when they earn extra money in the market economy, the control of money most commonly stays with the men in the family (Loek and Hyma 2021, 34). In all of this, the day-to-day “juggle” of borrowing from multiple lenders, stretching family food and necessity budgets, re-negotiating loans, or going hungry is part of the everyday embodied experience of debt for Cambodian women (Brickell et al. 2022).

### **MFI-Enabled Saturation of Micro-Businesses**

In this section, the proliferation of small shops run by women in the study areas is discussed, explaining how this is connected to the availability of MFI finance, and how the saturation of small businesses now brings challenges for shop owners. Walking through the study villages in 2016, then again in 2020, the increase of small shops selling an array of packaged snacks, condiments, rice, petrol, ice, drinks, cigarettes, vegetables, and other goods was striking. In Kampong Thom, the communities have a long history of monetary exchange between and within rural communities, and shops are an established part of the village landscape. However, the composition and number of these shops has changed. Older interview participants said that previously there were only a few shops operated by wealthier families, often by men, while now there are many small shops operated by women.

In the Ratanakiri Indigenous-majority communities, the cash economy has been limited until recently, despite long histories of trade (Padwe 2020). Village shops began appearing when Khmer migrants moved to the province in the early 2000s and opened stalls along town roadsides. Now, Indigenous families also run shops in all research sites. In one village in Malik Commune, for example, there were only two shops in 2016, both run by Khmer migrants who had married into Indigenous families. In 2020, there were seven shops, with five run by Indigenous women. One Khmer family with a large shop in a different village noted that when they opened in 2016 it was the only one in the village, but by 2019 there were eight. As with Kampong Thom, the village shops range from small shacks in people's yards selling sweets and snacks, to standalone structures selling rice, condiments, vegetables, alcohol, and cigarettes.

Women own 22 of 25 small village shops included in this study. Running a shop enables women to combine their business with care work obligations; for this reason, it is often women with young families that open shops outside their house. Women frequently said that the business allows them to get benefits from “just being at home” (Interview, Charay woman, Ratanakiri, March 21, 2016). Another woman said it was easier work

than farm (Interview, Charay woman, Ratanakiri, April 24, 2016). For some, the extra income gave them more say in household affairs (Interview, Charay woman, Ratanakiri, March 21, 2016). Others said the shop gave a steadier income than farming provided, and running the shop was one of the few options they had to avoid migrating to other areas for work (Interview, Charay woman, Ratanakiri, January 28, 2020). Despite the benefits, women described how shop work required long hours and concentration on top of their other tasks: “I can stay home but I work day and night. I have no free time” (Interview, Khmer woman, Kampong Thom, March 12, 2020). Many shop owners expressed similar ambivalence about the labour of shop keeping, for while it enabled some women to have their own income and gain some power to make decisions within the household, they were still expected to perform the tasks of social reproduction alongside their productive work.

Starting a small shop requires some investment and it seems that shops have expanded in large part due to the MFI loans available to small businesses. MFIs generally do not require any evidence of income other than a land title for collateral, or, for those who do not have land titles, evidence of cash crops or household assets can be used as collateral (see Beban 2021, Ch. 5; Green and Bylander 2020, 219). This has enabled poorer families who are willing to take financial risk to open shops. All people need is an area of land in front of their house and access to timber to build a small stall. Shop owners reported spending around \$500–1,000 to construct a permanent timber shop structure and purchase stock to sell, while bigger shops made large outlays to buy motorbikes or trucks for transporting goods, and purchasing larger amounts of stock. Less wealthy shop owners operate small stalls selling a range of packaged foods and sweets, as well as household essentials, making sales of around \$1–5 per day. Wealthier families, and those who have leveraged greater MFI debt, operate larger shops, often standalone buildings in the village centre, and stock pricier items that demand a greater initial outlay such as alcohol and petrol, making sales of up to \$50 per day.

Of the 25 shop owners interviewed, 24 had active loans, with 22 of these holding MFI loans. Nine of the MFI loans had been taken specifically to start the business. As one shop owner in her 60s in Kampong Thom who has borrowed money from two MFIs and a moneylender said, “when I need money, people pity me and they lend me money because I have a business and they think I can pay it back. I take loans as my business capital” (Interview, Khmer woman, Kampong Thom, January 29, 2020). A further nine MFI loans had been taken to invest in cassava cash-crop farming, with money from the harvest then being put towards establishing or expanding the shop. Although these loans were not taken specifically to operate the business, the shop was still directly tied to the household’s debt, as people leveraged their existing farming loans to operate the business, and frequently depended upon the income from their shop to repay their debt and ensure family food security. The remaining four MFI loans were where families had taken loans to build houses. In two of these, interviewees noted that while the loan was formally taken for house construction, they had used part of the loan to put towards their business. In fact, shop owners frequently used their loans for a variety of activities, including home construction, medicine, and food, even when the loan justification provided to the MFI was solely for the business or farm. This meant that “the money went quickly, and now I have to pay it back” (Interview, Charay woman, Ratanakiri, March 2, 2020).

Two characteristics of the shop owners’ loan profiles stood out. First, many shop owners have taken on multiple MFI loans for cash crop expansion and for operating their shops. This snowballing of debt has been enabled in part by MFI practices of retaining customers by encouraging those who have outstanding debt to take on further loans

(Bylander et al. 2019, 151–154). For example, one woman who started with a \$500 loan and had now increased the loan to \$10,000, said that the MFI encouraged her to borrow more money because, “they do not want us to take the loan from other banks. They told us that if we want to take more loans from them, we can” (Interview, Khmer woman, Kampong Thom, November 20, 2019). Second, many shop owners also took on various forms of informal debt alongside their MFI debt. For example, one woman borrowed \$3,300 from an MFI to start her business and expand her farm, then had to borrow a further \$1,000 from a moneylender to keep up with loan repayments when her cassava crop failed, and \$9,000 from another moneylender to pay for treatment when her husband fell sick. She described the emotional stress of repayment:

[The loan] didn’t bother me before as much as it worries me now. It’s a lot of money but both me and my husband worked hard before to pay it off ... We stopped going out to eat and don’t go to see relatives so we can save money to pay off the loans ... But now he can’t work and now it’s just my work from selling at the shop [that contributes to repaying the loans] (Interview, Khmer woman, Kampong Thom, December 12, 2019).

The layers of debt that shop owners like this woman find themselves embroiled in lead them to try to save elsewhere, such as cutting back on food. For example, one shop owner who tries to make \$2.50 a day to afford her MFI monthly repayments, but only clears an income of approximately \$2–5 a day at her shop, said she always prioritises repaying the loan: “I try to pay back the loan on time though I do not have enough food for daily consumption” (Interview, Charay woman, Ratanakiri, November 12, 2019). These sacrifices to cope with the disciplining of MFI debt repayments are gendered (Brickell et al. 2023, 603–605). Poorer women shop owners spoke of skipping meals and eating only rice and condiments to afford debt repayments, while ensuring their husbands and children still had enough to eat. While these strategies of going hungry were common to both Khmer and Indigenous women, Indigenous women in particular were still reeling from the loss of wild food from forests, which had until recently been available for daily consumption and had enabled them to provide for the family, but now were enclosed by plantations and farms; they spoke of the stress of having to purchase food. The anxiety of loan repayments and women’s inability to provide enough food created tensions within families. For example, one woman in Kampong Thom who ran a business selling ice at the rubber plantation near her village took out three \$2,500 loans from three different banks to finance her business. She used the first loans to purchase a tractor to transport the ice, then took a second loan with one of the banks without repaying the first, in order to buy an ice bucket for the tractor. In some ways, this woman’s story was a successful story of MFI-enabled entrepreneurship as she had worked her way up from selling dessert from the back of her bicycle. However, the loans caused stress for the family and food quality was sacrificed to repay debt; she said this had contributed to her husband abusing her: “We have had some violence. When we got the loan, my husband was restless. For instance, he wanted to do [illegal logging] to pay off the loan, and I told him not to do it since it was wrong. Then we had an argument” (Interview, Khmer woman, Kampong Thom, December 6, 2019).

Yet, most shop owners were positive about their business and their ability to pay off debt. However, while two of the larger shops were doing well financially, most people appeared to be sinking deeper into a debt trap. For example, one woman who sold land to start her shop business and has multiple MFI and informal loans, said she is confident she will pay off the loan: “I sell snacks. I can earn \$5–7 per day. That money I use for daily expenses and also keep paying the interest for the loans. For paying off the MFI, I sold my plot of land and have another I can sell, and I can do extra work to meet the

amount I have to pay” (Interview, Charay woman, Ratanakiri, January 30, 2020). In this case, the woman’s optimism could be interpreted as not yet having felt the effects of selling land, as land in Ratanakiri is still more plentiful than in Kampong Thom, although this is changing fast. Perhaps this loss is something that will only truly be felt when the next generation do not inherit land, a phenomenon Li (2014, 600) notes in other Asian contexts. This attitude is also likely a reflection of Cambodia’s history of conflict and hardship. Shop owners who had lived through the civil conflict of the 1970s–1990s note that life was hard but it was still better than in the past. The ambivalence expressed here is perhaps not surprising; after all, credit allows people to imagine future improvements (see Anderson et al. 2020, 424–427). “Success stories” abound, making further credit tempting, even as interviewees also talked about stories of indebtedness leading to land sales and forced migration.

The positive attitudes towards loan repayment were more prevalent in the 2016 interviews than in the 2019–2020 interviews, however. By 2019, the accessibility of MFI loans and the broader monetisation of rural exchange had encouraged a proliferation of shops in the study areas, and this had created hyper competition among small vendors. A shop owner in Ratanakiri expressed this dilemma: “How can we open a shop in the village when there are already a lot of shops in the village? Who will sell and who will buy?” (Interview, Khmer woman, Ratanakiri, March 24, 2019). Three former shop owners interviewed in 2019 said they closed their shops due to their inability to repay debts when other shops opened and sales fell. Others worried about their finances, and some connected their anxiety directly to the over-saturation of the market. Alongside the increase in village shops, there was also an influx of mobile sellers. Mobile sellers are normally Khmer men from provincial towns who travel through villages on motorbikes selling meat, fish, and other goods; this labour is gendered male due to the mobility required and was not a business option for women. The stress that market saturation created was palpable. One widowed woman borrowed \$1,500 from an MFI to finance her shop three years ago, but had only repaid \$500 and was worried: “I borrowed for running the shop but it’s not working because there are many shops in the village” (Interview, Charay woman, Ratanakiri, November 20, 2019).

The vulnerability to debt insolvency that this woman worries about is also inflected with gender, ethnic, and class dynamics. Many small shop owners run their business as part of a multi-pronged family livelihood strategy, and the income from different pursuits helps to subsidise other livelihoods at slow times of the year. For those who do not have access to land or male farm labour, shop income may be the central component of their livelihoods. These owners are particularly vulnerable to becoming trapped in debt, as they cannot subsidise their shop with other income streams. One widow with three children described how she has gone into debt with MFIs and village moneylenders to finance healthcare needs and shop construction outside her home. Although she earns only \$2–5 per day, she says, “it is just okay to earn some money to support the family. I don’t know what to do besides that because it is the work that women can do” (Interview, Khmer woman, Kampong Thom, January 29, 2020). This quote expresses the difficult position women shop owners find themselves in, as operating their own business enables them to support their families and is accepted as an extension of the “women’s work” of nourishing the family and community, but it can also trap them in debt with falling rates of income due to market saturation.

Indigenous women shop owners had fewer alternative livelihood options than Khmer women. Many Khmer women work in garment factories in Kampong Thom provincial town, or migrate to the city. In contrast, there is very little out-migration of Indigenous

women from Ratanakiri due to a lack of mobility. Many people deem it unsafe for women to travel too far from the village and perceive Indigenous women to be vulnerable due to language barriers. Employer preferences for Khmer workers, and low levels of education amongst many Indigenous women also make it difficult to find work (Beban and Bourke-Martignoni 2021, 6–8). Indigenous women also juggle their shop work with farm labour and care labour, while the Khmer families were more likely to run larger shops as their main livelihood. Several Charay women commented enviously on the differences between the Khmer and Indigenous shops. One stated: “Khmer people also run grocery stores but they have big stores located next to the national highway, not in the village. I plan to sell vegetables and meat but I see most people, if they go out from the village, they will come back with vegetable and meat from the Khmer stores” (Interview, Charay woman, Ratanakiri, March 26, 2016). Another observed: “People mostly prefer to buy something at the Khmer store because they have a lot of goods and they rarely close their store, meaning they stay open all day, whereas I close my shop when I go to my farm” (Interview, Charay woman, Ratanakiri, January 14, 2020).

These quotes illustrate the challenges that the growing numbers of large Khmer businesses with long opening hours and a greater variety of goods pose for small Indigenous shops in Ratanakiri. In addition, the established relationships and cultural connections between Khmer shop owners and the Khmer wholesale traders who sell to the shops is also perceived to enable lower prices and better credit arrangements for shop owners. Interviewees often understood Khmer business acumen to be a character trait that they would like to emulate, as one Charay woman noted: “The Khmer women are strong. They know how to bargain with the big market sellers” (Interview, Charay woman, Ratanakiri, November 18, 2019). In response, some Indigenous shop owners sought to “act more like Khmer” (Interview, Charay woman, Ratanakiri, November 18, 2019). For example, some extended their opening hours by having relatives manage the shop while they were at their farms, although one woman noted that she only did this occasionally as it created awkwardness over how to compensate her relatives. Several of the Indigenous shop owners spoke wistfully of Khmer women’s ability to run businesses and deal with customers and wholesalers, while stating that they could never be like this because they were “too shy,” “not modern,” or “don’t speak Khmer well,” thus reproducing a common discourse of Indigenous women as “backward” which minimises the structural constraints small shop owners face (Frewer 2017, 164–167).

This finding that the MFI-enabled increase in women’s micro-businesses in rural areas now threatens the viability of these businesses supports previous work connecting the accessibility of micro-finance loans with the saturation of markets in small communities in Cambodia (see Bateman 2012; Liv 2013). This situation is also seen in the post-conflict context of Timor-Leste, where the rush to build a capitalist economy and empower women in a context where they had few financial resources, skills, or social networks meant that more than half of micro-credit loans went towards women opening small shops (“kiosks”), leading to oversupply and too few customers (Moxham 2005). This phenomenon is seen also in urban Cambodia, in the case of moto-taxi or tuk tuk drivers, who have entered the market due to the low cost of entry and ability to gain financing to purchase their vehicles, but who now face significant financial challenges due to saturation of the market, with far too many tuk tuks for the customer demand (*South China Morning Post*, June 25, 2017).

This section has shown how gender, class, and ethnic relations of power shape people’s ability to benefit from micro-credit. Women from poorer backgrounds who run small businesses face specific challenges and risks, as their businesses tend to involve little

capital investment, and they lack the political and socio-cultural power that can provide access to better prices and credit relations with wholesalers. These businesses thus tend to be what Rogerson (1996, 171) terms “survivalist” rather than “growth” enterprises, which often do not even provide a minimum living standard, in contexts where people have few other livelihoods to fall back upon. Ethnic minority women face extra barriers of language literacy and constrained social mobility in dealing with traders and wholesalers who are predominantly Khmer men. One of the main ways shop owners seek to retain a customer base in this saturated market is through offering zero-interest credit to customers, a practice that brings benefits to the community but also entails gendered risks and embodied labour that is disproportionately borne by women.

### **Selling on Credit: The Benefits and Dark Side of Shop Credit**

Critical debt scholarship suggests that MFI debt displaces reciprocal forms of zero-interest informal lending within communities. However, as explored in this section, one of the key ways shop owners seek to out-compete other village shops and mobile sellers is to offer zero-interest credit, and thus create ongoing relationships with customers. All shop owners interviewed said they offer credit to customers. Whereas previous work in Cambodia by Delvert (1961, 519) reported high interest rates for credit purchases, this study found that credit was generally offered interest-free. In only two cases did shopkeepers charge interest. One was for large purchase of rice, where “the price is a bit higher than we buy with money in hand” (Interview, Tampuan man, Ratanakiri, November 9, 2019). The second was a slight premium of 50 cents for credit purchases on boxes of beer. All other shop owners said they offer credit interest-free to loyal customers. In fact, one Khmer woman who has operated a shop for 12 years said that she previously charged interest but stopped doing so when more shops opened in her neighbourhood and did not charge interest (Interview, Khmer woman, Kampong Thom, February 5, 2020), suggesting that this practice has expanded due to the need to retain customers in a saturated marketplace.

The gendered aspect of this interest-free shop credit, and the concomitant problems with repayment and shop owners’ own debt financing, is revealing. In contrast to the interest-free credit offered by village shops, the male mobile vendors generally do not allow people to purchase on credit, and the larger district markets and agricultural traders charge high rates of interest for credit purchases of agricultural inputs. Indeed, a Charay shop owner said her comparative advantage over the mobile vendors was her willingness to offer credit: “we can sell just to those who have no money to pay right away” (Interview, Charay woman, Ratanakiri, November 29, 2019). Many of the shop owners in this study said they did not want to sell so much on credit, but they felt they had no choice if they were to maintain a customer base in the crowded marketplace. This expansion of informal lending reshapes relationships, with both benefits and risks for shop owners and rural communities.

### ***The Benefits of Shop Credit***

In the context of diminishing capacity for self-provisioning through food crops and communal land, purchasing on credit provides benefits to shop owners and customers: it enables people to access food in lean times and encourages loyalty amongst customers. Most shop owners said they extend credit only to people they trust and have existing relationships with, or people who live nearby. Kin and ethnic ties also produced trust that was

sanctioned through strong moral obligations. Shop owners saw credit as a reciprocal expectation of customer loyalty: “I let them [have credit] because they are living nearby ... We have a mutual understanding; when they have money, they pay me back and they keep coming to my shop. There are only a few cases where they didn’t pay back” (Interview, Khmer woman, Kampong Thom, January 21, 2016). Many shop owners also saw their practice of offering credit as helping others in their community, and they emphasised their flexibility and altruism: “I do not ask them to pay back, they pay when they have money” (Interview, Khmer woman, Kampong Thom, January 29, 2020). Another said: “We know each other. So I save their face, they are friends” (Interview, Khmer woman, Kampong Thom, January 30, 2020). During interviews, several people were observed buying on credit at shops and while some said they “forgot” their money, it became obvious in conversation that this was often a euphemism for being unable to afford the goods, and some customers told me that they depend on credit purchases for their daily food security.

Some shop owners also said they depended on buying on credit from other small shops in the village when they experienced lean times: “When I do not earn any money, I buy food on credit. I pay back when I can earn money. The others seem to understand me as well” (Interview, Charay woman, Ratanakiri, January 30, 2020). A Khmer woman stated: “I rarely borrow money to buy food, but I buy food on credit ... Only \$2–3 and then I soon pay back. Though I have difficulties, I try to make sure my children have food to eat (Interview, Khmer woman, Kampong Thom, November 29, 2019).

These quotations reveal the importance of shop credit for enabling food security, income smoothing, and building social relationships of solidarity and mutual understanding. They also reveal the precarity of small shop owners’ livelihoods, for here it is shop owners themselves who turn to credit purchases to cover financial difficulty. This places shop owners in a challenging position when credit relationships break down.

### ***The Dark Side of Shop Credit***

The risk of offering credit to customers is the potential for unpaid debts. Many shop owners described how they struggled with the pity they felt for customers who genuinely could not afford to pay and their own need to maintain their business. There are gender, class, and ethnic dynamics to shop owners’ precarity. Less wealthy shop owners, particularly women, may have little power to persuade repayment when they occupy a lower social rung than their customers. Shop owners deployed different strategies to encourage people to repay. Some keep a careful ledger of accounts and refuse further credit until balances are paid: “I always take notes when villagers buy goods on credit” (Interview, Charay man, Ratanakiri, November 29, 2019). This record keeping is difficult, however, for shop owners with little formal education, particularly Indigenous women who had much lower literacy rates. The only Charay shop owner who said he kept careful written accounting was a man, who had received basic schooling.

But women are inventive, often remembering scores of names and amounts in their heads (Interview, Khmer woman, Kampong Thom, March 25, 2020), or relying on their children to write down lists of debtors (Interview, Charay woman, Ratanakiri, March 19, 2019). Some said they take in-kind payment from those who cannot afford to pay, such as goods or farm labour (Interview, Charay woman, Ratanakiri, November 20, 2019). Others regularly remind people of their debt when they come to the shop or when they see them around the village, and some visit debtors at their home to ask for money when they need to make payments on their own MFI loans, especially if they see freshly

harvested crops or stacked logs in the yard (which would indicate that the debtor may be receiving cash income that they could use to make repayments) (Interview, Khmer woman, Kampong Thom, March 20, 2020). Some refused further credit to some customers. However, needling people and refusing further credit must be tempered by saving face, encouraging loyalty, maintaining relationships, and avoiding conflict.

These credit relationships also have ethnic dimensions, as subjectivities amongst the Indigenous communities are rooted in strong moral obligations to the broader kin group. Several Indigenous shop owners said they felt they needed to assist others from their ethnic group, and said some customers drew on their common ethnic ties to persuade the shop owners to extend further credit. For example, a Charay woman noted that “almost all the families in this village buy on credit, owing 5–10 dollars per family ... and some are not paying back, but I keep [giving credit] because they said we are all Charay” (Interview, Charay woman, Ratanakiri, November 12, 2019). The proclamation that “we are all Charay” is perceived to be a social tie that must be honoured; an obligation to act that, as Harker (2020, 102) notes, “is mandatory and yet must be affirmed.” Shop owners navigate the social obligations within these credit relationships through “careful manoeuvring and everyday strategic management” (Hayes 2017, 32). These practices of “caring for debts” involve emotional labour that has ethnic, gender, and class dynamics (Montgomerie and Tepe-Belfrage 2017).

Shop owners face a gendered social hierarchy in which they feel limited in their ability to demand repayment, particularly from male customers who may ignore them or even react violently, and from those of higher social status. One Charay woman in her 20s who sells sweets, rice, alcohol, cigarettes, and gasoline, complained of “problem men” who purchase alcohol on credit and do not repay: “I take pity on them but they do not pity me back” (Interview, Charay woman, Ratanakiri, February 5, 2020). She said she could not afford to buy stock from the market because: “many people bought goods on credit so I have no money.” During this interview, the son-in-law of the village chief drove his motorbike up to her shop and she said quietly: “He also owes me money but does not repay me even though he frequently sells rubber latex.” She is pointing to the lack of morality in his position – the man is from a politically connected family and has an income (only the wealthy villages had mature rubber farms). Yet she could not force him to repay because he could become angry: “He said he did not have money. He said if he had, he would have repaid me. He owed me for almost one year. Instead, he gets angry with me when I come to ask for money repayment” (Interview, Charay woman, Ratanakiri, February 5, 2020).

This quote revealing the gender and class power relations between women shop owners and male customers of higher social status echoes the statements of several other women shopkeepers who hinted at the potential for gendered violence if they did not allow men to buy on credit, particularly for those who sell alcohol and cigarettes. Complaints of increasing alcohol and drug problems in Indigenous communities were common amongst the Charay and Tampuan women interviewed, a phenomenon that has arisen with the rapid emergence of the cash economy (Park and Maffi 2017, 1247). A Charay woman noted:

Men buy wine, cigarettes, and gasoline on credit and their wives do not know. Even if we do not want to sell goods to them on credit, they still get goods by themselves ... I do not charge interest, [even if] they owe me for a long time. Some people come to get goods on credit when they are drunk, but when they are not drunk, they say they know nothing about [the debt] ... [Then] they demand more goods when they are drunk (Interview, Charay woman, Ratanakiri, November 28, 2019).

While none of the shop owners explicitly discussed physical violence, several hinted at threats of violence, such as these women's discussion of customers "getting angry." Khmer women also said they were afraid of "young men [who] come as a group; I can't stop them if they want to take something" (Interview, Khmer woman, Kampong Thom, January 29, 2020). This finding shows that the expectations placed on "entrepreneurial women" neglect the structural conditions of loan saturation and the contextual relations of social power that shape people's ability to run small businesses. With little formal education, few specialised skills, and less social status than some of their customers, it is difficult for these shop owners to navigate the competitive market and manage credit relationships with customers, and they may face the threat of gendered violence from customers who refuse to pay. In contrast to previous work by Delvert (1961, 519–520) that showed clear class and power hierarchies between rural shop owners and rural customers, with shop owners coming from a wealthier merchant class, the micro-finance-enabled ease of opening small businesses means that shop owners are now of equal or lower social status than some customers. This finding departs from classic patronage relationships that are "lopsided" in favour of the patron (Pitt-Rivers 1954, 140). Here, the power relations cannot be assumed; gender, ethnic, and class norms limit shop owners' ability to demand repayment.

## Conclusion

This article engages with the literature concerning MFIs' impacts on women's empowerment, wherein advocates argue that targeting women for MFI lending can enable gender empowerment but where critics note that these assumptions often lack empirical evidence and that women entrepreneurs face specific gendered challenges. This article showed that the expansion of MFI loans is a key driver enabling women with limited resources to open village shops, which can empower some women to combine earning money with their domestic responsibilities. However, the saturation of women's micro-businesses now threatens their viability and leads to shop owners extending interest-free credit to stay afloat, and then struggling to persuade repayment due to their gender, class, and ethnic positions.

It is not suggested that MFIs are solely responsible for this predicament. Alongside the expansion of credit, the proliferation of shops is also enabled by connections with markets, cash cropping, and remittance income, as well as the destruction of the commons, including forests and fishing resources, which people previously depended on for food. This finding reinforces other studies showing similar effects of MFI expansion leading to saturated markets in rural areas. It takes a fresh perspective through the focus on how market saturation encourages an expansion of reciprocal lending practices, which brings both benefits to communities and challenges for shop owners. This study also points to the potential for debt to make women more vulnerable to gendered violence. Adding to evidence that debt and anxiety over money problems can exacerbate family violence in the home, women shop owners described the care they had to show to problem clients, particularly drunk men, who might refuse to repay loans. This finding that women entrepreneurs face specific gendered challenges should give pause to any assumption of a straight line between MFI expansion, women's empowerment, and reduction in gender-based violence.

Furthermore, this article raises the question of how the transformation of rural communities is reshaping gender. It shows that the gendered assumptions around financial behaviours that underlie the MFI movement are reinforcing Cambodian gendered

relations that see women as responsible for the social reproductive labour of the household and extending women's work to the labour associated with managing debt relationships in the community. In this context, constant labour goes into the building of trust and loyalty through daily interactions with customers, and the strategies of monitoring debts. This can be understood as a "triple burden" of women's responsibility for managing household reproductive work, running their business, and managing relationships in the community. Therefore, while some women did gain income and more household decision-making power through their entrepreneurial activities, this came at the cost of stress and added labour burden, as well as further indebtedness. These shop owners in many ways embody the ideal micro-finance subject, the responsible woman who combines an entrepreneurial spirit with household care work (Federici 2014, 236). Many shop owners were hopeful about the potential for business success. However, social obligations shape their experiences of debt, as women shop owners perform roles as bearers of family and community harmony, and, for ethnic minority women, of care for broader kin networks, in ways that undermine the sustainability of their businesses. When shop owners walked away from their failing businesses, as several had done or were planning to do, they felt a sense of deep failure and shame. These emotions are part of the individualising of neo-liberal economic transformation, where micro-finance has shifted moral concern about poverty away from the structural inadequacies of social security and the credit industry onto individuals and their decision-making (Green 2022, 854). Hence, while the shop owners who were forced to close understood the saturation of small shops was a structural problem, they saw the success of others as a sign of their own shortcomings.

Finally, this article shows that the accessibility of formal debt is enabling the expansion of reciprocal relationships, rather than destroying them. Shop owners have expanded their offering of interest-free credit to retain customers in a crowded marketplace and to show care for others in their communities; in doing so, they are playing important roles in daily food security and income smoothing for rural families struggling with precarious livelihoods and high debt loads. Indeed, the World Food Programme celebrates these rural shops for enabling day-to-day food security in isolated communities (WFP 2010, 3). This raises the question of how the development sector and policymakers should support these women entrepreneurs. The irony is that while the shop owners are part of the infrastructure of credit relations that is propping up social reproduction in rural areas, their ability to do this is slowly being undermined by the need to repay their own micro-finance loans and keep their businesses afloat in the context of uncertain rural livelihoods. The development sector's continued support for a neo-liberal growth model with inadequate regulation of the Cambodian micro-finance sector ignores the violence that debt enacts on the everyday lives of women, and particularly those who are poor and from ethnic minorities.

## Note

1. The ways people interacted with the author were obviously shaped by her position as a non-Cambodian from a foreign university. Some participants initially assumed the author was from a non-governmental organisation.

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