Summary

The growing interest in foreign direct investments (FDIs) in large-scale agricultural land in Asia—especially from newly developed countries such as South Korea—has been increasingly noted in the literature. Nevertheless, limited information about these FDIs is available from previous academic studies in regard to how they impact on local development. Previous research examining these issues focuses either on the monetary terms of FDIs or on the perspectives of the local community. There is also limited research that focuses on the perspectives of the investors and the dynamics and practices of the investments in the local community. Aiming to address these gaps in knowledge, this dissertation provides empirical evidence of three Korean FDIs in large-scale agricultural land in Cambodia. It analyses the perspectives of FDI investors and explores their embeddedness in the local community through entrepreneurship and stakeholder engagement in order to provide better understanding of the dynamics, practices and impacts of investments.

The dissertation employs multiple-case study methodology, utilising diverse methods to gather ethnographic data in three different research sites in Cambodia. The data comprises the FDI companies and investors’ embedding process through their entrepreneurial activities, interactions with stakeholders and their contributions to the local communities.

The research finds that the Korean investors do not (fully) embed themselves in their local settings due to barriers imposed by the investors and the local community. The research also finds that each of the Korean FDI companies examined contributes to local development differently—and not to their full potential—according to their operational patterns and extent of embeddedness in local communities. Moreover, the presence of these FDI companies does not help to increase local wages, as found in previous studies. In fact, as far as local community development is concerned, this study argues that the more entrepreneurial an investor, the more value is created for the local community. The entrepreneurial investor tends to operate their business not only in a socially responsible manner but also through welcoming the involvement of local villagers in the company’s operations. With more involvement of the local community
in the economic land concession development, the companies may generate even greater value added for the local community.

This research contributes to debates on the impact of FDIs on local development in several ways in terms of the analysis of the terminology of FDIs, methodology and scope and scale. In addition, the research findings contribute to the limited literature on Korean FDIs in Cambodia. This research also generates empirical findings about Korean investors, which will complement studies that try to counterbalance the current focus on the dominant Chinese investors in Cambodia. Moreover, by analyzing the extent to which foreign investors play a role in local development in Cambodia, this PhD research contributes to the Cambodian Research Group programme by studying Korean FDI companies, as an example of foreign stakeholders in Cambodia’s development. Given the potential impact of FDI companies on the local community, this PhD dissertation contributes to promoting rural sustainable development in Cambodia. It provides unique information about foreign investors that is useful for effective policy-making to enhance the positive contributions of FDIs to sustainable rural development. In summary, the empirical findings are expected to benefit different groups of academics and policymakers, as well as development investors and practitioners.