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**TRANSITION TO WHAT?
CAMBODIA, UNTAC
AND THE PEACE PROCESS**

by Grant Curtis

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November 1993

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Preface

In early 1993, UNRISD commenced preparatory work to launch a new research programme on Rebuilding War-torn Societies. The first major activity undertaken within this programme consisted of an inquiry into the economic and social impact of the United Nations peace-keeping operation in Cambodia.

This paper by Grant Curtis was one of five that were commissioned for a workshop on The Social Consequences of the Peace Process in Cambodia held in Geneva in April 1993. It was specifically commissioned to provide the participants with background information on the current social situation in Cambodia and the role of the United Nations Transitional Authority in Cambodia (UNTAC), as well as a preliminary assessment of the contribution of UNTAC to the process of economic and social rehabilitation and reconstruction.

The paper highlights the enormity of the task which UNTAC had to assume and provides a balanced account of the major achievements and failings of the United Nations "peace-making" operation. Grant Curtis identifies the principal constraints that prevented UNTAC from achieving much in the field of rehabilitation and reconstruction. The peace process, he argues, distorted and possibly even retarded important aspects of the country's development. Of particular concern was the weakening of the public administration and the delivery of essential social services, as well as the highly uneven growth process characterized by an artificial economic boom in the capital Phnom Penh and stagnation in many rural areas. Investment was concentrated in urban service sector activities catering primarily to the demands of foreign residents and visitors while very little investment occurred in agriculture, health and education.

A disturbing effect of the UNTAC presence and the influx of many international agencies was the reduced role of Cambodians in setting their country's development agenda. The author warns of the danger that Cambodia may follow a path that does not address priority needs and is not in the best interests of its people.

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November 1993

Dharam Ghai
Director

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Introduction

That a peace process exists in Cambodia underlines the fact that the country's recent history has been less than happy. Once known as a peaceable kingdom, Cambodia today is equally well known as the home of both Angkor Wat and the "Killing Fields". The ongoing civil war represents one of the more intractable of the world's recent conflicts, despite the fact that race, religion or nationality have not played a prominent part. The Cambodian people have endured more than 20 years of war and war-related hardship, including foreign military involvement through a ruthless bombing campaign, bloody civil strife, massive displacement of population, occupation by foreign forces, international political and economic isolation, and years of "half peace and half war" featuring both guerrilla and frontline military activity.

While primarily a civil conflict pitting Khmer against Khmer, the Cambodian conflict has had a regional as well as an international dimension. Spawned at least partly out of the competing interests of the global superpowers, it remains to some extent an anachronistic legacy of the Cold War. While the prospect of peace in Cambodia has seemed alluring in recent years, the protracted peace process has not yet resulted in an effective cessation of hostilities, despite the deployment of the United Nations' largest ever peace-keeping operation. Although elections have now been held, the realization of durable peace in Cambodia remains but a prospect, with the likelihood that the long-hoped for "comprehensive settlement" will be further deferred or otherwise compromised.

This paper assesses the contribution of the peace process to the rehabilitation of Cambodia. It describes the tremendous social problems which currently exist and examines the role of the United Nations Transitional Authority in Cambodia (UNTAC) in addressing those problems.

I. Cambodia's recent history¹

A military coup in 1970 launched Cambodia into civil war. As Cambodia was concurrently drawn into the war in Viet Nam, United States B-52 aircraft carpet-bombed the Cambodian countryside in an effort to destroy Communist North Vietnamese forces and their vital supply lines. As many tons of explosives were dropped on Cambodia in the early 1970s as had fallen on Germany during the Second World War. More than 700,000 people were killed, and some 2 million peasants abandoned their homes and rice fields to become internal refugees in Phnom Penh and other urban centres.

On 17 April 1975 radical Khmer Rouge forces "liberated" the country, overthrowing the American-backed Lon Nol military government and establishing Democratic Kampuchea. In human terms, the horror of the preceding years of civil war was replaced with a new kind of terror as the Khmer Rouge embarked upon a

¹ Adapted from Curtis, 1989:14-23.

grotesque social experiment of anti-development. Within days of assuming power, the Khmer Rouge evacuated all cities, forcing virtually the entire Cambodian population into the countryside to live and work on a communal basis. Sheer human labour was directed to the establishment of a new agricultural base as a foundation for economic self-sufficiency, if not autarky. The Khmer Rouge envisaged a communist agrarian society whose achievements would rival the glories of the ancient Angkor Empire.

Under Khmer Rouge rule most of the country's economic and social infrastructure was dismantled. Private property was confiscated. Factories, vehicles, industrial equipment and goods were destroyed. All economic activity became part of the state apparatus. There were no markets and no independent production or means of exchange; currency was abolished. Schools ceased to function and many were destroyed or put to other uses. The country's Buddhist pagodas were defaced and converted into communal dining halls and storage sheds. Many former urban dwellers ("new people" or non-peasants), individuals connected with previous regimes, and educated individuals in general were targeted for execution. Families were divided. Living conditions under Khmer Rouge rule were extremely harsh, with collective manual labour for up to 18 hours a day, often with only starvation rations of food. By 1977 communal cooking and eating were introduced throughout much of the country. Scrounging for food or hoarding was punishable by death. Dissent often was rewarded with death. Over the course of the "three years, eight months and twenty days" of the Khmer Rouge experiment as many as 1 million people (i.e. one in seven Cambodians) were tortured and executed, or died of hard labour, malnutrition and disease - a manifestation of autogenocide unique in world history.

Vietnamese troops invaded Cambodia in late 1978 to stem repeated and bloody border violations by the Khmer Rouge. The forces of Democratic Kampuchea offered limited resistance, and were pushed to the Thai border where over a period of years and with international support they were able to regain military strength. In 1982 the Khmer Rouge entered into an alliance with Cambodia's non-Communist resistance forces, establishing the Coalition Government of Democratic Kampuchea (CGDK) under the nominal leadership of HRH Prince Norodom Sihanouk. This government-in-exile retained international recognition throughout the 1980s, including membership in the United Nations General Assembly. In Cambodia, meanwhile, the Vietnamese installed a Communist-style regime known as the People's Republic of Kampuchea (PRK).

After nearly a decade of war and the "bitter and sour times" of Khmer Rouge rule, Cambodia in 1979 was a ruined country. Much of its educated or trained manpower either had not survived the "Killing Fields" or had fled the country. The remaining population was traumatized, weak from hunger and disease, and greatly demoralized from the almost complete destruction of the Khmer social fabric. The country's productive infrastructure lay in ruins. So great were the physical and psychological ravages endured by the Cambodian people, including the social dislocation caused by the death of hundreds of thousands and the flight across the Thai border of a large segment of the surviving population, that the first Western observers to reach Cambodia in 1979 questioned the very survival of the Cambodian people.

Cambodia's resurrection demanded the creation of a normal economic and social life out of an almost complete void. An international emergency relief effort provided food, clothing, medical supplies, rice seed, fertilizers, pesticides, agricultural equipment, vehicles, handling equipment and fuel. The relief effort also helped to re-establish more than 100 clinics and hospitals and some 6,000 schools.

Although Cambodia's humanitarian, rehabilitation and development needs remained immense, the "Kampuchean emergency" was deemed to have passed in 1982. A new period of international isolation was imposed on the People's Republic of Kampuchea as punishment for being the Vietnamese-installed successor to Pol Pot's Khmer Rouge regime. Such isolation, however, also punished the Cambodian people by depriving them of the international assistance required to rebuild their lives as well as to begin the reconstruction of their shattered country.

Despite an almost total political and economic embargo throughout the 1980s, the Cambodian people made immense progress in rebuilding their country. Given the starting point of 1979, a kind of "Year Zero" in the history of the country, and in the face of overwhelming difficulties, including the Western embargo on development assistance, quite remarkable achievements were realized, including the establishment of a government apparatus and administrative structure, the re-establishment of the economy including the development of new agricultural policies and systems of land tenure, the rehabilitation of the productive sectors of the economy and, in particular, the re-establishment and rapid quantitative expansion of the education and health care sectors.

More remarkable yet was that such achievements were made in the face of continued military hostilities which, in addition to prolonging the hardship and misery of the Cambodian people, necessitated the diversion of scarce economic and human resources that could have been better directed to the reconstruction of the country.

II. Cambodia's current economic and social situation

By all measures, and particularly in economic terms, Cambodia in 1993 remains one of the world's poorest countries.² Although all statistical data pertaining to Cambodia must be interpreted with considerable caution, a review of some of the country's basic indicators provides some notion of Cambodia's current levels of social and economic development.³

- With an estimated per capita income of only some 150 dollars,⁴ the bulk of the Cambodian population lives at or near subsistence level. One in ten Cambodians lives in an urban area, with the bulk of the Cambodian population engaged in agricultural pursuits.

² In 1992 Cambodia was ranked by the United Nations Development Programme as 136th of 160 countries in terms of "human development".

³ The following data and statistics are derived from a number of sources including official information provided by the Cambodian authorities; UNICEF, World Food Programme and World Health Organization field estimates; data collected by UNTAC; UNDP, 1992; and World Bank, 1992.

⁴ All references to dollars are to US dollars.

- The annual birth-rate is at least 40 per 1,000, and is probably the highest in Asia; this reflects a total fertility rate of some six births per woman of reproductive age (compared to 3.2 for all of Asia). While annual maternal mortality is estimated to be at least 9 per 1,000, maternal deaths may actually be much greater. With virtually no access to family planning services, the incidence of abortion-related deaths is alarmingly high.
- Cambodia's infant mortality rate is estimated to be 123 per 1,000 live births. One of five Cambodian children does not live to see its fifth birthday.
- Of the total population 20.5 per cent is estimated to be under four years of age. At least 45 per cent of the Cambodian populace is under the age of 15.
- An estimated 60 to 65 per cent of Cambodia's adult population is female and 30 to 35 per cent of Cambodian households are headed by women. Women comprise 60 per cent of the agricultural workforce and nearly 70 per cent of the state factory labour force.
- The crude death rate is estimated to be 16 per 1,000, almost twice the average for the rest of Asia (8.6 per 1,000).
- The life expectancy of the average Cambodian is only 49.7 years, the lowest among Asian countries and one of the lowest in the world.
- Despite known preventative and control measures, poverty-linked diseases are uncommonly high in Cambodia, particularly vector-borne, air-borne and faecal-related diseases. Of reported child deaths 40 per cent result from diarrhoeal diseases.
- Malaria, including drug resistant falciparum malaria, is endemic in many parts of the country, with as many as 500,000 cases per year resulting in up to 10,000 deaths.
- There are an estimated 20,000 new cases of tuberculosis per year in Cambodia. The estimated prevalence rate of 550 cases per 100,000 population is the highest in South-East Asia. In some Cambodian provinces the prevalence rate of tuberculosis is as high as 850 cases per 100,000 - the highest in the world.
- Only 12 per cent of rural Cambodians have access to a safe supply of drinking water. In Phnom Penh, only one in five inhabitants has access to piped water - albeit from antiquated treatment plants and a leaky, often contaminated distribution system.
- HIV/AIDS appears to be spreading rapidly among the Cambodian population. Whereas only three or about 0.08 per cent of total blood donors were found to be HIV positive in 1991, in 1992, 30 HIV positive cases were detected among donors (about 0.8 per cent). In only the first four months of 1993, however, there were 32 confirmed HIV positive cases among blood donors.
- Although Cambodia may be approaching food self-sufficiency under normal climatic/agricultural conditions, much of the country's agricultural sector is subsistence-based, leaving a large percentage of the population subject to the vagaries of nature. Average yields of rice, the staple crop/food, are only 1-1.5 tons/hectare - among the lowest in Asia.
- Child malnutrition is estimated to be about 22 per cent in Phnom Penh and 32 per cent at the provincial level, with incidence of more serious malnutrition in localized, food-deficit areas. The high prevalence of infectious diseases exacerbates the effects of malnutrition, particularly among children.

- The lack of an effective social "safety net" puts increasing numbers of Cambodians at risk. A 1992 survey by the World Food Programme of 180 villages in 10 provinces revealed that a full 20 per cent of villagers could be categorized as "vulnerable" (widows with families, single elderly, handicapped, orphans).
- Despite considerable efforts to eradicate illiteracy, the actual literacy rate is unlikely to exceed 30 per cent.
- Overall primary school enrolment is reported to be 82 per cent, although there are substantial variations among Phnom Penh schools (more than 90 per cent enrolment), provincial centres (70 per cent enrolment) and isolated rural areas, where primary school enrolment can be as low as 20 per cent of the school age population.
- Despite the quantitative expansion of the education system, the quality of education remains low. The education wastage rate is high, particularly among female students, with only some 40 per cent of children enrolled in the first grade completing their primary education (i.e. five years of schooling) within five years. It takes an average of 10 years, rather than five, for Cambodian children to complete their primary education. The high incidence of repetition (up to 30 per cent in Class 1 and 20-25 per cent in Classes 2 to 4) results in a clogging-up of the education system and puts additional pressure on the weak school infrastructure. Drop-out rates are also high, especially after the first two years and particularly for girls.
- Of those students currently enrolled in primary school, 15 per cent will continue to lower secondary school, with 3.6 per cent proceeding to upper secondary school. Only 0.85 per cent of those who enrol in primary school are likely to receive secondary technical training. Only some 0.50 per cent of Cambodia's student population gains entrance to higher forms of education.
- Less than 1 per cent of Cambodia's primary school teachers have completed high school (11 years of schooling); 60 per cent of the country's primary school teachers have only eight years of education.
- One in four Cambodians is presently in school. The lack of educational facilities necessitates a shift system, with some schools operating three shifts per day. The number of classrooms as well as the number of primary school teachers will need to be doubled within the next seven years in order to maintain present - already grossly inadequate - levels of instruction of only some three hours per day per child.
- At the tertiary level, there are now more students pursuing courses of study than the total number of graduates produced between 1980 and 1990.
- Education and health facilities throughout the country are generally inadequate, with most facilities lacking both a supply of safe drinking water and functioning latrines.
- In 1992, the State of Cambodia's budget for health and education was only 25 per cent of its total budget, compared to some 40 per cent for defence. The social sector budget of 19 million dollars represents less than 2 dollars per capita for state-provided health and education services. With most of the social sector budget directed to civil service salaries, virtually nothing is left for recurrent expenditures or for the purchase of essential equipment and supplies, including both essential drugs and educational materials.

- The April 1993 return from Thailand (and other countries) of the last of some 370,000 Cambodian refugees and "displaced persons" marked the beginning of a much longer and more difficult process of resettlement and reintegration. The returnees joined an additional 165,000 internally displaced persons (IDPs) driven from their land and means of livelihood by fighting and insecurity. The number of internal refugees will most certainly increase with any further deterioration in the country's security situation. Just several weeks prior to the elections, approximately 20,000 ethnic Vietnamese, many of whom were born in Cambodia, had to flee the country for fear of racially motivated massacres.
- With an estimated 35,000 amputees, Cambodia has the highest proportion of physically disabled inhabitants of any country in the world. Statistically, one out of every 265 Cambodians has lost one or more limbs due to landmines. In 1990 alone, at least 6,000 Cambodians suffered amputation as a result of a mine injury. Only one in eight Cambodian amputees received an artificial limb up to May 1993; at current production rates it will take another 25 years to provide all of Cambodia's amputees with prosthetic devices.
- Over 4 million landmines seed Cambodia's rice paddies, roadways and forests. In one month, a demining team can clear only 6,000-10,000 square metres of land. As of March 1993, the total area cleared of mines was only 1.6 million square metres (i.e. 1.6 square kilometres of Cambodia's total land area of 181,040 square kilometres).

This collection of indicators paints an "extremely bleak picture of adverse social conditions caused by poverty, war, meagre healthcare, and very poor household hygiene" (World Bank, 1992:9).

Cambodia's social indicators, of course, do not exist in isolation. Rather they are symptoms of much larger structural as well as political and economic problems. These problems include inadequate investment in the country's social sectors; a lack of budgetary resources, including salaries for social sector personnel; a lack of manpower planning as well as inadequate or insufficient training of all personnel; a lack of focus on vocational training, youth employment and general skills enhancement, including literacy training; a general lack of planning and management capability; and a likely, but as yet to be determined, lack of absorptive capacity in relation to foreign aid.

In recognizing that Cambodia is a country in transition, adapting itself to the dictates of a market economy, a June 1992 World Bank study identified four main constraints to the successful implementation of an appropriate human resources development strategy for the country:

- Lack of planning, programming, budgeting and control of recurrent and investment expenditures at both the central and provincial levels.
- Absence of a strategic policy framework as well as a shortage of technical expertise and basic data to orient, modify, evaluate and quantify policies, programmes and projects in the social sectors.
- A very low level of staff qualifications and training in the social sectors, with too many staff of low competence and with little personnel management capability.

- Equity disparities in and poor financial sustainability of public sector social services. That most public sector services now are provided on a fee-for-service basis disenfranchises the poorest segment of the Cambodian population and also endangers the long-term financial sustainability of the country's public sector social services (World Bank, 1992:131).

In addition to the many problems facing the country's social sectors, the Cambodian peace process has seen the emergence of new social problems, including an increase in corruption; an increase in lawlessness, banditry and other forms of social violence; an increase in prostitution and a corresponding increase in the incidence of sexually transmitted diseases and HIV/AIDS; a further deterioration in the situation of Cambodia's "vulnerable groups", including segments of the returnee population; as well as significant problems in the reintegration of Cambodia's war-affected populations. While the magnitude of these problems is anything but clear and calls for further investigation and research, these and related problems are definitely cause for concern in that they have a negative impact upon the hard-won results of the peace process, possibly to the point of nullifying whatever progress has been achieved.

To this catalogue of social problems I would add fatigue. It is my very strong impression that the Cambodian people are very tired - tired from years of war followed by years of half war/half peace, tired from their long isolation, worn out from battling insurmountable obstacles with only minimal resources, jaded by politics and politicians, emotionally drained from hopes and promises that have subsequently been postponed or otherwise qualified. Unfortunately, I also sense disillusionment and reduced vision and resolve. One Bangkok-based commentator with long experience in Cambodia recently warned that "Cambodia is facing a danger of vanishing into a sea of corruption, incompetence, selfishness, lack of concern from some of its own leaders, total breakdown of law and order, and from the growing hopelessness of its own population".⁵ If the Cambodian people's expectations of the peace process and particularly of UNTAC were unrealistically high, settling for what are likely to be the greatly reduced results of the peace process will be bitterly felt.

III. UNTAC and the Cambodian peace process

On 23 October 1991, the Agreements on a Comprehensive Political Settlement of the Cambodia Conflict were signed by Cambodia and 18 other nations in the presence of the United Nations Secretary-General.⁶ The signing of the Agreements represented the culmination of a decade of negotiations.⁷

⁵ Bekaert, 1993.

⁶ The Agreements comprised an Agreement on a Comprehensive Political Settlement of the Cambodia Conflict, an Agreement Concerning the Sovereignty, Independence, Territorial Integrity and Inviolability, Neutrality and National Unity of Cambodia, as well as a Declaration on the Rehabilitation and Reconstruction of Cambodia.

⁷ United Nations involvement in these negotiations is succinctly outlined in the section "Background Note on the Negotiating Process" in the United Nations-published version of the Agreements (United Nations, 1992:iii-viii). While this account tracks the peace process from a United Nations perspective, it does not fully explore the context of the negotiations, including the Western embargo and its impact on Cambodia and its people.

It is to be emphasized that the on-again, off-again negotiations punctuated a protracted process. In addition to political and diplomatic negotiation, the Cambodian peace process also included the early withdrawal of Vietnamese military forces from Cambodia; economic liberalization leading to the difficult transition from a centrally planned to a market-based economy; accommodations and adjustments resulting from the collapse of the Soviet Union and the cessation of Soviet economic assistance; as well as a number of political concessions which led to the establishment of the Supreme National Council (SNC) of Cambodia as the "unique legitimate body and source of authority in which, throughout the transitional period, the sovereignty, independence, and unity of Cambodia are enshrined".⁸

The Agreements invited the Security Council to establish the United Nations Transitional Authority in Cambodia and to provide it with the mandate set forth in the peace accords. The Security Council fully supported the Agreements in its resolution 718 (1991) of 31 October 1991 and requested the Secretary-General to prepare a detailed plan of implementation for UNTAC.

Under the Agreements, the SNC, made up of the four Cambodian factions under the presidency of Prince Norodom Sihanouk, delegated to the United Nations "all powers necessary" to ensure the implementation of the accords. The Agreements determined that the transitional period would begin with the entry into force of the accords, and would terminate when the constituent assembly, elected in conformity with the Agreements, approved a new Cambodian Constitution and transformed itself into a legislative assembly, thus creating a new Cambodian government.

Prior to the establishment and deployment of UNTAC, the Secretary-General had, on 30 September 1991, recommended that the United Nations field a small advance mission in Cambodia to assist the Cambodian parties to maintain the cease-fire and to prepare for the deployment of UNTAC. Based on this recommendation, the Security Council, by its resolution 717 (1991) of 16 October 1991, decided to establish the United Nations Advance Mission in Cambodia (UNAMIC) immediately after the signing of the Agreements. UNAMIC became operational on 9 November 1991, and consisted of civilian and military liaison staff, a military mine awareness unit, and logistics and support personnel. On 8 January 1992, by its resolution 728 (1992), the Security Council expanded the mandate of UNAMIC to include training in mine clearance for Cambodians and the initiation of a mine clearance programme.

On 19 February 1992, the Secretary-General submitted to the Security Council a report detailing the proposed implementation plan for UNTAC. The Security Council endorsed the report, and by its resolution 745 (1992) of 28 February 1992 established UNTAC under its authority for a period not to exceed 18 months. Upon becoming operational on 15 March 1992, UNTAC absorbed UNAMIC.

Headed by Mr. Yasushi Akashi (Japan), Special Representative of the Secretary-General for Cambodia, the United Nations Transitional Authority in Cambodia consisted of seven components: Military, Civilian Police, Electoral, Civil Administration, Repatriation, Human Rights, and Rehabilitation and Economic

⁸ Section III, Article 3, Agreements on a Comprehensive Political Settlement of the Cambodia Conflict.

Affairs, plus executive management staff, a co-ordination and liaison team, an information service, as well as political, economic and legal advisers. At peak strength, UNTAC had more than 20,000 international personnel, including some 16,000 military and 3,500 civilian police. The UNTAC operation was supplemented by thousands of locally recruited Khmer staff, the bulk of whom were involved in the electoral process.

A brief review of the functions of the various UNTAC components will provide a better understanding of the daunting complexity of the United Nations Transitional Authority in Cambodia and the enormity of its task.

The Military Component, with approximately 16,000 personnel including 12 infantry battalions, military observers, engineers, signals, naval, air and other elements was given responsibility for four main functions: the verification of the withdrawal and non-return of all categories of foreign forces and their arms and equipment; the supervision of the cease-fire and related measures such as regroupment, cantonment, disarming and demobilization; weapons control, including monitoring the cessation of outside military assistance, locating and confiscating caches of weapons and military supplies throughout Cambodia, storing of the arms and equipment of the cantoned and demobilized military forces; and assistance with mine clearance, including training programmes and mine awareness programmes.

While the Agreements clearly stipulated that responsibility for the management of local police forces remained with the Cambodian parties, UNTAC's 3,600-person Civil Police Component was charged with ensuring that law and order be maintained effectively and impartially, and that human rights and fundamental freedoms be fully protected throughout Cambodia.

The Electoral Component was charged with developing a legal framework consisting of an electoral law and regulations to govern the electoral process; mounting large-scale civil education and training activities to inform the general public about the purposes and importance of the election and, particularly, the integrity of the ballot; the registration of up to 5 million eligible voters; the registration of political parties and candidates; as well as the actual conduct of the electoral process.

The Civil Administration Component was given responsibility for ensuring a neutral political environment conducive to a free and fair general election through the exercise of controls over the agencies, bodies and offices of the existing administrative structures in all parts of Cambodia. Such control included "direct control" of five main areas (foreign affairs, national defence, finance, public security and information); "specialized control" for the purpose of exercising controls in additional sectors having potential for influencing the outcome of the election and over which a lesser degree of scrutiny would be exercised; and a well-defined complaints and investigation mechanism.

The Agreements determined that all Cambodian refugees and displaced persons should have the right to return to Cambodia and to live in safety, security and dignity, free from intimidation or coercion of any kind, and that their repatriation in conditions of safety and dignity should be facilitated under the overall authority of the

Special Representative and as an integral part of UNTAC. The Repatriation Component was given responsibility for the organized repatriation of the refugees and displaced persons; the identification and provision of agricultural and settlement land, installation assistance and food for an average of one year for up to 370,000 returnees; the provision of installation assistance and food for up to 12 months for up to 30,000 "spontaneous" returnees; and the provision of limited reintegration assistance for up to 370,000 returnees as well as upgrading of services in areas with a large concentration of returnees through quick impact projects.

The Human Rights Component was given overall responsibility during the transitional period for fostering an environment in which respect for human rights is ensured. Such responsibility included ratification or accession by the Supreme National Council of the relevant human rights instruments on behalf of Cambodia, the development and implementation of a human rights education programme to promote respect for and understanding of human rights, the exercise of general human rights oversight and the investigation of complaints and allegations of human rights abuses and, where appropriate, corrective action.

The mandate of the Rehabilitation Component was governed by the Declaration on the Rehabilitation and Reconstruction of Cambodia, an integral part of the Agreements. The Declaration determined that international efforts in support of Cambodia's rehabilitation should focus on urgent humanitarian needs (food, health, housing, etc.); resettlement needs; the essential restoration, maintenance, and support of basic infrastructure, institutions, utilities and other essential services; as well as training related to the efficient operation of Cambodia's various economic and social sectors. The Rehabilitation Component was given responsibility for the identification of rehabilitation needs, for the mobilization of donor assistance, for general co-ordination of donor assistance, and for monitoring of the overall rehabilitation process.

The Information Service was given primary responsibility for UNTAC's major information activities including massive civic education campaigns in human rights, mine awareness and electoral matters; for programming to acquaint Cambodians with the Agreements and with the goals, structure and activities of UNTAC; for training; as well as for monitoring and analysing the media of the four existing administrative structures.

Preliminary estimates indicate that UNTAC's total expenditures are likely to exceed 2.8 billion dollars, including 806 million in expatriate salaries and allowances, 235 million for premises/accommodation and 158 million for transport operations (including more than 8,000 vehicles). The core UNTAC budget, funded by way of assessed contributions, excluded the cost of the repatriation operation as well as all rehabilitation efforts, with such funding derived from voluntary (i.e. non-assessed) contributions by the international community.

While no one assumed that the UNTAC operation would proceed entirely smoothly, difficulties in implementing key elements of the Agreements significantly compromised the overall effort. Implementation of the peace accords was flawed by continued cease-fire violations. The UNTAC operation was further handicapped by the refusal of the Khmer Rouge or Party of Democratic Kampuchea (PDK) to canton

and disarm its armed forces as well as by its refusal to allow UNTAC access to territories under PDK control, including for electoral registration purposes. The UNTAC-supervised peace process was disrupted further by random violence and banditry as well as by carefully calibrated incidents directed at political destabilization, including systematic attacks against ethnic Vietnamese as well as against UNTAC itself. The electoral process was similarly marked by well-orchestrated campaigns of harassment and intimidation, including assassination of party officials. In addition, apparent economic sabotage resulted in a sudden depreciation of the riel, causing economic hardship and injecting further uncertainty into the peace process. The PDK refused to participate in the election and is unlikely to respect the outcome. Nevertheless, as one of the four Cambodian signatories to the Agreements, it remained a major player in the peace process, and retained its membership in the Supreme National Council.

The Agreements prescribed a sequential order of activities resulting in the comprehensive settlement of the Cambodian conflict. Despite the delineation of a critical path, however, UNTAC was given no mandate to enforce compliance with the Agreements except through moral suasion and quiet diplomacy. Without such a mandate, the UNTAC operation was rendered all but impotent as the "gentlemen's agreement" progressively unravelled. As successive steps in the process (e.g., cease-fire, cantonment, demobilization, electoral registration) leading to the election of a constituent assembly and the establishment of a new government were implemented only partially, if at all, other elements of the UNTAC-led peace plan had to be scaled back or otherwise reduced to the detriment of the overall peace process. In other words, UNTAC's inability to implement fully the various steps of the critical path in sequential order compromised the achievement of a "comprehensive settlement". Furthermore, UNTAC was reluctant to utilize the few tools with which it might have ensured greater compliance, including more rigorous regulatory or control measures, effective economic and other sanctions against the PDK, the removal of officials, etc.

While UNTAC may have successfully organized an election and the return of over a third of a million refugees, this represents a significant compromise of the principles and objectives enshrined in the Agreements. It also raises concerns about the new government's ability to govern the country effectively in the post-election period.

IV. Rehabilitation of Cambodia's social sectors

International assistance in support of Cambodia's rehabilitation was governed by the Declaration on the Rehabilitation and Reconstruction of Cambodia, signed as an integral part of the Agreements. In calling for the implementation of an international aid effort in support of Cambodia's rehabilitation and reconstruction, the Declaration outlined the parameters for external assistance to Cambodia - both during the transitional period pending the establishment of a new government as well as over the longer term. The Declaration proposed that Cambodia's immediate needs be addressed during a "rehabilitation phase" that would also serve to lay the groundwork for the country's longer term reconstruction and development. The Declaration further directed that particular attention should be given to food security, health, housing,

training, education, the transportation network, and the restoration of Cambodia's existing basic infrastructure and public utilities.

The Secretary-General's Consolidated Appeal for Cambodia's Immediate Needs and National Rehabilitation outlined overall programming policies for the transitional period and proposed specific rehabilitation activities to address Cambodia's priority rehabilitation needs. The Appeal, which called for 595 million dollars in voluntary donor assistance, was officially launched by Boutros Boutros-Ghali during his visit to Cambodia in April 1992. With regard to Cambodia's social sectors, the Appeal specifically called for the provision of some 75 million dollars for social sector activities, including health, water and sanitation, and education and training. The Appeal also requested up to 109 million dollars in public sector financing to help address the country's parlous budget situation, including the payment of civil service salaries.

In June 1992, a Ministerial Conference on Rehabilitation and Reconstruction of Cambodia (MCRRC), co-chaired by the government of Japan and the United Nations Development Programme (UNDP), was held in Tokyo. The conference, which brought together representatives from 33 countries and 13 international organizations, resulted in pledges of some 800 million dollars for rehabilitation activities - apparently a clear indication of donor commitment to assist in Cambodia's rehabilitation.

Although activities under way during the 1992-1993 transitional period or planned for the near future are clearly contributing to Cambodia's ongoing rehabilitation, it is not clear to what extent such activities are in fact contributing to a coherent programme or process of rehabilitation as defined by the Declaration on the Rehabilitation and Reconstruction of Cambodia and elaborated by the Consolidated Appeal.

In addition, despite the fact that both the Declaration and the Consolidated Appeal focused attention on priority rehabilitation needs, including social sector needs, over a prescribed time frame, the donor community chose to follow a more traditional aid programming approach, with most activity slated to come into effect towards the end of, or even after, the transitional period.

While it is true that UNTAC facilitated the donor pledges for rehabilitation assistance, including funds for the repatriation operation, and was perceived as a kind of guarantor for foreign investment, lack of agreement among the Cambodian parties regrettably precluded much-needed financial assistance from the International Monetary Fund and the World Bank. Failure to implement key provisions of the Paris Agreements furthermore resulted in other donors taking a "wait and see" approach pending the outcome of the election and the establishment of a new government, with the result that, by the time of the elections, total resource flows were less than planned, and certainly far less than required by Cambodia's pressing rehabilitation needs. This was particularly true for balance of payments support as well as for financial resources to ensure the delivery of essential public services.

Similarly, donors appear to have rejected forms of aid or channels and mechanisms for delivery which would have resulted in quick rehabilitation impact,

preferring instead more standardized forms of bilateral assistance. Many commitments were tied to longer term development activities, including several large-scale, capital-intensive projects. That only a modest level of urgent rehabilitation activity was undertaken prior to the elections served to blur any distinction between immediate rehabilitation priorities during the transitional period and the country's longer term reconstruction and development process following the establishment of a freely elected government.

Although Cambodia's donors did not totally neglect the social sectors, the priority social sector activities outlined in the Consolidated Appeal remained critically underfunded, including rehabilitation of health care facilities; the provision of critical medical supplies, including essential drugs; training and upgrading of peripheral health staff; expansion and improvement of prosthetic workshops and vocational training for the disabled; rural water and sanitation programmes; and educational rehabilitation, including the supply of education materials.

V. Consequences of the Cambodian peace process

While it is impossible to predict whether the establishment of an elected government will indeed bring peace to Cambodia, it is not too early to begin to assess the positive and negative impacts of the overall peace process.

Certainly a primary failure of the peace process was UNTAC's inability to ensure a neutral political environment conducive to the conduct of a free and fair election. Just prior to the elections, Cambodia was gripped by fear that bordered on paranoia, rather than stability and a climate of voter confidence. Insecurity - or the threat of insecurity - was ubiquitous in Phnom Penh, in the provinces, and in all districts and villages.

The Cambodian peace process was marked by the lack of an effective cease-fire. No day passed without some kind of cease-fire violation, most minor, but far too many involving heavy weaponry and resulting in further casualties. Military activity has increased throughout the country since the beginning of 1993, including in formerly "peaceful" areas. Increased territory also came under the effective control of the Khmer Rouge army.

The lack of a real cease-fire precluded the planned cantonment and demobilization of up to 70 per cent of military personnel from the four Cambodian factions. As a consequence, it was not possible to reduce significantly either the number of military personnel or the overall number of weapons in the country. Failure to implement fully "Phase Two" (cantonment and demobilization) irreparably compromised the entire UNTAC operation. Somewhat paradoxically, the large number of military personnel contributed to nationwide insecurity, particularly as a worsening of economic conditions and the deterioration in the morale and discipline of the various military groups resulted in increased intimidation as well as widespread banditry.

If insecurity in Cambodia had a military dimension, it also had a political one. The climate of fear served the interests of those who wished to call the entire peace

process into doubt. Insecurity was used as a tool to foment xenophobic sentiment against the Vietnamese, Cambodia's traditional enemies. Anti-Vietnamese violence escalated rapidly, with scores of ethnic Vietnamese being killed in massacre-like attacks, presumably at the hands of the Khmer Rouge. Thousands of ethnic Vietnamese, many of whom were born in Cambodia, have fled the country for fear of further attack. Given the political dimension of the "Vietnamese problem", no party, including UNTAC, made efforts to protect the rights of Cambodia's ethnic Vietnamese population. The pervasive climate of fear also permitted intimidation to become part of the electoral process, with invective, accusation and rumour further contributing to pre-election instability.

In economic terms, a December 1992 report on UNTAC's impact on the Cambodian economy credited the UNTAC presence as having played a significant role in confidence building and in mediating Cambodia's return to the international community. The report claimed that UNTAC endorsement was a precondition to the provision of critical international resources (UNTAC, 1992:1). The report also confidently asserted that:

UNTAC has provided the impetus for socio-economic change. It has helped set in motion the drive for Cambodia's longer term development through its contribution to capacity building, infrastructural repairs, and all-important demining operations. Among the other beneficial effects is the stimulus UNTAC has given to construction, trade, and employment generation, and new private enterprise activities (UNTAC, 1992:2).

While there is more than an element of truth to this statement, it was the peace process - including the UNTAC presence in Cambodia - that stimulated rapid social and economic change in the country. UNTAC itself contributed relatively little to capacity building or infrastructural repairs beyond its own requirements. Moreover, demining operations (in terms of actual clearance of landmines) began just prior to the elections. Similarly, while UNTAC stimulated some construction, employment generation and trading activities by virtue of the deployment of 20,000 military and civilian personnel, the opening-up of Cambodia after long international isolation as well as the prospect of further economic opportunities in the post-UNTAC period also contributed to the exponential increase in economic activity.

Investment that took place during the transitional period was centred in Phnom Penh. Most investment was directed to the burgeoning service sector in order to capitalize on the influx of UNTAC and other expatriate personnel with generous per diems for hotel and rental accommodation, restaurants, luxury goods, entertainment and other expenditures. The concentration of investment in Phnom Penh's service sector resulted in a pattern of development that will be very difficult to sustain in the post-election period. Comparatively little investment was directed to the provinces and the country's productive sectors.

Although UNTAC's total projected budget was nearly 1 billion dollars greater than Cambodia's estimated GDP (2 billion dollars in 1991), the UNTAC assessment claimed that, because only a small proportion of the UNTAC budget was spent in Cambodia on domestic goods and services, UNTAC's direct economic impact was far less significant than it might appear. Nevertheless, the report indicated that:

the arrival of UNTAC in Cambodia has had a considerable impact on the local economy. UNTAC purchasing power has brought in substantial amounts of dollars that have had an evident catalytic effect on economic activity but have also contributed to significant price and wage increases in several sectors (UNTAC, 1992:2).

The report denied, however, that UNTAC was primarily responsible for the persistent high rate of general inflation in Cambodia or for the dramatic increase in the cost of food and other necessities. Rather the report argued that, since the payment for local products and imported goods in dollars did not result in the equivalent creation of the local riel currency, the UNTAC operation had little impact on the price level of locally available goods and services. Furthermore, the report suggested that, as there appears to have been little change in the balance between the total supply and demand of goods and services as a result of UNTAC expenditure, UNTAC's impact on the local economy could not have constituted a major source of inflationary pressure. With large numbers of UNTAC staff as well as much of the local procurement of goods and services based in Phnom Penh, the report claimed that any price and purchasing distortions created by the UNTAC presence were limited almost exclusively to the country's capital.

As regards UNTAC's local purchases, the report estimated that in 1992, total local purchases represented as much as 110 million dollars. "Unquestionably", the report noted,

the surge in UNTAC spending in the second half of the year has had an important impact on the economy, especially in and around Phnom Penh. But the spending patterns of UNTAC staff are considerably different from the local Cambodian community, the prices of whose normal purchases of goods and services are little affected by UNTAC outlays (UNTAC, 1992:7-8).

The report further indicated that, rather than contributing to increases in the Phnom Penh Consumer Price Index, "UNTAC dollars helped to provide an offsetting balance to the inflationary effects brought about by the continuing budget deficit" (UNTAC, 1992:11).

The riel underwent a 70 per cent depreciation in mid-March 1993, resulting in the temporary closure of the gold and gems markets, petrol stations and even produce markets as the currency found its new level. Rumour posited the depreciation as an act of economic sabotage in the critical pre-election period. UNTAC was unable to isolate the cause or causes of the sudden depreciation, and was able to do little to mitigate spiralling inflation evidenced in the substantial increases in the prices of goods, especially rice and other basic commodities, fuelled by wide gyrations in the exchange rate.

The price of a kilogram of first quality rice, for instance, jumped from 450 riels in mid-March to a high of 3,000 riels on 20-21 March, settling to some 1,800-2,000 riels by mid-April. The prices of fish and meat rose by 80 per cent, keeping pace with general inflationary increases. Such price increases negatively affected the general population, especially urban dwellers, civil servants and other non-farming

populations. Although no actual shortages of either rice or other goods were reported, the price increases resulted in some hoarding of rice. In an effort to stabilize the price of rice and to discourage hoarding of rice stocks, UNTAC (with the support of the government of the Netherlands and the World Food Programme) began to sell rice directly in selected Phnom Penh markets.

Such economic instability served to erode popular confidence further, and added to the general climate of uncertainty and fear.

While denying a major impact on the local economy, the UNTAC report concedes that lack of knowledge of local conditions, combined with the presence of profiteering and speculative pressures undoubtedly exacerbated some of the underlying problems of inflation. The report cited the housing sector as an example where the exploitation of various imbalances in the market situation resulted in major distortions, with rents increasing by as much as four times and land prices escalating exponentially in anticipation of a period of rapid economic growth generated by the UNTAC-led peace process. In some cases, UNTAC paid Phnom Penh-based rents at the provincial and district levels, resulting in a dramatic increase in the price of rental accommodation in many parts of the country. As more and more rental accommodation subsequently came on the market, however, rental prices came down to more realistic - but still inflated - levels.

With regard to UNTAC's impact on the local labour market, the UNTAC report conceded that "competition between UNTAC and other international organizations (including NGOs, embassies, and other specialized agencies) for local labour may have contributed to an element of wage push inflation."⁹ Competition for local staff was exacerbated by the limited, but nevertheless surprisingly elastic supply of trained Cambodian labour with multilingual or other employable skills. UNTAC established monthly wage payment standards for locally appointed workers - both skilled and unskilled - that were in some cases double the "going" market wage. By setting artificially high wage levels, UNTAC contributed to the "bidding up" of local wage and salary levels.

Salary payments to locally hired UNTAC staff - paid in dollars - comprised less than 1 per cent of UNTAC's total local expenditure. For the 12-month period from November 1991 through October 1992 local staff salaries totalled only some 2 million dollars.¹⁰ It should be noted, however, that locally hired UNTAC staff earned salaries at least 15 times greater than most Cambodians.¹¹ State sector salaries, in particular, remained very low, and were often several months in arrears. In addition, the depreciation of the riel seriously eroded the purchasing power of civil service

⁹ This represents some 6 per cent of the total civil service wage bill of the State of Cambodia (62,846 million riels) for 1992 at an average October 1992 rate of exchange of 2,000 riels to the dollar (UNTAC, 1992:13).

¹⁰ Such discrepancy, of course, pales in comparison to the mission subsistence allowance (MSA) paid to UNTAC international staff. At 130 dollars per day, the MSA approaches Cambodia's estimated per capita income of less than 150 dollars per year.

¹¹ At the same time, the SNC secretariat, including representatives of the four Cambodian parties, has proven itself a very functional and highly productive entity. With hindsight, it was a grave error for UNTAC to agree to base itself in the SNC's Wat Phnom complex (the former residence of the French Governor during the colonial era), thus depriving the 13 members of the Supreme National Council of a functional headquarters.

salaries. Whereas a Cambodian state salary in mid-1992 averaged 35-40 dollars per month and was adequate for basic family needs, salaries in April 1993 averaged only 8 dollars per month (37,000 riel at an exchange rate of 4,700 riel per US dollar).

UNTAC employment of locally engaged staff had some beneficial effect, in terms of both injecting hard currency into the economy and providing job experience and training, including improved language skills, to impressive numbers of Cambodians in Phnom Penh as well as in the provinces. That some local staff would be "robbed" from other organizations was anticipated, and indeed this process resulted in an expansion of the total pool of trained personnel, as new staff were recruited and trained to fill local staff positions. It might also be argued that, in working for UNTAC, local staff contributed to a higher good (i.e. peace) in the interest of all Cambodians and therefore could be "spared" from their previous duties. To what extent they will be re-absorbed in the workforce, and at levels consistent with their UNTAC responsibilities, remains to be seen.

A more serious impact, however, was the recruitment by UNTAC (and other organizations) of some of the very few trained or experienced Khmer within the Cambodian administrations, particularly at the provincial and district levels. While the same argument can be made about serving a higher good, it must be recognized that such personnel formed the backbone of the country's administrative structures. Although the total number of such recruits was relatively small, the removal of key personnel from already disintegrating administrative structures could only have had a negative impact upon the delivery of government services. More than a few districts lost their only trained medical personnel to UNTAC, with these desperately needed doctors and medical assistants serving the UNTAC operation as interpreters or administrators. It is unclear how easy or desirable it will be for such personnel to go back to their previous positions at the end of the UNTAC operation.

It is also unclear to what extent local UNTAC staff will be able to find wage employment in the post-UNTAC period, particularly employment that provides wage payments in dollars. Should peace return to Cambodia, the labour market will quickly swell with large numbers of demobilized military personnel, returnees who have been unable to find sufficient agricultural land and have migrated to towns and cities, recent graduates from the country's training institutions, as well as large numbers of already unemployed or underemployed. The great demand for wage employment will also coincide with the phasing out of the 400-day supply of UNHCR/WFP food rations for the returnee population as well as a likely decline in employment deriving from the overbuilt service sector.

New entrants into the local labour force (i.e. ex-UNTAC employees, returnees, graduating students, as well as "retrenched" civil servants) will need to compete for employment in a period when the demand for labour is likely to experience little expansion. The fact that UNTAC staff were paid in dollars will also reduce the likelihood that such staff will feel that they can seriously consider employment with the post-election government, particularly if government salary levels are not immediately scaled-up to cover basic living costs. In the post-UNTAC period, jobs in the service sector can also be expected to decline substantially.

While UNTAC may have little direct responsibility with regard to the above, the United Nations operation has surely contributed to rising expectations on the part of many; these expectations will be very difficult to realize, whatever Cambodia's post-UNTAC future, and particularly if the post-UNTAC period is not characterized by stability and continued economic growth.

VI. Transition to what?

Unquestionably, the peace process, including the UNTAC operation, brought much benefit to Cambodia. However much flawed in its design or compromised in its implementation, the peace process offered Cambodia and its people the best and possibly only hope for an end to two decades of war, suffering and hardship. It brought an end to the country's long international isolation, which was exhausting politically, economically and socially, and permitted the return to Cambodia of many of the United Nations agencies as well as huge increases in the number of other international and non-governmental organizations. The normalization of diplomatic relations has led to greatly increased levels of development assistance and the extension of such assistance to new areas of the country. The peace process also resulted in the successful return of the more than 370,000 Khmer displaced persons and refugees; the introduction of human rights principles and practices; and the establishment of basic understanding and experiences with regard to multi-party democratic practices.

While these - and other - successes cannot be discounted, it can be argued that some features which emerged during the course of the peace process have had negative consequences for the country's rehabilitation and development, and may in some respects have retarded or distorted Cambodia's development, including its social development. For example, the failure to complete successfully the stages of cease-fire, cantonment and demobilization in 1992 made major donors reluctant to release a substantial amount of the aid pledged for rehabilitation assistance at the June 1992 Tokyo Ministerial Conference. The much-reduced peace process has also given rise to increased concern about Cambodia's post-election future. Such concern has certainly delayed further external assistance, including timely assistance from the Bretton Woods institutions. The postponement of aid flows, especially budgetary support which had been anticipated for the transitional period, meant that the existing administrative structures remained grossly under-financed. The absence of significant balance-of-payments support or financial resources to safeguard already minimal levels of social service delivery resulted in a further decline in service delivery in areas such as health and education. Salary arrears and even non-payment of salaries resulted in further absenteeism, and in all of the Cambodian factions resorting to the excessive - and unsustainable - export of forest and other natural resources.

Foreign business interests, the aid community, and UNTAC itself encountered an operating environment almost devoid of regulatory mechanisms, laws or rational systems of control. This vacuum contributed to the rapid introduction and growth of uncontrolled practices with regard to property markets, contracts and other business dealings, and import/export activities, as well as to such problems as traffic control and an exponential increase in prostitution. Elements of Cambodian society, in Phnom Penh as well as at the provincial level, now have a vested interest in maintaining such

uncontrolled practices, and their correction, not to speak of elimination, will be a long, complicated and costly process for the newly elected government.

The architects of the Paris Agreements presumably believed that the framework would promote political compromise and national reconciliation. In fact, however, the UNTAC-led peace process was characterized by what can only be described as the politics of negativism. Cambodia's Supreme National Council was hardly a model of national reconciliation. The members of the SNC, as representatives of four competing factions, remained fractious politicians rather than statesmen demonstrating their commitment to the best interests of the Cambodian people. UNTAC allowed the SNC to become mired in a negative political agenda - for example, the preoccupying issues of Vietnamese "foreign forces" and the SNC's lack of executive authority. This negative agenda precluded the development of common policies or compromises and proved antithetical to national reconciliation.

Regrettably, the Cambodian peace process did not succeed in introducing much in the way of policy options for the country, nor did it encourage the competing parties to address policy issues, individually or collectively, in a serious or constructive manner. The lack of policy options and the absence of a proposed legal and regulatory framework will surely handicap the new government.

The matter of dependence is a theme that has considerable significance for Cambodia. It can be argued that Cambodia's rapid economic and social progress over the course of the 1980s was achieved not only in spite of the country's isolation, but directly because such isolation forced the Cambodian people to work together to rebuild their shattered society. It is a sad irony that after those much-straitened times, Cambodia has lost the heightened awareness of its responsibility for itself, as well as, arguably, its sovereignty and sense of self-direction. The fact that others now play a major role in setting Cambodia's development agenda, directly and indirectly, means that Cambodia may rather blindly follow a path that does not correspond to the country's development priorities and is unlikely to be in the best interests of the country and its people.

The establishment of a new government through the promulgation of a new Cambodian Constitution will mark the end of both the transitional period and the United Nations Transitional Authority in Cambodia. However, the process of peace-building and national reconciliation as well as continued rehabilitation and reconstruction must continue into a new period of Cambodia's history. It is to be hoped that the future brings Cambodia the peace and stability the country and its inhabitants so richly deserve.

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