

Envisioning a New Paradigm of Development Cooperation in Cambodia

Eva L. Mysliwicz



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Envisioning a New Paradigm of Development Cooperation in Cambodia

Eva L. Mysliwiec

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In "Dialogue in Pursuit of Development" more than twenty practitioners with long experience of working with development cooperation in Cambodia, Laos, Sri Lanka, Uganda, Mauritius, India, Tanzania, among others, present personal reflections and ideas about the concept and process of dialogue, capacity development, ownership and partnership. *The Case of Cambodia* is only one of the many case studies represented in this book.

The Case of Cambodia is reprinted by CDRI for local dissemination under the title of 'Envisioning a New Paradigm of Development Cooperation in Cambodia.' The purpose of the reprint is to encourage further reflection between donors and their Cambodian development partners, and to contribute to more effective development partnership and practice in Cambodia.

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¹ The Expert Group on Development Issues, EGDI, was established by the Swedish Government in 1995 with the objective of contributing to an increased understanding of development issues in a global context and increasing the effectiveness of development co-operation policies. The task of the EDGI is to initiate studies that will have the potential to make contributions to development thinking and policy-making.

Envisioning a New Paradigm of Development Cooperation in Cambodia

Eva Mysliwiec²

1. The Need for a New Paradigm of Development Cooperation

There are three compelling arguments which suggest that it may be time to consider a new paradigm of development dialogue and cooperation.

At the start of the 21st century, the challenges to development cooperation are unprecedented. Two phenomena in particular account for the extraordinary state of the world today, which in turn calls for a new paradigm in the way the international community approaches cooperation as well as in the nature of the dialogue itself. First, at the close of the twentieth century, the number of disasters the international community is called upon to respond to has increased fivefold, and they are nearly all of human creation (Schriver, 1995). Wars, civil conflict, genocide, ethnic conflicts, religious conflicts, and authoritarian regimes have devastated entire nations and their societies. The relief, reconstruction, and development efforts of today must respond not only to the alleviation of physical human misery, and restructuring of basic institutions and infrastructure, but must also

² Eva Mysliwiec (Cambodia) M.P.S in International Agriculture. Cornell University (USA), founded in 1990 the Cambodia Development Resource Institute (CDRI). It is today Cambodia's leading socio-economic policy research institute and she was its Director from 1990-2003. Previously, Mysliwiec has lived and worked in Cambodia since the early 1980s, and prior to that spent eight years leading relief and rehabilitation programmes in Burkina Faso and Mali, West Africa.

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attend to the healing of a damaged humanity. What is so challenging in such situations is that the context, circumstances, culture, nature of the transition, and national and international considerations will affect understanding between partners and the effectiveness of dialogue and cooperation.

The second phenomenon relates to the dozens of countries which in the mid-1990s embarked on the path to democracy; many have had little previous exposure to democracy and lack a tradition of genuine participation. In both situations, the implications for the quality and effectiveness of dialogue and interventions are profound. Where the moral fabric of society has been devastated by violence, and in societies where there has been little experience with democratic principles or respect for human rights, there exists an opportunity, and one might even say a responsibility, in development dialogue to demonstrate a morality which can help to establish societies. The term dialogue as used here encompasses not only messages and attitudes conveyed through discussion, but also through actions.

A third factor which adds urgency to the need for change in the donor-partner relationship, is the failure of development cooperation to reverse the widening gap between rich and poor nations.

The Cambodian experience of the last two decades offers a rich source of food for thought on development cooperation, having been witness to some of the best and worst of development practice. Many factors, both internal and external, have contributed to shaping the relationship and dialogue between Cambodians and the aid community, requiring difficult adjustments on both sides. The relationships and nature of that dialogue have changed over time, with Cambodians today taking a more active role in defining the terms of the relationship, which includes a broader range of interlocutors and stakeholders. What has dialogue meant for Cambodia? What values have been communicated? How does one promote genuine partnership and ownership in an aid-dependent economy? What lessons can we draw from Cambodia's recent experience?

2. Cambodia's Transitions

Contemporary Cambodia is a country at peace and undergoing dynamic changes. While this says something about the resilience and determination of its people, there is no contradiction in pointing out that it is also still a fragile and vulnerable society, deeply marked by a legacy of violence and conflict, and by the punitive policies imposed by most western nations during the 1980s and early 1990s. The following brief chronicle of Cambodia's recent history is intended primarily to provide context and possible answers to some of the questions raised above, and to illustrate the changes in relationships and dialogue in international cooperation since 1980.

1954-1970: Independence

The period following independence from France is viewed today by many Cambodians as a time marked by tranquillity and development. However, development during this period, until the civil war in 1970, was largely a top-down process. The government service, noted for its weakness in planning, neglected to involve the poor in their own development (Muscat, 1989). Bilateral aid was available for development in this period but came to an abrupt end with the onset of the American/Vietnam War. No indigenous NGO movement was in evidence, although a civil society was present in many forms.

1970-1975: War

Between 1970 and 1975 Cambodia became the victim of an undeclared war. Bilateral development assistance ended and was replaced by NGO assistance in the form of relief to victims of war. At this time, the United Nations played a minor role in the training of Cambodian government staff.

1975-1979: the "Dark Years"

Cambodians refer to the Khmer Rouge period as the "Dark Years", marked by fear, internally imposed isolation, destruction, and genocide. There was no international presence in Cambodia at this time, apart from China and North Korea. The war and the

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Khmer Rouge period brought about the total devastation of Cambodia and its people and turned the development cycle back to zero. The most tragic events of this period are the decimation of nearly a quarter of the population and the unravelling of the fabric of society. The educated class of professionals and civil servants especially fell victim to the genocide, thus leaving much of Cambodia's future infrastructure severely handicapped. The physical destruction resulting from this period is well documented. The moral and spiritual damage to Cambodia's society, culture, and psyche is less measurable but deeply affected future reconstruction efforts, relationships, and how Cambodians viewed their role in the development process.

1979-1982: 'Year zero' and the emergency

In 1979 the international community responded generously to appeals to avert widespread famine in Cambodia, following the liberation from the Khmer Rouge regime. However, multilateral relief programmes were greatly delayed owing to difficulties in the negotiation process between the new Vietnamese-backed Cambodian regime and the multilateral relief agencies. Lack of trust on both sides, the necessity for the new regime to assume sovereignty and control without having any resources, and the inexperience of the new regime placed them at a great disadvantage in dealing with the aid community. It might be understandable that the scale and logistical means envisaged by the relief agencies in some respects could be viewed as a threat by a new regime not yet well established and without resources of its own. Failure on the part of multilateral relief agencies on the one hand to appreciate the importance of these factors for restoring Cambodia's self-esteem and sense of identity, and on the other, their intransigence in the setting of conditionalities delayed critical relief efforts for almost a year. Meanwhile, a handful of international NGOs initiated emergency programmes both inside Cambodia and in border camps just over the Thai-Cambodian border. Their flexibility and willingness to put humanitarian concerns above political considerations helped to avert a greater disaster. The massive relief operation spanned virtually every sector of the economy and society with priority going to restoring health services, agricultural production sectors, and

transportation. The scale of the devastation made logistics and monitoring a huge challenge. One of the critical roles that the aid community was called upon to assume was to bear witness to the countless mass graves being unearthed all over the country, and to listen to Cambodian people who sought release in the telling of their tales of horror.

Several points regarding the dialogue between Cambodians and the aid community merit noting. Firstly, building relationships of trust, restoration of self-esteem and confidence are key to empowering development partners from post-conflict societies. Furthermore, this is a long-term process. Extending the hand of trust when partners are unable to do so is critical for initiating a relationship with partners.

Secondly, the scale, of the devastation and the isolation of the country encouraged good cooperation and coordination between the few UN agencies, International Red Cross, NGOs and government counterparts active there. This greatly enhanced the process of relief and rehabilitation in a situation where institutions of state were extremely weak. Cambodian ownership of the process, albeit exercised through excessive controls, also encouraged greater coordination among agencies.

Thirdly, the politicisation of aid not only perpetuated people's suffering, but served to polarise Cambodians and contributed to prolonging civil conflict for another decade.

Fourthly, while the issue of human rights figured in dialogue between the international aid community and the new regime, it was selectively applied. The silence around the issue of human rights abuses which took place during the Khmer Rouge period, and any consideration of a tribunal did not seem to be a priority for the United Nations or the majority of its member states at that time, despite attempts by the new regime to enlist support for a tribunal. In this respect, inconsistency between the values (i.e. respect for human rights, justice) espoused by the international aid community and their behaviour in respect to the abuses committed during the Khmer Rouge period, gave confusing messages. Consistency, or lack thereof, between the

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message and behaviour, in this case in respect to human rights, remains an impediment to effective dialogue on the topic.

1982-1987: Isolation and reconstruction

In 1982 the United Nations declared the Cambodian emergency to be over and an aid embargo, by all but the socialist bloc, was imposed on Cambodia in order to force an end to the Vietnamese 'occupation'³ of the country. The aid embargo, which would not be lifted until the signing of the Peace Agreement in 1991, and the absence of critical rehabilitation assistance deprived the Cambodian people of many basic human rights and inflicted tremendous physical and moral suffering on them (Mysliwiec, 1988). In spite of tremendous constraints, including continued fighting between government and resistance forces, Cambodians managed to restore basic infrastructure in the country. During this period bilateral assistance for emergency and basic rehabilitation was channelled through the UNICEF, WFP, UNHCR, and ICRC. By far the biggest constraint was human capital as many intellectuals and trained cadres had been decimated in the Khmer Rouge period or fled abroad. The limited availability of external assistance fostered both pragmatism and self-reliance among Cambodians. Priorities had to be set for the use of limited external resources, and policies and strategies were evaluated on an annual basis, and adjusted if they did not produce the desired outcomes. For example, agricultural production had been collectivised in the early 1980s. Collectivisation however, had been virtually abandoned by 1985 when it no longer served its purpose and had become a disincentive to investing in land improvement and increasing productivity. Similarly, the monopolistic state purchasing policies were also gradually abandoned. The point here is that there was time for reflection and evaluation; policies were adjusted if found inefficient in meeting the desired objectives, priorities were set for use of scarce resources, and it was a Cambodian owned and Cambodian controlled process. Equally important was that Cambodians

³ The majority of western nations perceived the Vietnamese liberators as invaders. and objected to the newly installed Cambodian government and the presence of Vietnamese troops in the country.

demonstrated both ingenuity and a capacity to rebuild their country.

This phase in Cambodia's process of reconstruction presented daunting challenges as well as opportunities for the small western aid community working in the country. As the government consolidated itself, policy towards western aid agencies became more restrictive. Western agency personnel could not be directly involved in the training of Cambodian partners, and had to channel all assistance through cumbersome centralised government institutions. NGOs in particular, traditionally recognised for their strength in working at the grass roots level, found themselves increasingly uncomfortable in their new role of 'supporting' the central administration. This situation conditioned a process of self-reflection and learning within some organisations, leading to change. Others, as is still the case today, expected dramatic changes from Cambodian partners, but did not, or perhaps could not, perceive the need for change on their own part. It would be difficult to imagine developing a constructive dialogue on the basis of such unequal perceptions.

By 1986, the continuing suffering of the Cambodian people caused by the on-going armed conflict and embargo compelled NGOs to launch an international advocacy campaign with the aim to bring about pressure for incremental change in the western policy of isolation and embargo. The core of the campaign was that the embargo deprived the Cambodian people in Cambodia and in the camps along the border, of basic human rights to health, education, and other aspects of development. Another issue was that of the Khmer Rouge Tribunal. The silence of most western governments on both counts was deafening. This inconsistency in values undermined any effective dialogue with the Cambodians on more recent human rights issues. Also, one should not underestimate the psychological damage inflicted by the embargo on an already wounded Cambodian psyche. To be shunned by a majority of the world's nations after emerging from the nightmare of genocide led many Cambodians to ask what it was about them that elicited such punitive reactions. This negatively impacted on the Cambodian people's capacity to

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restore their self-esteem and confidence, and placed another constraint on dialogue.

In retrospect, three observations in particular stand out from this period. Even though human capital was devastated as a result of conflict and the genocide, capacities to rebuild communities and the country did and do exist in Cambodia, and need to be supported in ways that do not undermine them. The experience from this period also demonstrated that having the space and time to reflect on the effectiveness of policies contributes to ownership of reforms.

Emergencies and hardship create opportunities for building strong relationships between partners, provided that the partners stay in the country long enough to take advantage of this. Many of the agencies that worked in Cambodia during the embargo earned the respect of their Cambodian partners. Mutual respect is an important precondition for effective dialogue and for building meaningful relationships. Unfortunately, the high turnover rate of personnel in some agencies did not allow them to maximise the opportunities present in the situation.

If one accepts that dialogue must be based on a number of values which relate to fundamental questions such as mutual respect for human rights, the equal rights and value of every person, and democratic principles, then it also follows that credibility in the dialogue process derives from coherence and consistency in communicating those attitudes and values across to the partner.

1988-1991: Liberalisation

Three events had a significant impact on Cambodia during this period, and on the nature of development cooperation. First, the meeting between Prince Norodom Sihanouk and Prime Minister Hun Sen raised hope that a peace settlement might be within reach. The second event was the final withdrawal of Vietnamese troops in 1989. Third, at this time Cambodia introduced a number of internal reforms, including liberalisation and a move towards a market economy. These changes made it politically feasible for multilateral agencies under the umbrella of UNDP to send

preparatory missions to Cambodia. Increased bilateral funding became available for humanitarian activities, but was being channelled through NGOs, many of whom were now coming from the border to work inside Cambodia. Other opportunities emerged as well. Agencies (mostly NGOs) were able to expand the scope of their work and its geographic location; they could now be more involved in the training of Cambodian counterparts, and could participate more meaningfully in the planning and implementation of programmes. NGOs began to shift to their more traditional community-based roles.

Perhaps the most notable feature about development cooperation during this period is that the multi/bilateral donors used NGOs as substitutes for Cambodian institutions. The incumbent Cambodian regime was still not recognised by the United Nations, and many donors believed that direct assistance to the incumbent government could negatively impact on the peace negotiations. Consequently, little assistance was available at this critical time to help the Cambodian administration to prepare for negotiations with multi/bilateral donors and the Bretton Woods institutions, and to plan for a large influx of aid. The use of NGOs as substitutes for Cambodian institutions served to shift control of the reconstruction process and agenda out of Cambodian hands to the donors and aid agencies, and virtually excluded many Cambodians from participation in the process. After almost fifteen years of isolation, and having few options open to them, Cambodians were greatly disadvantaged in discussions with the “reconnaissance” missions of multi- and bilateral donors such that one can hardly refer to these discussions as “dialogue”. The fact that few Cambodians had had the opportunity to study English, and that it was rare to find international agency officials who spoke Khmer, made language a significant barrier to Cambodian participation and to human resources development.

The most valuable contribution made by the international community during this period, was efforts in support of the Cambodian peace negotiations, which resulted in the signing of the Paris Peace Accords in October 1991.

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1992-1997: Transition

There is much debate in international circles about the achievements and negative consequences of the Cambodian peace process, and particularly about the benefits and legacy of the UNTAC intervention in Cambodia. It would be a vast undertaking beyond the scope of this contribution, to do justice to the topic. Nevertheless, it is possible to single out some of the factors that have contributed to Cambodia's reconstruction and development, and those that have disempowered Cambodians from being full partners in their own development.

The most notable achievements and contributions of development cooperation during the transition period which followed the Paris Peace Agreement, were the organisation of the UN supervised multi-party elections in Cambodia in 1993 which resulted in a coalition government, an environment conducive to the emergence of a civil society, the return of many of Cambodia's diaspora, and the reintegration of Cambodia into the world community. This was a time of hope, opportunity and tremendous challenges as Cambodians embarked on a number of transitions simultaneously: from war to peace, from a centrally planned to a market economy, and from a one party system to a democratically-elected multi-party government. These were viewed by many Cambodians and donors as important benchmarks for nation building and for democratisation, although real peace did not take root until 1998, with the defection of the remnants of the Khmer Rouge. These achievements however have cost Cambodians dearly, both figuratively speaking and in real terms. Among these costs were loss of sovereignty as Cambodians forfeited effective control of the rehabilitation/development process, failure of the international community to deal effectively with the Khmer Rouge even when they had failed to abide by the terms of the peace agreement⁴, and the beginning of over-dependency on foreign assistance which at the time represented two thirds of total government expenditure. More

⁴ This resulted in the continuation of civil war in Cambodia until 1998. There was still no attempt by the United Nations to address the issue of a Khmer Rouge Tribunal.

significant still, Cambodians lost confidence in their capacity to direct and manage the process of reconstruction (Curtis, 1998).

It is almost inconceivable, with all the knowledge that resides in development organisations, derived from decades of experience and reflection, that Cambodia fell victim to some of the most appalling development practice. In *Cambodia Reborn*, Curtis describes the post-UNTAC situation as development anarchy, and states that many donors either tended to assume that Cambodia was without established institutions or out-rightly rejected them as illegitimate. Curtis further characterises the donor community as lacking discipline and any real commitment to coordination, although the latter was frequently proposed if not practised by the donors themselves. Cambodians were often treated by bilateral and multilateral agencies as victims rather than participants or partners. And the hundreds of fact-finding missions, which passed through Cambodia at the time rarely included Cambodians as team members. Information technology and expertise were concentrated in agencies and mission reports were rarely reviewed with local officials or distributed widely; neither were they translated into Khmer. Some donors were very insensitive to the issues of Cambodian consultation and participation in the design and decision-making process and often hid behind the pretext of maintaining neutrality. Another weakness in development cooperation that precluded any type of meaningful dialogue was the low priority given to developing relationships. It seemed that the pressures of large scale, bi/multilateral funding dictated the demand for quick impact projects and visibility at the expense of developing relationships and processes that ensured Cambodian participation. As a result, many of the interventions proposed by aid agencies often conformed more to donor agendas and priorities than they did to those of the Cambodian people. Similarly, many donor agencies by-passed, or did little to strengthen, local institutions which could have played an important role in reconstruction. This perhaps comes from the fact that many agencies operating in Cambodia were largely ignorant of traditional forms of social organisation and relations in the society, of how much had changed and what remained. Lack of knowledge of such aspects is typical of top-down approaches to development around the

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world. Furthermore, it is crucial for ensuring that projects respond to local needs and for enlisting the active and sustained participation of stakeholders. What is tragic is that without such knowledge the donor community missed tremendous opportunities to transform the past systems and structures which may have contributed to economic and social inequities and conflict. A study of the relationship between culture, values, experience and development practice conducted in Cambodia in 2001 (O’Leary and Nee, 2001) identifies this problem as an on-going issue in development cooperation. The study found that “some of the characteristics of Cambodian patron-client relationships which encourage dependence, gratitude and maintenance of unequal relations were replicated within development cooperation”.

The normalisation of aid relations following the signing of the Paris Peace Accords created space for the development of civil society, and particularly of human rights NGOs. While this was incontestably a positive development introduced through development cooperation, opportunities were missed on several fronts, and again largely due to lack of understanding of local values and social organisation. The new human rights organisations which emerged during this period encountered tremendous resistance and difficulties in their work, partly due to the nature of their sensitive work, to the lack of professionalism and bi-partisanship of some staff, but also because human rights were seen by many Cambodians as a Western- introduced 'concept'. Buddhism however, which is Cambodia's main religion, embodies many of the same values as are encompassed in human rights such as respect for human life, compassion, truth, justice, and non-violence. A former Cambodian Minister of Culture and Religious Affairs, now retired from public life and who devotes his time to Buddhist study and his meditation centre, once told me in discussing the issue of human rights in Cambodia, “had foreign organisations introduced human rights through Buddhist values and teaching, Cambodians might have been more receptive and certainly the human rights NGOs would have encountered fewer difficulties”. Also, the fact that development professionals focused the “dialogue” on human rights mainly on civil and political rights (many development professionals equate human

rights with civil and political rights) undermined the potential of aid to promote awareness and understanding of *all* human rights. The continuing silence over the past Khmer Rouge atrocities and lack of action in response to their failure to abide by the peace agreement further eroded the credibility of dialogue on human rights.

Another missed opportunity was the donor community's understanding of civil society which, according to most in the donor community, meant the newly created local NGOs. This 'civil society' was largely created by donor funding and the need to implement donor agendas. Consequently, development cooperation failed to engage local and traditional institutions (such as the Buddhist community) and to develop partnerships which might have accelerated and enhanced the effectiveness of development and democratisation objectives.

Another factor which contributed to creating an unequal relationship between Cambodians and donor agencies was the undermining of Cambodian self-esteem and self-confidence, even when donors were trying to be supportive. At the Tokyo conference on Rehabilitation and Reconstruction of Cambodia in June 1992 donor governments and international organisations, one after the other, made reference to the suffering of the Cambodian people and to the "lack of capacity" or "limited capacity" of Cambodia to reconstruct itself due to the legacy of the past. Donors generously pledged up to US\$2.29 billion and voiced their commitment to the rehabilitation and reconstruction of Cambodia, which would begin in earnest *now* that they had entered the picture. There was an almost complete negation of the twelve years of hard-won experience, resourcefulness and dedication which the Cambodian people had applied since 1980 to rebuilding the nation and to capacity building efforts. The tendency of the newly arrived donor community to disregard everything pre-UNTAC, and the common reference in development dialogue to "lack of capacity" and "limited capacity" became over time a self-fulfilling prophecy, and on occasion served to justify the heavy reliance of donors (and eventually of Cambodians) on technical assistance.

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That Cambodians, with the support, and perhaps even in spite of, the donor community made slow progress towards stability and reconstruction is testimony to their resilience and their resourcefulness. The DAC Regional Consultations on Development Challenges and the Role of Development Cooperation in the three Mekong countries of Cambodia, Laos, Vietnam organised by OECD in Phnom Penh in June 1996, offered some valuable insights into how participants felt about their development cooperation experience and suggested ways to strengthen local ownership and participation in the development process.

Participants urged a change of dynamic in development cooperation, where ownership and participation replaced the old donor/recipient relationship of dependency. Such a relationship required maturity and had to be frank and open. Interestingly though, local participants did not view this relationship as being equal, “the government and people had to be the senior partner”.

Participants put a high value on respect of sovereignty and understanding of customs, social and cultural traditions. This, they argued, would encourage national pride which in turn would strengthen local ownership, help sustain progress and enhance the effectiveness of assistance in the long term. They also urged donors to be more realistic in their assessment of progress, not to scrutinise every minor deviation, but to look at the track record of overall progress. And they asked for patience when they made political and social adjustments at their own pace and in “conformity with their own ethos evolved and refined over a millennium” (OECD, 1996).

The participants also recognised their own obligations and responsibilities, and urged greater trust and confidence from donors. They agreed that ownership should be responsible and accountable and that they should make better use of instruments such as national budgets, public expenditure reviews, and public investment programmes to increase transparency. At the same time they urged greater coherence and transparency by the international community as well.

To contribute to a more effective dialogue and cooperation which was based on mutual respect, they asked donors to avoid linking grants with conditionalities and using trade and economic sanctions as a weapon to impose changes on their societies.

Conference participants urged donors to avoid rushing to implement quickly conceived schemes because of their own disbursement and budget schedules, and acknowledged that donors had sometimes engaged in activities not rooted in their countries due to the absence of a clear sense of national strategies, or ignorance about cultural values and societal organisation. As a result well-intentioned resources were wasted, they said.

1998-Present: Reconciliation and reform

Despite some setbacks in democratisation and a return to violence in 1997, by 1998 Cambodia had at last achieved peace and some form of reconciliation, through a negotiated agreement with armed remnants of the Khmer Rouge who until then still controlled some parts of the country.⁵ The return of territorial integrity and the successful implementation of the first Cambodian managed multi-party national elections were great achievements for Cambodians and did much to boost their self-esteem and confidence. The newly elected Second Legislature of the Royal Government of Cambodia, with “encouragement” from the international donor community, now turned its attention to an ambitious reform agenda that spanned many sectors including economic reforms, demobilisation, administrative reform, judicial reform, as well as governance reform and social sector reforms. Human resources were acknowledged by all to be the single most significant constraint to implementing the reform agenda. All parties to the cooperation recognised that such an ambitious programme, would require a significant amount of financial resources and technical assistance, and a new dynamic of cooperation based on partnership, participation from all sectors of

⁵ It was only two years following this negotiated settlement between the Royal Government of Cambodia and the Khmer Rouge that suddenly the issue of a tribunal became a priority for donors, after almost twenty years of silence. For the Cambodian government it had now become a much more complex issue.

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society, and local ownership. But what did this new rhetoric really mean?

Before answering this question it is important to note that tremendous strides have been made in Cambodia, in terms of Cambodian participation in and greater ownership of the development process and agenda, and this in itself has empowered them to be a more effective partner in development dialogue. A number of positive trends and practices in Cambodia's more recent development cooperation experience have contributed to this progress. The first is experience, both on the part of Cambodians and the donor community. Cambodians have always demonstrated great pragmatism when given the opportunity and space to evaluate their situation. Time for this however is becoming increasingly scarce as the demands of the reform process and of the donors increase, both in number and complexity. This experience has also contributed to bolstering Cambodian self-esteem and confidence in their capacities as partners in development. Increasing capability on the Cambodian side as a result of technical assistance, and the many opportunities for study and training have contributed to strengthening and expanding Cambodia's human resource base.

An investment in studies and research has yielded valuable knowledge to guide the reform process and development interventions. More is known today about the political economy of the country, how power is exercised and what is left of traditional social organisation and values. This has been critical for undertaking institution-building and for engaging broader sectors of society in the development process and dialogue. A commitment to evaluations on the part of donors and Cambodians alike has contributed to learning from weaknesses as well as best practice, resulting in more effective programmes. A long-term, pilot, national programme in decentralised planning, SEILA, yielded rich lessons in strengthening local planning processes and in involving local communities in applying their knowledge to address their own problems. The long-term and sustained support for the programme, as well as reliance on regular evaluations and partner dialogue greatly contributed to its success. This experience has become the basis for nationwide decentralisation

reforms, which started with Cambodia's first commune election as recently as February 2002.

A regular in-country coordination/consultation mechanism led by government was essential to avoid the danger of donors taking over the development and reform agenda. Government/donor working groups have been established in key sectors of reform to regularly review the progress of reforms, set priorities and identify benchmarks for monitoring. The working groups met quarterly under the chairmanship of the Prime Minister, but this has now been reduced to twice a year because of the work involved. This mechanism serves to put Cambodians and their donor partners on a more even footing in dialogue, as it assesses both the strengths and weaknesses of development efforts, and raises difficult issues in an open, frank and constructive manner. As a coordinating mechanism it contributes to greater coherence and credibility on the part of both partners—the Cambodians and the donor community. It puts the onus on donors to coordinate themselves, and Cambodians as well, as each working group has one spokesperson and only one report is tabled at the meeting. Another benefit of this consultative process is that it contributes to making donors more realistic in their assessment of progress, and to seeing the track record of overall progress rather than focusing on isolated details of what has not been achieved. This mechanism merits further attention and study as a potential model for other countries. Cambodian ownership as well as the high commitment on the part of both the Cambodian leadership and the donors are key to its success. The quality of dialogue and effectiveness of this consultative process would be further enhanced if it could be disassociated from the donor pledging conferences or conditionalities in aid. Also, the process is still somewhat imbalanced in that it is viewed by many donors as a means to hold Cambodians accountable, and not themselves. Cambodians either do not yet have enough confidence to hold donors accountable as well, or have not yet mastered the art of doing so, although there are encouraging signs of this beginning to happen.

One such example is a report from the Council for the Development of Cambodia, the body mandated by the RGC to

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coordinate international aid and investments, to the April 2000 pre-consultative group meeting in Phnom Penh, *Building More Effective Partnerships for Development in Cambodia* (Council for the Development of Cambodia, 2000). A central theme in this report, which we will see reflected again in *two* studies discussed below, is the effectiveness of capacity building and technical assistance. The report attributes the lack of genuine progress in capacity building to the proliferation of formats/demands by donors with regard to rules and procedures for procurement, disbursement, reporting, accounting and auditing; the setting up of parallel systems (Project Management Units, PIUs, etc.) that put more priority on reporting to donors than to government, while competing with government for qualified personnel; the topping-up of civil servants' salaries in donor-funded areas; and the excessive reliance of donors on expensive experts from their own countries who are given too much say in the implementation of donor-funded activities. The report also makes a plea to donors for a shift in the development cooperation approach, from donors pursuing their individual programmes towards a cautious and selective implementation of a sector-wide approach on a pilot basis in selected sectors (health, education, rural infrastructure, governance, and private and financial sector development). It is a courageous report and represents the first time a formal report has been presented to donors highlighting some of the weaknesses in development cooperation with concrete suggestions to enhance partnership, ownership and the effectiveness of development cooperation.

There are certainly other good examples of development partnership and meaningful dialogue in Cambodia. For example, the practice of some donors, albeit too few, of sharing and discussing evaluation reports with partners; some are even beginning to include partners in the evaluation processes. The commendable efforts of donors to ensure civil society participation at the consultative group meetings and in donor/government working groups have broadened the dialogue and enriched the outputs.

Nevertheless, there are still many constraints and weaknesses in development cooperation which continue to hinder

meaningful dialogue, genuine participation, and ownership of development goals and programmes. Two important studies conducted in Cambodia in the last two years shed light on these issues and offer practical suggestions for optimising development cooperation efforts and resources. I will borrow liberally from both these studies. The first study, *Technical Assistance and Capacity Development in an Aid-Dependent Economy: The Experience of Cambodia* (Godfrey et al., 2000) looks at how the magnitude of aid has impacted on Cambodia, and to what extent external assistance can develop the capacity of counterparts in an aid-dependent economy such as Cambodia's. The second study, *Learning for Transformation* (O'Leary and Nee, 2001), is a study of the relationship between culture, values, experience and development practice in Cambodia. It looks at why development cooperation aimed at capacity building has not been very effective in empowering Cambodians to participate fully in the development process, or fallen short in fostering genuine change.

3. Technical Assistance, and Capacity Building in an Aid-dependent Economy

The high proportion of aid invested in technical assistance in Cambodia, as a part of overall development cooperation⁵, warrants a close scrutiny of the study's findings. Critical to the discussion of technical assistance and capacity development in Cambodia is an understanding of the special nature of the country's dependence on aid, and of the distorting effects of large-scale aid on Cambodia's economy. One result is the high proportion of educated people, Cambodia's scarcest resource, being drawn to work in donor agencies and international NGOs, or being attached to projects as salary-supplemented counterparts. Secondly it means that donors and NGOs virtually fund the social

⁵ Technical assistance accounted for approximately 19 percent of the total external assistance in 1992. The share of technical advisors rose to 46 percent in 1996 and 57 percent in 1998. In 1998, \$230.5 million of a total of \$403.9 million in external assistance was spent on TA. From 1995-98 the figure was over \$200 million each year. In 1997, technical assistance accounted for 74 percent of the entire expenditure of the Cambodian government. The amount of technical advisors exceeds the entire annual budget of many ministries.

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sectors, education, health and rural development, while government spends most of its resources, on defence and security. This situation eases the pressure on government to raise more revenue as a proportion of GDP and to raise salaries and accelerate the pace of administrative reforms.

As to how technical assistance works in an aid-dependent economy of this kind, the study suggests that it has been more successful at raising individual capacity than at developing institutional capacity, although some respondents were not so positive. One senior government official felt that there had been little benefit from technical assistance, which tended to solve problems in the short term but did not build capacity for the long term. Another, the head of a donor agency, saw technical advisors in Cambodia as capacity substitution rather than development. A former head of a multilateral organisation in Cambodia was recently reported as stating that “technical assistance often becomes a matter of expediency for donors and government officials in a hurry. It is easier to pay someone an excessive salary than to struggle to find the right people to complete a project (Phnom Penh Post, Sept. 2002).”

The study revealed that chief technical advisers generally saw themselves more as managers rather than facilitators, trainers, or communicators. They expressed dissatisfaction with the quality of briefings they received from donors and executing agencies, and complained about the lack of briefings from government. The latter may well reflect the lack of ownership of technical advisors projects by government. Chief technical advisers complained of too many projects, which were overlapping, uncoordinated and patchy in terms of coverage, and pulling Cambodian partners in different directions. An example given was that of “the HIV/AIDS sector where there are thought to be 20 too many expatriate advisers (Godfrey et al., 2000).”

One of the more significant obstacles to capacity development highlighted by the study, is the structural problems relating to ownership. The study found that in the fifty projects sampled, few are demand driven; most are donor driven in their identification and design. The government’s role is usually limited to day-to-day operations, with little say in personnel and

financial issues. Another weakness of development cooperation in Cambodia is that many agencies do not implement projects through normal government channels. Multilaterals have tended to set up Project Implementation Units, while some NGOs bypass government completely. The study revealed that only 58 per cent of projects in the study sample were structurally well positioned for capacity development, meaning that they were both owned by government and implemented through normal government structures or local NGOs. There tends to be greater government ownership in loan projects, as government owns the funds that have been borrowed. In these projects the government tries to restrict the proportion of technical advisors.

Lack of transparency affects information about costs in particular and is an impediment to ownership as well. Some donors do not disclose information about costs for technical advisors, or salaries and benefits of their international staff. This not only makes it impossible to monitor the cost-effectiveness of projects but also conveys the wrong message about governance.

The study also exposes some of the wider problems arising from the special nature of Cambodia's aid dependence. These problems not only threaten the financial sustainability of projects, but may also contribute to reducing the efficiency of the whole institution. One such problem is the chronic under-funding of government, which is reflected in low salaries. This is in turn reflected in the absence of middle level people in many government departments who do not receive supplementation and who must work outside in order to supplement their meagre salaries and survive. Most projects try to deal with the problem by supplementing their counterparts' salaries in one way or another. Donors further exacerbate the problem by competing for counterparts by outbidding each other. The practice of salary supplementation acts as a disincentive to the large majority of staff who do not receive supplementation, and as an impediment to ownership.

Other structural problems in Cambodia are also a constraint to capacity development. One donor representative synthesised this into two sentences: "Most technical advisors are a waste of money in the absence of certain conditions, such as good

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governance, a functioning judiciary, the rule of law. The Cambodian government hasn't made the reforms necessary to use technical advisors well." The study concludes by offering a series of propositions which could serve as a basis for a 'Code of Practice' which would contribute to improving development cooperation and the effectiveness of technical assistance. The authors concede that given the vested interests on both sides, progress towards more effective partnerships is unlikely to be smooth, but certainly worth the effort. The propositions are lifted from the study verbatim, though not in their entirety.

Salary supplementation. The most urgent single priority is to abolish project- related salary supplementation and instead, ensure that key government officials are paid a living wage for full-time commitment to their work. This will involve agreement between government and donors on: the creation of a Salary Fund into which donors will pay an amount equivalent to what they would otherwise have spent on salary supplementation or other incentives; and agreement on a timetable for the transfer of responsibility for financing this Fund from donors to government. This proposal would fit well into the plans to create a core group of civil servants 'for Priority Missions', currently being discussed by those responsible for administrative reform.

Two-way transparency. Donors should recognise that the purpose of technical assistance is ultimately to increase the welfare of Cambodians and, accordingly, should seek the most cost-effective way of achieving this. This involves complete transparency about all costs and willingness to consider alternative modes of implementation. Transparency has to be two-way, however. Government should also make available to donors information on the distribution of salary supplementation, etc.

Implementation through intermediaries. From the point of view of capacity development, cost-effectiveness implies that all projects should have counterparts, whether in government or in a local NGO. Direct implementation at community level without a local counterpart by an international organisation should be ruled out as cost-ineffective.

Ownership. The government should play a more active role (in collaboration with donors and executing agencies) in design and (transparent) selection of projects and personnel: its concern should extend to ways of reducing the cost of projects without reducing their effectiveness, and to monitoring and evaluating performance. *The aim should be for government to achieve at least the same degree of ownership of grant-aided projects as it already has of loan-funded projects.*

Guidelines. There should be clear official guidelines for the use of technical advisors personnel by government departments (primarily for capacity development), provision of counterparts, and selection for training, and similar guidelines for donors, executing agencies, and project team leaders.

Project Implementation Units. The concept of the Project Implementation Unit (PIU) should be re-examined, and alternative ways of managing assistance through normal government structures, without affecting transparency and efficiency, should be explored. One suggestion worth considering is that each ministry/organisation should have only *one* unit for managing and monitoring *all* its projects.

By-passing government. No external technical assistance projects should by-pass government structures, whether central or local, altogether. For NGOs this would merely mean registering with the relevant ministry (as most do already) and making sure that they liaise with the relevant branch of local government.

Role of government. In all this the role of government should be that of a facilitator, prudential regulator, and coordinator, with the aim of getting the best for Cambodia out of technical assistance, rather than that of detailed controller.

4. Learning for Transformation

The study, *Learning for Transformation*, reinforces many of the findings from the CDRI technical assistance study, but also offers the unique perspective and experiences of NGOs. In relation to partnership in development co-operation the study posits that the imbalance inherent in donor/client relationships, makes them particularly difficult relationships, even when the donor

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organisation is trying to be supportive and sensitive to this. This power imbalance in donor-partner relationships stems directly from the donor having the funds and the right to 'decide' whether or not the partner receives funding, or will continue to receive funding.

Participants in the study identified donors' project aid procedures as a constraint to the participation of civil society in development cooperation, and see them even as an obstacle to the flexible and less known approaches needed to support local initiatives and grassroots organisations. Development administrators, they claim, are not always convinced about the relevance and implications of encouraging participatory approaches. Their experience has been that 'getting things done' and disbursement often outweigh other considerations and work against participatory development. The study suggests that translating participation objectives into reality calls for changes in attitudes and practices concerning the way activities are conceived, designed, financed, and timed. Recognising that process is as important as output, which is increasingly the case among donors and partners, is already a step in the right direction.

The study offers some insights on the need for improved understanding as a basis for dialogue and effective cooperation. NGO development practitioners point out that capacity builders need to be conscious of the factors -within themselves -and within participants -which inhibit the facilitation of learning. "Technical advisors need to understand more explicitly what people whose capacity they are endeavouring to strengthen are facing regarding the dilemmas of development practice in Cambodia. Foreign development influences (capacity-building (training), organisational culture and the expectations of donors) are being laid over the underlying formative influences of culture and trauma and are also impinging on development practitioners' attitudes, beliefs and perceptions. Development practitioners struggle to accommodate what is culturally and socially acceptable and expected, and the demands of their work, which at least in theory is calling them to behave in a very different way" (O'Leary and Nee, 2001). Another key weakness in technical assistance is that training, at least in Cambodia, has largely focused on the

transmission of information, particularly the technical content; it has not really challenged the development practitioners to discern their own values and to clarify how they fit in relation to development values. Training that is mainly technical is not aimed at changing attitudes and perceptions. The application of knowledge about gender makes the case very clearly. “Most development practitioners have attended training on the theory of gender but the degree of internalisation and commitment varies from no discernible change in attitude or belief, to those who had embraced the concept to some degree (O’Leary and Nee, 2001).”

5. Requirements for a Development Dialogue

In the last decade Cambodia has undergone dynamic change and the nature of the development dialogue and of development cooperation has changed as well. Development organisations have become significantly better at evaluating their work and at generating development knowledge. Making the link between learning and integrating that learning into development practice however, remains a significant challenge to development cooperation. Also, organisations, for whatever reasons, are slow to change; much of the expectation of change in a donor-partner relationship has been largely one-sided. Yet, if donors do not sufficiently appreciate the need to change, it is unlikely that they will be able to stimulate change in others. One need only look at the poor record of development cooperation in reversing the widening gap between rich and poor nations, to realise that there is a need for a new paradigm in development dialogue and cooperation.

Post-conflict societies, which are today making unprecedented demands on ODA, pose complex challenges and special opportunities in development cooperation. They offer rare opportunities to change past systems and structures which may have contributed to economic and social inequities and conflict. In such situations development dialogue can make an invaluable contribution in fostering positive social change. At the same time opportunity engenders a responsibility to understand the context, the culture, the traditional forms of social organisation and power, lest ignorance leads to *new* forms of disempowerment or

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replicates old forms of inequity. Making the time to build and nurture relationships of trust based on mutual respect, and making the effort to learn about and understand the societies we are attempting to assist are fundamental prerequisites to any meaningful development dialogue and partnership.

Where development dialogue provides an opportunity to transmit values, caution must be exercised. The level of conscientisation of indigenous groups may differ widely from that of foreign agency staff acting as catalyst. There is always the danger that foreign agencies unintentionally manipulate and impose their own ideological frameworks and priorities on local groups by promoting, for example, western models of “empowerment” or “participatory development”, or western economic frameworks, especially where the process of the local people’s “critical consciousness” has not yet had time and opportunity to ripen and mature. Western options of self-reliance and independence (encouraging communities) have not always been suitable when a development strategy based on the concept of interdependence between villagers and their government institutions would have been much more appropriate in Cambodia, and more realistic in terms of long-term sustainability.

Coherence is essential for the effectiveness and credibility of a donor country’s stance on good governance and participatory development. The conflicting signals of the donors, and inconsistency between rhetoric and action in respect to human rights in Cambodia has damaged their credibility, and seriously weakened their position in the current dialogue on the Khmer Rouge tribunal. An exclusive focus on civil and political rights only, has resulted in lost opportunities to sensitise Cambodians on other basic rights.

Participation is still more rhetoric than reality. There is need to improve the rhetoric of dialogue between donors and recipient countries. There remain a number of obstacles to genuine participation. In many cases the existing focus of participation is too narrow. Often, donors negotiate with governments or existing non-representative institutions; donors also relate mostly to other donors and do not always share

information with civil society. Even though there is a perceptible increase in workshops which engage civil society and local actors, there is seldom time for meaningful participation, and too little information available in the local language. Other prerequisites for real participation include: *interdependence and equality*; *mutuality*—sharing information and analysis (translation of reports); *inclusion*—government and civil society are involved in design and planning, with Cambodians taking the lead in developing their development objectives and priorities; *respect for local capacity* - aid should complement and supplement local resources.

Ownership is a subtle concept because it is in the minds of people. Governments or people can be said to own an activity when they believe that it empowers them and serves their interest. Government ownership is not something to be awaited; however, it sometimes needs to be nurtured. Whereas accountability to the donor increasingly takes precedence over the needs of communities, reversing this trend would go a long way towards strengthening local ownership of development goals and interventions. Time, which allows for reflection and internalisation of new ideas, is a critical factor in ownership, and for meaningful participation as well. Timetables need to respond more to Cambodian needs than donors' programming needs, and the process needs to take precedence over getting things done. Giving partners a say in the selection of technical assistance and greater responsibility for the financial management of projects will also contribute to greater ownership, particularly of grant aid.

Accountability and transparency are essential elements for partnership and should extend both ways. Non-transparent donor requirements and procedures, and tying aid to donor conditionalities, particularly in relation to procurement of goods and services from donor country suppliers, contribute to a lack of trust regarding the donor's motives and discourage national ownership of the process. Adopting practices that encourage trust, such as incorporating technical cooperation in the budget and the opening up of procurement markets would enhance the accountability and transparency of technical cooperation and contribute to national ownership as well. On the other hand, a

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partner government must be able to convince donors, also through transparent mechanisms, that donor resources will be used efficiently for the purposes mutually agreed upon. Accountability has too often been seen by the donor as a one way process. Establishing mechanisms through which donors can be held accountable by communities or individuals, and introducing performance indicators for technical assistance would contribute to restoring some balance in the relationship between the partners in development dialogue.

There is no shortage of knowledge on what is needed to transform the development partnership into a meaningful process of dialogue and effective cooperation. Today's development discourse reflects many of the principal elements of an effective partnership, genuine participation, and local ownership of the development process. Evidence thus far however, suggests a huge gap between rhetoric and actual practice. The real question perhaps is whether there is within the donor community, the capacity and commitment to change and to envision a new paradigm of development cooperation.

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