

year, to absorb 29% of the overall budget (\$82.6 mn for the Defence Ministry, including money for the integration of Khmer Rouge defectors, and \$39.4 mn for the Interior Ministry).

The print media, while "free," is often inflammatory rather than informative. Moreover, the government has occasionally taken a harsher line towards both local and international media: a January directive from the Information Ministry would require the media to cite government sources on issues of national security or political stability. Canadian journalist Ed Fitzgerald was threatened first with expulsion, then denial of his right to work in Cambodia because of some of his reporting. Six (albeit inflammatory) opposition newspapers were suspended on January 8 and charged under the Press Law. It remains to be seen whether the government will allow equal access of the political parties to public radio and television during the election campaign.

Even assuming a reasonably free and fair election¹¹, Cambodia will have much work to do in creating a stable democracy. The Khmer Rouge decimated the educated, a decapitation of talent and experience which the country will not fully recover from for many years. The usually cited rate of literacy is just 35%¹².

Civil institutions of government are still not strong enough. To quote from the UNDP election assistance project summary:

"In many ways Cambodia can be seen to be in a post-crisis emergency situation with key ministries having inherited a very weak human resource base and many of the individuals holding key posts lacking experience..."

The judicial system, critically, is still underdeveloped and open to political influence and corruption (judges earn \$30 per month). Local-level democratic institutions such as commune councils have never been established. There is a large number of ngos (approximately 300), many of which are very effective; however, factionalism has also penetrated the ngo sector: some are seen as pro-CPP, others as pro-FUNCINPEC. While local capacity is being developed, many complain that there is a heavy reliance on foreign expertise in almost every area - from development to governance - and limited evidence that Cambodians are being trained fast enough.

The economy is still very small: per capita annual income is perhaps \$300. Growth of 6% predicted for 1997 dropped to 2%, another casualty of the July fighting. The business community, in some countries an important player in helping to restore stability, was described

¹¹Some diplomats and opposition figures privately feel that a "60-80%" free and fair election is probably the best hope.

¹²However, the 1997 UNDP HDI for Cambodia suggests that the adult literacy rate may be as high as 69%, based on a survey in which respondents gave their own assessments. Moreover, the HDI has been recently revised somewhat, so that Cambodia's rank is now slightly higher, just below the rankings of India and Pakistan.