

Cambodia: A victim of aid

From the air, there appeared to be nobody, no movement, not even an animal, as if the great population of Asia had stopped at the Mekong river. Even the patchwork of rice paddies and fields was barely discernible; nothing seemed to have been planted or growing, except the forest and lines of tall wild grass. On the edge of deserted villages, often following a pattern of bomb craters, the grass would follow straight lines; fertilised by human compost, by the remains of thousands upon thousands of men, women and children, it marked common graves in a nation in which as many as two million people, or between a third and a quarter of the population, were “missing”.

That was Cambodia as I found it 26 years ago, in the wake of the Khmer Rouge, whose murderous rule had followed an inferno of American bombs. Shortly afterwards, Jim Howard, senior engineer and fireman for the British charity Oxfam, joined me and sent his first cable: “Fifty to eighty per cent human material destruction is the terrible reality. 100 tons of milk per week needed by air and sea for the next two months starting now repeat now.”

Thus began one of the boldest aid operations of the 20th century, which surmounted an American and British-led embargo designed to punish Cambodia’s liberator, Vietnam. By the sheer ingenuity and political wisdom of its actions and domestic campaigns, Oxfam saved and restored countless people. Later, in demanding that the west stop supporting the Khmer Rouge in exile, Oxfam incurred the hostility of the Thatcher and Reagan governments and was threatened with the loss of its charitable tax-free status. This was clearly meant as a warning to the independent aid organisations, or “NGOs”, lest they became too “radical”. Many have since embraced a version of corporatism and a closeness to the British government, whose neoliberal trade policies remain a source of much of the world’s poverty.

On 27 May, the watchdog ActionAid will publish an extraordinary, damning

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report, *Real Aid: an agenda for making aid work*. With the G8 meeting at Gleneagles in Scotland in July, and the Blair government (and other European governments) propagating the nonsense that it is on the side of the world's poor, the report reveals that the government is inflating the value of its already minimal aid to poor countries by a third, and that the majority of all western aid is actually "phantom aid", which means that it has nothing to do with the reduction of poverty.

The ActionAid study describes a gravy train of overpriced "technical assistance" and "consultancies", of careerism and scant accounting. Britain frequently exaggerates its aid figures (by including debt relief); and America binds its aid to trade and ideology and its "interests". In fact, real aid accounts for just 0.1 per cent of rich countries' combined national income. Set against the UN's minimum "target" of 0.7 per cent, this is barely a crumb.

Cambodia is a prime example. One of the poorest countries in the world, Cambodia was never allowed to recover from the trauma inflicted by Richard Nixon, Henry Kissinger and Pol Pot. During the 1980s, with Pol Pot expelled by the Vietnamese, an American and British-led embargo made reconstruction almost impossible. Instead, a "resistance" was invented by the Americans with the British SAS contracted to train the Khmer Rouge in secret camps in Thailand and Malaysia. In 1990, when the United Nations finally arrived in Cambodia to organise "democracy", it brought corruption on an unprecedented scale, along with Aids and "aid". This was misrepresented as a "triumph" for the "international community".

Cambodia today is a victim of this "aid". As in Africa, the "donors" (the west and Japan) have perpetuated the myths of a "basket case": that Cambodians cannot do anything for themselves and that genuine development aid and rapacious capitalism are compatible. No finer symbol is Cambodia's fluorescent-lit sweatshops, making consumer goods for a fraction of their retail price in the west, overlooking hovels where children play in malarial cesspools.

Of course, fake, or "phantom" aid and rapacious capitalism are compatible. The ActionAid report quotes Brad Adams of Human Rights Watch: "In the 1980s, there was a popular T-shirt satirising US army recruitment commercials with the slogan, 'Join the army. Travel to exotic, distant lands. Meet exciting, unusual people. And kill them'. In the new millennium, it could be rephrased, 'Join the aid community. Travel to exotic, distant lands. Meet exciting, unusual people. And make a killing'."

Roughly half of all aid to Cambodia is spent on "technical assistance", or TA.

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Between 1999 and 2003, this amounted to 1.2bn dollars. What is TA? It is an invasion of “international advisors” on whom up to 70m dollars was spent in 2003 alone. Add to them “international consultants”, who each cost more than 159,000 dollars. By contrast, the cost of a genuine foreign aid worker in a truly independent NGO is less than 45,000 dollars, and the cost of recruiting a Cambodian expert is an eighth of this.

More than 740 foreigner advisers and experts earn nearly as much as 160,000 Cambodian civil servants, who get as little as 25 dollars a month. In many ministries, the pay of foreign advisers exceeds the entire annual budget. It is more than twice the budget of the agricultural ministry and four times that of the justice ministry.

Foreign aid workers constantly complain about local corruption, often justifiably. But they rarely identify and measure their own legitimised corruption. “There has been no systematic analysis of the effectiveness of TA in Cambodia,” says ActionAid. “Government of Cambodia officials [have] suggested that this is because donors don’t want to recognise the ineffectiveness of their aid.” The Council for the Development of Cambodia says that the foreigners “create parallel systems to the government. They don’t transfer capacity. The experts just provide reports which no one reads... donors always complain about the lack of human resources [but] Cambodians are human beings...”

The report cites a scheme to protect villagers from flood, in which Britain’s Department of International Development is involved. Even though it is promoted as “community-based”, three-quarters of the budget is being spent on foreign consultants, offices and administration. Cambodia has three separate national economic plans, each designed by a different foreign agency. One of the biggest donors is the American government agency USAID, notorious for its bloody political interventions throughout the world. USAID funds Cambodian opposition groups, “human rights advisers” and newspapers that are in line with Bush’s idea of “good governance”. Even the most basic humanitarian aid is tied to American business. For example, oral rehydration salts, which are essential in the tropics, must be bought in the United States at five times the price of the same product made in Cambodia.

There are good people in the foreign NGOs in Cambodia, and there are a number of effective schemes. But “partnership” with local people is a word both governments and aid agencies abuse. Cambodians get what they are given, such as World Bank and IMF “loans” with the kind of outrageous conditions that have damaged countries like Zambia.

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More than 600,000 Cambodians were killed by American bombs in the 1970s. As the CIA later admitted, the devastation provided a catalyst for the Khmer Rouge horror. Thousands of child deaths were subsequently caused by an economic blockade which the British government backed.

I see that Tony Blair, like newsreaders and other celebrities, has been wearing the fashionable “Make Poverty History” wristband. How perverse. Like those nations in Africa, Asia and Latin America long plundered in the name of western “interests”, Cambodia has a right to unconditional reparations so that it can meet the urgent needs of its people, not the demands of those claiming to care.