

targeting it to those who need it the most. Yet the proposal is still superior to the Coalition's plan of providing a tax rebate for child-care expenses. For a start, the beneficiaries will not have to wait until the end of the financial year to get the cash assistance.

There has always been a problem with the interface between the labour market and the welfare system. People on unemployment benefits often get caught in the poverty trap, because they lose disproportionate amounts from their benefits if they earn even modestly from part-time work. The incentive to work is thus lost. *One Nation II* addresses this issue by allowing an unemployment benefits recipient to earn up to \$990 a fortnight without any benefit reduction. This clearly helps the unemployed to increase their disposable incomes and perhaps maintain some sort of attachment to the labour market. And it may increase the probability of re-entering full-time employment as it becomes available.

But it also may institutionalise the unemployment dilemma. We simply cannot be content with hundreds of thousands of people eking out an ex-

istence through a mixture of unemployment benefit and part-time work in some dead-end job. It would have been far better to increase the dole payment directly. This would have stimulated aggregate demand, relieved the income deficiencies of the unemployed in general and provided an incentive to government to get people back into full-time work.

In fact, the chief failing of the government's stance since November 1991 has been the lack of real effort to get the job market moving again. Initially the government claimed that rising unemployment was largely due to structural factors and thus that individuals themselves lacked the necessary skills. So the victims were provided with training schemes. Still the unemployment queues increased. In fact, the overwhelming proportion of unemployment is due to demand deficiency arising from a downturn in investment—probably as a reaction to years of ridiculously high interest rates. There has been no demand, no sales, and no reason for firms to fully employ the labour force.

*One Nation* recognised this but gave only a muted and staggered stimu-

lus. The results are yet to be realised but they will be small.

*One Nation II* has finally abandoned the structural fudge which Dawkins and others have been peddling mindlessly for two or more years. While *One Nation* was about public infrastructure development, the revised version focuses mainly on stimulating the private sector. But investment is like a snowball; it takes a long time to roll into any sort of reasonable size. There will be no immediate jobs emerging from this package.

Yet, while it is easy to criticise any initiative in the current very difficult economic circumstances as inadequate, the fact remains that modest growth is returning to the economy and significant productivity gains will be forthcoming as the co-operative approach to industrial relations continues to rearrange our antiquated workplaces. The government strategy remains superior in every way to the mayhem which will follow if the Coalition is let loose on the nation. ■

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# ROUGE AWAKENING

**In April 1992 heavily-armed Khmer Rouge troops stormed a village in central Cambodia and murdered seven ethnic Vietnamese civilians.**

**T**he UN's Transitional Authority in Cambodia (UNTAC) sent a representative to the village, and locals appealed to UNTAC to station ten troops there for their protection. But this was not done and, in May, the Khmer Rouge struck again. The people have lost hope, a local official said. Nearly 1500 people fled the village. In July, near the Vietnamese border, an ethnic Vietnamese couple and their seven-day old son, four other children aged seven to 16—Cambodians whose grandmother was Vietnamese—and their uncle, were all massacred and mutilated by Khmer Rouge gunmen. And the Khmer Rouge threatened yet another racial pogrom after the US Chief of Mission in Phnom Penh, Charles Twining, stated his fear that history might repeat itself, with bodies of ethnic Vietnamese floating down the Mekong as in 1970. Khmer Rouge

leader Khieu Samphan shot back: "If the Cambodian people cannot see a peaceful resolution to the problem, they will seek other means. So Twining's nightmare might become a reality".

Khieu Samphan was as good as his word. In October the bodies of ten ethnic Vietnamese civilians were discovered floating off the Cambodian coast, and a senior Khmer Rouge commander admitted that his guerrillas had kidnapped eight more. In December 1992 the bodies of three more Vietnamese fishermen were found floating in the Mekong River in north-east Cambodia. Soon after, in what was described as "the deadliest violation of the Cambodian peace accord", two boatloads of Khmer Rouge troops entered a fishing village in central Cambodia and murdered 13 ethnic Vietnamese, including six females and



GRAPHIC: MARIA MIRANDA

five children. According to a UN spokesman, "they asked villagers to identify the Vietnamese. Those identified were summarily executed... there's very strong evidence that indicates the attack was racially motivated." The same Khmer Rouge attackers also murdered two Cambodians and wounded 13 others.

Most of the country's 450,000-strong ethnic Vietnamese community were expelled by the US-backed Lon Nol regime back in 1970, when bodies first floated down the Mekong. More were driven out by Pol Pot in 1975. The rest were systematically murdered by the Khmer Rouge and only after Pol Pot's overthrow in 1979 did some of the refugees return from Vietnam along with some newcomers.

The Vietnamese are not the only targets of the Khmer Rouge army. In July 1992, Khmer Rouge guerrillas mortared a Cambodian Buddhist monastery in Siemreap province, killing one monk and injuring three others. The temple was destroyed in the attack. Defectors reported to UNTAC that "a Khmer Rouge general executed their company commander" for his insistence on respecting the 1991 Paris Agreement on cantonment of troops under UN supervision. Khmer Rouge forces kidnapped over 100 UN peace-

keeping personnel in eight separate incidents during December and January. They were all released unharmed, but the message was clear: the Khmer Rouge are backing up with force their demand that the UN keep out of Khmer Rouge zones. On 12 January this year, two UN electoral employees were killed in an attack on a UN base in northwest Cambodia. Witnesses said the attackers came from and then fled back to a nearby Khmer Rouge zone.

Since the October 1991 Paris Agreement, Pol Pot's Khmer Rouge have called the world's bluff, and the UN peace plan is in crisis. The international community has given the Khmer Rouge valuable time to aggressively expand its military control, move into the political arena, stockpile weapons, and collect vast sums of money, all without the UN control which the Agreement stipulates and to which the other Cambodian parties are subject. The Khmer Rouge have constantly violated the ceasefire. According to Senator Gareth Evans, the Khmer Rouge now exercise control over half a million Cambodians, triple the number under Khmer Rouge control before the UN Peace Plan went into effect in 1991.

As the country's economy collapses through international pressure

and continuing denial of aid, and the government discredits itself through corruption and a new wave of police repression, the Khmer Rouge again threaten the people of Cambodia. The Khmer Rouge's longtime allies, the US-backed parties led by Son Sann and Norodom Ranariddh, have also called for virtual ethnic cleansing of Vietnamese civilians from Cambodia. Ranariddh is the favourite to be the next Cambodian prime minister; with no army of his own he will need to rely on that of his opponents. The Khmer Rouge benefit from these divisions. Without resolute international action, they will become an integral part of the country's political future, despite their genocidal record in power in 1975-79, when 1.5 million Cambodians died at their hands.

Western diplomats have largely ignored the genocide issue. In 1988, Southeast Asian nations denounced "the genocidal policies and practices of the Pol Pot regime". But the best that Senator Evans could muster in his 1990 Cambodia proposal was a vague denunciation of unspecified "human rights abuses of the past". The UN Security Council, with the complicity of Gareth Evans, has brought the Khmer Rouge and their policies back to Cambodia. On 24 December the Far Eastern Economic Review concluded that "by the end of 1992 the chief result of the 'peace process' appeared to have been to legitimise the murderous Khmer Rouge".

The Khmer Rouge retains its place in the United Nations and in UN planning for Cambodia. Legal action against the Khmer Rouge has long faced Chinese and US opposition. But the US and Australia insist they would help a newly-elected government of Cambodia bring the Khmer Rouge to justice. This commitment must be strengthened. The new Cambodian government that emerges from the May elections must be given all necessary international aid to resist the inevitable Khmer Rouge offensive. ■

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