

contributes empirically to the developmental state literature by concentrating on ICT (use). However, there are also some weaknesses in the book. While ICT is at the forefront in relation to Malaysia's and Singapore's transformation to a knowledge economy, it appears to be less obvious that sustained development in all less developed countries depends on bridging the digital divide. The author mentions historical institutionalism (pp. 76–77) but does not expand whether and how this paradigm could have informed the analysis. There is more reference to the developmental state literature (pp. 16–22) but the author could have been more specific as to whether and how his analysis contributes to the already huge developmental state literature. This could have expanded the very short conclusion (pp. 215–18). Moreover, while retelling the success story of Penang based on the work of Rasiah, the author seems to overlook the limits or “negative lessons” that other scholars (e.g. Philips and Henderson) have pointed at. Nevertheless, the book should certainly be read by scholars and practitioners that are interested in the weaknesses of the prevailing NIE approach to institutional change, have an interest in comparative work on Southeast Asia's economic transformation, or have a special interest in ICT, institutions, and economic growth.

LAURIDS S. LAURIDSEN  
*Roskilde University, Denmark*

DOI: 10.1355/ae30-2k

*Aid Dependence in Cambodia: How Foreign Assistance Undermines Democracy.* By Sophal Ear. New York: Columbia University Press, 2012. Pp. 208.

This book brings a subtle analysis to the scholarship on international aid, development, and governance in general and in Cambodia. Sophal Ear examines the effect of aid on governance using case studies on economic growth, the government and donors' response to Highly Pathogenic Avian

Influenza (HPAI), and human rights activism in this Southeast Asian kingdom.

Ear's arguments are persuasive. He begins by bringing some nuance to established research on the impact of aid on governance. Using data from 209 countries collected in 2005, he reports that, of six dimensions of governance — voice and accountability, political stability, government effectiveness, regulatory quality, rule of law, and control of corruption — only the rule of law shows a clear negative impact from aid — particularly aid and technical cooperation. Aid helps marginally to improve voice and accountability but aid dependence cannot be used conclusively to explain variation in the other dimensions of governance. In other words, his conclusions are more tempered — international aid does affect governance negatively, but not as badly as previous research has reported.

To delve more deeply into the actual relationship between aid and governance at the country level, he presents findings from a survey of forty-three people who were asked for their opinions on the six dimensions of governance in Cambodia and how these have fared over time. The subjective assertions of the respondents were that the donor community effected positive change in political stability, voice and accountability, but failed to positively influence government effectiveness, regulatory quality, rule of law, or control of corruption. This substantiates Ear's broader quantitative analysis.

The phenomenon of growth without development is the substance of the second chapter. Ear examines the factors that have brought about uneven growth across three industries — garment, rice, and livestock. He finds little evidence that donors were actually the driving force behind this growth. Instead, he points to the convergence of distinct circumstances as providing the necessary conditions for growth (or lack thereof). In the garment industry, private sector organization (mostly foreign) and the exceptional relationship between this organized group and the Ministry of Commerce were highlighted as the driving forces behind the success of this sector. The other two sectors, due to historical precedent and the local

---

and disparate nature of holders, are lacking in organization and social capital. Moreover, and more importantly, for Ear's thesis, the latter two sectors are based on the dividing or displacement of pre-existing rents rather than the creation of new opportunities. Consequently, the government has little incentive to attend to the constraints specific to these sectors because the costs of doing so outweigh the benefits. Thus, across the three sectors examined, Ear asserts that growth in the garment sector has not occurred because of the government's effort but despite it, while stagnation in the other two sectors is indicative of the lack of political will and poor governance on the whole.

The third chapter examines the international community's response to HPAI in Cambodia and criticizes it for overlooking the livelihood issues of the poor (who are directly affected by disease prevention policies) in preference for containing a potential global threat. Ear puts the blame squarely on the Cambodian government for not driving, coordinating, and overseeing the process and thus exacerbating the misalignment of national and international interests.

Ear's fourth chapter focuses on human rights activism and the international community's lack of resolve on democratic transformation. Using the arrests and subsequent release of activists in 2005 as an illustration, he notes that although this was an occasion where domestic and international NGOs came together and traditional networks expanded, the outcome was driven more by the government's opportune use of the situation, rather than by the force of civil society's demands. Civil society, which should function as a counterbalance to government, is sorely lacking in stable funding and suffers from conflicts in vision and power between national and international advocates. In fact, funding for Cambodian NGOs fell in 2004 while that of international NGOs rose.

Throughout the book, the motif is that the lack of good governance in Cambodia is the main obstacle to development (in all its senses), a fact which has not been adequately addressed or has even been exacerbated by international

donors. Ear's solution to increasing governance in Cambodia is to make the government accountable to the populace through taxes, and to link aid to tax revenues. Moreover, he posits that pegging aid to levels of corruption would also help to improve governance in the country.

However, as he rightly points out, the rising dominance of China as a donor will work in opposition to this. Cambodian leaders may easily turn to China for aid which does not require improvements in governance. Another option is to strengthen civil society and to resolve the instability and conflicts that it is currently riddled with. While there are no easy answers, Ear should be credited for identifying current road blocks and outlining some possible, if arduous, paths.

An important issue with the book is the sampling methodology used to select interviewees. While the information garnered from the respondents is useful, helps to flesh out the case study, and is discussed with other relevant studies and policy examples, there are issues with reliability and validity. First, the target population was made up of people "involved in an intense way" (p. 36) with ODA flows and the performance of the government. No criteria were given for what this type of involvement meant. The only discernable ones were the number of years of in-country experience and their involvement in the procurement and use of aid. The former criterion seems reasonable enough, given that respondents needed to have a minimum of three years in-country (the mean number of years was seven and the median was eight). However, the latter criterion poses problems in terms of validity — 84 per cent who responded were employed in donor agencies or NGOs, and 89 per cent functionally managed or advised. While this meant that the respondents had significant experience in donor agencies and NGOs, they did not necessarily have expertise in assessing how aid affected governance in the country except from a subjective, individual point of view. In addition, Ear does not specify if any Chinese donors were interviewed, which is particularly important since he asserts that Chinese donors are less likely to care if aid impacts governance

---

or not. Finally, as Ear admits, the sample is not representative, given the snowball sampling used and the underrepresentation of respondents from the Royal Cambodian Government.

Nonetheless, Ear's in-depth understanding of Cambodia has enabled him to provide valuable lessons for policy-makers working in the country as well as for other countries experiencing post-conflict reconstruction. It is clear from his analysis that the one-size-fits-all approach that donors have tended to use is doomed to failure.

SU-ANN OH

*Institute of Southeast Asian Studies, Singapore*

DOI: 10.1355/ae30-21

---

***The Capability Approach: Development Practice and Public Policy in the Asia-Pacific Region.*** Edited by Francis Panzironi and Katherine Gelber. Abingdon and New York: Routledge. Pp. 214.

---

This is a very good introduction of the capability approach, a form of evaluation for public policy. Rather than asking if a policy has simply improved incomes, opportunities, or even happiness, it asks if the policy has improved the ability to do things that people themselves want to do. It is an attractive approach, particularly for those in the education sector. The idea goes back to Aristotelian ideas of human flourishing. The key distinction made by its modern proponent, the economist Amartya Sen, is between capability (the ability, resources, and opportunities) and “functionings” (the valued outcomes, which may vary between people and groups). For example, welfare policy should not simply be aimed at providing indigenous minorities with the same level of services as everyone else but should be supporting them in achieving their own particular goals, which may be quite different from those of the majority.

The edited book, which is an outcome of a conference in 2009, is divided into three parts. The first introduces the ideas, particularly those

of Sen himself, and the philosopher, Martha Nussbaum, who developed her own interpretation of them. From her work on development and the role of women in India, she devised a list of ten “central human capabilities” ranging from bodily health and integrity through the ability to form attachments, affiliate with others, and play. There is an obvious link to ideas of human rights, and similar questions arise about their universality and openness to change. The book's introduction also rehearses objections to Sen and Nussbaum's arguments but goes on to show the potential capability theory has on tackling old problems from a new perspective.

The second part of the book considers the application of these ideas to the intransigent problems of marginalization in the Asia Pacific region, particularly in: government policy towards indigenous people in Australia and New Zealand; older people and urban development in Sydney; and the living standards of Australian children generally. The authors use different methods — interviews, analysis of the law, and regression analysis — to highlight the manner in which capability theory can address these issues.

The third part turns to developing countries, particularly: Samoa; Vanuatu; Papua New Guinea; and Sri Lanka. This section shows how capability theory is being applied by researchers in the region to tackle local issues in the aforementioned countries. Case studies are hence shown to detail the impact of the applications. As such, new insight is provided by focusing on a much-neglected area and once again shows the applicability of capability theory.

The book provides a well-edited, serious-minded introduction to the ideas behind the capability approach and its application in multiple contexts. While the introduction recognizes the “limitations” of the approach, the case studies predictably endorse and confirm its value. The cases — from the Papua New Guinean youth, Taylor, whose story provided evidence of flourishing, through to the Buddhist-run ICT village in Sri Lanka — bring the text to life by providing impactful and heartwarming instances of success.