

Japan Relief for Cambodia

A NON-PROFIT, VOLUNTARY ORGANIZATION COOPERATING WITH PRINCE NORODOM SIHANOUK TO BRING HOPE TO THE CAMBODIAN PEOPLE THROUGH PRIVATE AND CORPORATE DONATIONS, DISTRIBUTED DIRECTLY TO THE NEEDY. PACKING, TRANSPORT AND ADMINISTRATIVE COSTS ARE CONTRIBUTED BY DONORS IN THE SHIPPING AND TRADING INDUSTRIES. REGISTERED AS A TAX EXEMPT FOUNDATION AND NGO IN CAMBODIA. JAPANESE FIRMS CONTRIBUTING CASH OR IN KIND TO JRIC THROUGH THE KEIDANREN'S COUNCIL FOR BETTER CORPORATE CITIZENSHIP (CBCC) ARE ELIGIBLE FOR A TAX EXEMPTION FROM THE FINANCE MINISTRY.

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BERNARD KRISHER
Chairman

September 27, 1993

To: Mr. Michael Hayes
Publisher & Editor in Chief
The Phnom Penh Post

Dear Michael,

The Cambodia Daily, as you know, is aimed at producing a daily Phnom-Penh printed newspaper covering the day's international, economic, cultural, sports and local news as does any international daily in a major capital, a luxury Cambodia never enjoyed before. I believe such a newspaper is essential to establish and protect a strong foundation for a free press, set a standard for an international-style daily and to train a generation of Cambodian journalists in daily coverage of the various beats in the city, fulfilling the press' role of being a watchdog of government.

I need not elaborate the philosophy which led me to this project. You must have it in your mind from our numerous discussions of the subject and through my previous correspondence to you when I tried to persuade you to publish this newspaper and promised to help you with equipment and funding--even provided you with a small offset machine as a token of my seriousness.

It was your choice to decline the opportunity so we went ahead with the project because I believe it is an important ingredient in speeding the rehabilitation and reconstruction of Cambodia.

We are non profit and rely on contributions from individuals and foundations, from the proceeds of circulation and advertising. The welcome grant from the National Endowment for Democracy will cover less than one fourth of our anticipated costs and we aim to get additional funding and income from other non-binding grants as well as from circulation and advertising. We're quite above board as to how we derive our funding; you learned of this grant through our own announcement of it. The fact we carry advertising doesn't mean such advertising translates into profit; it is to cover our costs which are quite high. While we run on a shoestring budget in a number of ways, including salaries of our two editors, the cost of receiving the news from various international news

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services through voice phone lines at 300 baud (because data communications are not available and the voice lines are poor) constitutes a major expense. We are online internationally from 20 to 30 minutes a day to retrieve the news and you can calculate what this costs at Phnom Penh phone rates.

Such expenses, however, are an essential requirement which we cannot avoid if we are to continue to provide a full menu of news to Cambodia which offers no other equivalent outlet for such information to the general public.

It is with full cognizance of what we are doing and what it means to Cambodia's development that foundations such as the National Endowment for Democracy are supporting us.

As you know I have the highest regard for the Phnom Penh Post and you have my utmost respect and admiration for being the pioneer in establishing a newspaper in Cambodia which has intellectual substance and integrity. I do not seek to compete with you; in fact as I stated in our launch issue, many newspapers create a healthy environment.

Furthermore, I do not see how we compete nor how a non profit newspaper is required to abstain from carrying advertising if it is to survive.

If there is a comparison, you are the Atlantic Monthly and we are The Christian Science Monitor. You publish the more reflective, in-depth news and essays while we skim the cream of the day's news. The readership should be complementary.

The National Endowment for Democracy receives some funding from Congress but is also funded from private sources. It is not a government organ. It is intentionally independent of any government control; its board consists of a respected group of prominent leaders in the private sector so your intended protest to the American Embassy may be misdirected, but I do not intend to discourage you.

If you oppose any direct or indirect governmental funds to be contributed toward the activities of Japan Relief for Cambodia and in turn its Cambodia Daily project, a similar argument may be made against providing tax free benefits (at the expense of U.S. taxpayers) to The Christian Science Monitor and The National Geographic, whose tax exemptions constitute government support. Both accept advertising, yet are non profit and utilize any profit toward educational or charitable activities, as we intend to, should a profit ever materialize.

Finally I am not aware that our staff has been so aggressive as to injure your business. As far as I am aware we have only been running a few paid ads per issue. I wish advertisers would flock to our door.

I hope this clarifies the situation.

Best regards,

