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Canada's Aid Program: Still Struggling After
Sixty Years

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CANADA'S AID PROGRAM: STILL STRUGGLING AFTER SIXTY YEARS

ADAM CHAPNICK

Canada's official development assistance program is now almost sixty years old, dating from our participation in the Colombo Plan in 1950. It has been the object of a great deal of well-meaning advice, and in recent years of scathing criticism. Adam Chapnick examines the reasons for our failure to develop an effective program, and proposes remedies. Much recent criticism has been directed at CIDA. While commenting on problems in the agency's administration of aid programs, Chapnick emphasizes the absence of strong and consistent political leadership, which has led to an extraordinarily diffuse program and has left CIDA without a clear mandate. Apart from providing emergency disaster relief, he recommends concentration on a strictly limited number of countries and sectors, and adoption of the principles of the 2005 Paris Declaration on Aid Effectiveness, particularly the recommendation to align support with the development strategies of recipient countries and ensure that they are fully involved in its management.

Le programme officiel d'aide au développement mis sur pied par le Canada a presque soixante ans aujourd'hui. Il remonte à la participation du pays au Plan Colombo de 1950. Ce programme a fait l'objet d'un grand nombre de conseils bien intentionnés mais, depuis ces dernières années, fait face à de cinglantes critiques. Adam

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Chapnick examine les raisons pour lesquelles nous n'avons pas réussi à élaborer un programme efficace et propose des solutions. Parmi les critiques récemment exprimées, bon nombre d'entre elles visent l'ACDI (Agence canadienne de développement international). Tout en commentant les problèmes d'administration des programmes d'aide par l'Agence, Chapnick souligne l'absence de direction politique forte et cohérente, ce qui a abouti à un programme particulièrement diffus et a laissé l'ACDI sans mission clairement définie. Outre l'offre de secours d'urgence en cas de catastrophe, il recommande de centrer les efforts sur un nombre strictement limité de pays et de secteurs ainsi que d'adopter les principes de la Déclaration de Paris sur l'efficacité de l'aide promulguée en 2005, particulièrement en ce qui concerne la recommandation d'aligner les mesures de soutien sur les stratégies de développement des pays bénéficiaires et de faire en sorte que ces derniers participent pleinement à sa mise en œuvre.

INTRODUCTION

In an age of increasing global prosperity, over one billion people still live on less than \$1 per day, 100 million children do not attend school regularly, and diseases like AIDS and malaria take the lives of hundreds, if not thousands, of men, women, and children in developing countries every hour. These conditions have spurred the international community to action. In 2000, at the United Nations Millennium Summit, world leaders agreed to establish benchmarks to improve the plight of the poorest states — the Millennium Development Goals. In 2005, based on years of research into best practices, the Paris Declaration on Aid Effectiveness added a series of indicators of progress — concrete steps to be taken by donors and recipients to maximize the impact of development projects. The indicators are grouped in five categories: (1) giving developing countries ownership of their policies and plans; (2) aligning donor support with recipient countries' strategies; (3) harmonizing donor contributions to limit redundancy and reduce delivery costs; (4) managing activities with a focus on results; and (5) promoting mutual accountability between donors and recipients. Considered together, they provide a clear way ahead: aid works when it is recipient-driven and effectively managed. Thus far, however, in spite of signs of real progress in some areas and in some countries, the results have been mixed. Since 1960, the international community has spent over \$1.6 trillion on public aid to less fortunate states, and yet the rich and poor divide between and within countries still grows.

Canada has been actively involved in international development at the official level since the government of Louis St. Laurent agreed to participate in a Commonwealth assistance program, the Colombo Plan, in 1950. Almost sixty years later, foreign aid advocates across the country continue to express frustration. For example, the 2007 report of the Standing Senate Committee on Foreign Affairs and

International Trade that dealt particularly with sub-Saharan Africa challenged the credibility of the Canadian International Development Agency (CIDA) and of Canadian aid policy more generally. Even more recently, the Independent Panel on Canada's Future Role in Afghanistan was harshly critical of Canadian reconstruction efforts. In the face of these and other criticisms over the years, governments in Ottawa have promised improvements. In the 2005 International Policy Statement, the Liberals argued that "Canada has the capacity and the history to be among the best in the world in development, and Canadians support this priority." In their Budget Plan 2007 the Conservatives said: "Canadians take pride in our role in reducing global poverty and contributing to international peace and security. Increasing the amount of resources that we make available for international assistance is a key element of that effort."

If there is agreement that global poverty is a problem, and if the government is committed to improving the situation, why then does Canada continue to struggle to be effective, and what can be done about it? Part of the answer is straightforward: Ottawa's approach has lacked focus and consistency. The United Kingdom has transformed its Department for International Development in less than a decade through strong, determined leadership, support from the highest levels of government, and a clear mandate. Norway has enhanced the impact of its program dramatically by concentrating the bulk of its aid in just seven main countries. Denmark has decentralized its aid delivery system, reducing administrative costs while improving policy coherence through greater ground-level understanding of recipient needs. All three countries have also increased their monetary commitments to the developing world. Canada needs much of the same: strong leadership at the highest levels, a clear mandate for CIDA, a concentration of effort in a

limited number of countries and sectors, a more rigorous ground-level approach to aid distribution, and a stable financial environment. The sticking point, as it has been for years, is mobilizing the political will necessary to pursue a series of bold and demanding changes to Ottawa's official development assistance (ODA) strategy. Little can be expected without that cabinet-level commitment.

This paper investigates why Canadians, who pride themselves on their tolerance and support for the less fortunate, have lagged significantly in the global campaign to alleviate poverty in the developing world. How can a cause that appears to be so entirely consistent with national values and interests remain marred near the bottom of Ottawa's priorities? And what can be done about it? It concludes that, even though making a substantial difference in reducing global poverty is and should be part of the national strategy to promote security and prosperity world-wide, the immediate incentives to undertake aggressive political action are limited. As a result, the most promising way ahead is likely to be more cautious than many would prefer. It would begin with a small set of clear and attainable objectives along with a long-term commitment to funding and achieving them. The most significant changes, the hard choices the Canadian government will have to make to achieve real focus, must be accompanied by an evolution in national thinking that could take time.

The rest of this paper is organized in four sections. It begins by reviewing the challenges that must be overcome. It then proposes a series of preliminary steps to begin the process of change. The next section identifies possible national priorities that might help to move the development program forward. The conclusion summarizes the recommendations as they relate to Canada, to the Paris Declaration, and to the actions of other countries.

THE CHALLENGES FACING CANADA'S INTERNATIONAL DEVELOPMENT PROGRAM

There is a clear and convincing argument to be made that alleviating global poverty is not just an ethical imperative but also a significant Canadian national interest. Nevertheless, the immediate incentives for a government to choose international development as an area of strategic focus and investment (as opposed, for example, to national security, the domestic economy, or the environment) are hardly overwhelming, particularly in terms of the approval — at home or abroad — that such initiatives might bring. The strategic challenges are fourfold: there is a lack of national momentum available to drive the reforms forward; there are a limited number of immediately measurable opportunities for international acclaim in this area; the strategic focus and policy coherence available upon which to base future programs is missing; and it is difficult to demonstrate the immediate results often necessary to sustain support at every level.

NATIONAL MOMENTUM

Canadians are rightly proud of their generosity towards the less fortunate both at home and around the world. Indeed, it is this perception of national good will that makes the history of poor performance in official development assistance so baffling. There is a difference, however, between Canadians' sense of obligation to the world's poorest, as reflected by their personal remittances overseas and response to disasters, and their political commitment to an effective ODA policy. Polls have noted that Canadians have typically ranked foreign aid last when considered against other federal spending priorities. In the words of public policy analyst Jean-Sébastien Rioux, "For better or for worse, ODA is often perceived by the public as a luxury, to be spent when other priorities, such as education and health, have been adequately

financed."¹ Studies over the last twenty years have shown that Canadians are also largely unaware of where their official development dollars are being directed. Moreover, argues David Morrison in his history of CIDA, there is little evidence to indicate that the public is particularly troubled by the lack of accountability. Humanitarian emergencies are exceptional. Canadians are particularly committed, morally and financially, to disaster relief, and have shown leadership in this regard, in spite of the government's continued, and widely condemned, refusal to fully untie all food aid, emergency or not.

When it comes to ODA, Canadians as a people are more well-meaning than they are committed. National support for international development is typically proportionally greater than that of Canada's G-8 partners, but notably lower than that of the Scandinavian countries. The compassion Canadians exhibit in times of global crises demonstrates that there is a humanitarian streak in the national psyche. However, the more moderate history of expenditure, the general ignorance of and ambivalence towards a federal development strategy, and the apparent inability to differentiate between disaster relief and long-term development assistance makes the federal aid program very much a work in progress. There is no intense public demand for serious development reform, nor are there signs that such a call is about to emerge.

This well-intentioned but still ambivalent attitude is consistent with the history of Canada's tangible official development assistance. Throughout the 1950s, Ottawa had to be pressured by its allies to contribute proportionately to the Colombo Plan. By the later 1960s the situation had changed and successive Canadian governments, motivated at least in part by genuine altruism but also by improved economic

¹ Jean-Sébastien Rioux, "Canadian Official Development Assistance Policy: Juggling the National Interest and Humanitarian Impulses," in Patrick James et al., eds., *Handbook of Canadian Foreign Policy* (Oxford: Lexington Books, 2006), 210.

conditions at home, increased spending significantly, both in total volume and in percentage of Gross National Income (GNI). Within less than two decades, however, thanks largely to domestic budgetary challenges, aid was cut dramatically without encountering significant public objections. Neither the budget nor the government's commitment ever fully recovered, nor has there been extensive demand for it to do so. From a strategic perspective, then, there is little evidence to suggest that making long-term aid a top federal concern will inspire the general public.

OPPORTUNITIES FOR INTERNATIONAL ACCLAIM

The numbers are clear, whether considered in dollar terms or proportionately. According to the preliminary Organization for Economic Cooperation and Development (OECD) data for 2007, Ottawa contributed \$US 3.92 billion to ODA. The United States, typically considered a laggard, committed over \$21 billion. The United Kingdom gave almost \$10 billion and Japan over \$7 billion. Looking at the statistics in terms of percentage of GNI, Canadians were more generous than the Americans and Japanese, but their 0.28% record compares poorly to 0.81% in the Netherlands and 0.93% in Sweden. In the 2007 OECD Development Assistance Committee (DAC) peer review of aid policy, Canada ranked 9th out of 22 committee members in terms of volume and 15th in terms of percentage of GNI. Admittedly, the Center for Global Development, a US-based think-tank, recently ranked Canada tied for 5th (with three others) among the 21 leading international donors and 1st among G-8 nations in terms of its commitment to development. Its report, however, credited the rating largely to the country's liberal trade, investment, and migration policies, not its aid.

Although the present and previous governments have pledged to increase the development budget significantly, the new money will have little to no impact on the overall

rankings. Without a dramatic, and indeed unprecedented, change in focus, there is virtually no chance that Canada will soon be an exemplar in the international community in terms of the volume of ODA provided, no matter how it is measured. Canada has fallen behind in the campaign to reduce global poverty and it will take time to catch up. While some might suggest that this situation provides an ideal opportunity to trumpet even small improvements, if it were to be played up at the international level, the limited progress would just as likely draw even greater attention to the country's history of underperformance. This reality acts as a disincentive for leaders hoping to benefit personally from dedicating significant energy and political capital to this issue.

STRATEGIC FOCUS

Defining a Canadian niche has often been explored as an alternative method of deriving public recognition. The 1987 Standing Committee on External Affairs and International Trade argued that Ottawa should differentiate itself by focusing exclusively on the poorest of the poor, a strategy that it never fully adopted but has been accepted by some other countries. Almost ten years later, a special task force chaired by a past president of CIDA, Maurice Strong, recommended that Canadians exploit their superior knowledge brokerage and innovation skills. This was an appealing yet vague proposal that, although unrealized, still echoes in some circles. Current government thinking suggests that a regional focus on Latin America might enable Canada to demonstrate a distinctive and more effective contribution.

There is certainly value in a niche approach, but the disappointing results of the past reflect an additional series of strategic challenges to a comprehensive political commitment — a culture of generalism that pervades the national development assistance infrastructure, an unfocused and poorly integrated research base, and a Canadian International

Development Agency that has been something of an orphan in Ottawa, or at least has not had very interested parents.

The recent history of the Canadian foreign policy establishment belies an emphasis on strategic areas of specialization. Both the Department of Foreign Affairs and CIDA are staffed largely by policy generalists. They are well-suited to the ever-changing political trends that influence foreign policy, but less ideal for long-term, issue or country based strategic planning. Canada also has led the developed world in the breadth of the dispersion of its foreign aid program, providing assistance to nearly every developing state. The alleged benefit of this approach, the influence that Canada achieves within each one, is unproven and unconvincing given the small quantities of aid dispersed. The political nature of the result — politicians, as well as civil servants, fear the repercussions of cancelling any assistance program so they add instead of replacing when they set new priorities — has made it increasingly difficult to change.

The culture of generalism extends to development research. The International Development Research Centre (IDRC) is widely respected, but its links to CIDA are only informal and the two groups' priorities are not always consistent. In their 2006 study of Canadian development assistance, analysts Danielle Goldfarb and Stephen Tapp concluded that, to make a notable international contribution, CIDA had two options: invest more heavily in and improve the focus of its own research, or draw more effectively on work done abroad by disbursing a greater proportion of Canadian ODA multilaterally. Thus far, the agency appears to have done neither effectively, while, according to policy expert David Black, thinking and writing on developmental issues in Canada has declined notably.

The dearth of research tied directly to national development assistance priorities is part of a political problem that is unlikely to be resolved in the short term. In contemporary Canada, aid is not yet considered sufficiently important to justify the investment necessary to make a strategic policy effective. It has retained, as Bernard Wood puts it, "a sideshow status in Ottawa,"² hostage to competing interests within the business community, the agricultural sector, and even the bureaucracy itself. Whether this is because Ottawa has lacked a champion of foreign aid with sufficient political power to institute strategic change, because Canada has yet to establish a realistic vision of its place in the world that recognizes poverty alleviation as an enlightened national interest, or because the Canadian public has never had the development agenda explained to it effectively, the fault is not CIDA's alone. Certainly, there have been administrative breakdowns, inefficiencies, failures to communicate effectively, and disappointing results, but successive Canadian governments have chosen not to give the agency the power and focused mandate necessary to meet their unrealistic expectations. CIDA has lacked consistent guidance at the ministerial level. Moreover, it has been tasked with demonstrating immediate results in projects that demand long-term attention and recipient country leadership, which is never guaranteed. This is not to say that demands to reform the agency, to decentralize its administration, to improve its accountability, and to increase communication with the public are without merit. Rather, one must recognize that these problems are not new, and the effort required to solve them is significant.

² Bernard Wood, "Managing Canada's Growing Development Cooperation," in Jennifer Welsh and Ngaire Woods, eds, *Exporting Good Governance: Temptations and Challenges in Canada's Aid Program* (Waterloo, Wilfrid Laurier University Press, 2007), 232.

DEMONSTRATING IMMEDIATE RESULTS

CIDA's ability to demonstrate convincing results depends on overcoming two additional challenges. First, sustainable development encompasses crisis prevention, and there is no reliable statistical method to quantify what might have happened within a state had aid not been provided. Moreover, some of the benefits of ODA projects are not fully evident until well after the commitment of the donor country has ended. The lack of immediate results can fuel public disappointment and mistrust that can in turn reduce the political will necessary to advance developmental concerns strategically.

As research into development successes has matured, the crude political appeal of championing such initiatives has also declined. The recent report of the Standing Senate Committee on Foreign Affairs and International Trade concludes that, particularly in the troubling case of sub-Saharan Africa, "international development assistance is not the solution." Economic and governance conditions that "can only be generated and sustained from within African countries" are needed. The developed community must help its partners in the developing world help themselves. Donors can certainly contribute by providing adequate resources and fulfilling their obligations under the Paris Declaration, but the onus, in the end, will be on the recipient countries to reshape their own societies. Claiming political responsibility for their successes would be not only arrogant, but also illegitimate.

In sum, exercising strong leadership at the ministerial level in a portfolio that has traditionally not been seen as significant takes both talent and courage, particularly when there is no guarantee that domestic public support will hold firm. Giving CIDA a strong mandate and then avoiding micromanagement so that it can implement a strategic plan effectively would require a degree of political discipline and consistency that in Canada would be virtually unprecedented.

Concentrating aid in just a few countries would necessitate cuts to others that would be politically uncomfortable. And decentralizing the aid system, a policy that might well increase expenses temporarily before it demonstrates results, would not be easy. None of these challenges is insurmountable, but Canada's history, the absence of strategic thinking about development, and the current lack of political emphasis evident on the foreign aid file suggest that to guard against failure, even a strong minister might best approach any new policy with a degree of caution.

THE WAY AHEAD: FIRST STEPS

In spite of the significant challenges, with patience, and reasonable expectations, the creation of a sustainable strategic plan for Canadian development assistance policy is achievable. In collaboration with a cooperative non-governmental community there are deliberate steps that can be taken to facilitate a transition towards greater long-term effectiveness. The first ones include ending a long-standing theoretical debate that still dominates national thinking about foreign aid, differentiating explicitly between short-term humanitarian commitments to natural and human-induced disasters and long-term development assistance, establishing an economic framework for success, and rehabilitating CIDA's reputation. All four initiatives should gradually alter the public mindset and the national strategic condition to make it politically feasible to implement more comprehensive improvements in the future.

PUTTING ASIDE PHILOSOPHICAL DIFFERENCES

Scholars, analysts, and policy practitioners differ over why states provide ODA. Humane internationalists focus on the ethical premises of supporting the developing world. To them, the primary objective of any foreign aid policy must be the fulfillment of a moral obligation to relieve poverty, oppression,

and human suffering. They do not deny that donor states might also benefit, but emphasize that their interests can never dictate policy prescriptions. The social responsibility to the recipients of the aid is supreme. International realists focus more intently on the donor. They support investing in development because any increase in social and economic prosperity, at home or abroad, benefits the national interest. Again, it is not that they feel no ethical obligation at all — rather, they are most concerned with the immediate interests of their home state.

Participants in the debate, many of whom are among the most active advocates in the development community, too often see it as a zero sum game — aid is necessarily motivated either by humanitarian concerns or by self-interest — even though, as the author of the most comprehensive history of CIDA has documented, Canada's ODA policy has always “been characterized by contradictory tendencies reflecting competing objectives of officialdom, political and economic interests at home and abroad, organizational dynamics, and the changing global environment.”³ Furthermore, as this analysis and others have shown, Canadians do not seem to be concerned that their support for aid is intuitive and unsophisticated. Debates over motivations inevitably politicize the issue: parties that tie aid to the national interest are branded by their critics as selfish whereas those who focus on humanitarian initiatives are labelled naïve or misguided. As a result, development policy — which can and should be a unifying, pan-Canadian initiative — has become hostage to competing agendas, making it difficult to establish a long-term strategic vision for aid that might survive electoral cycles.

³ David R. Morrison, *Aid and Ebb Tide: A History of CIDA and Canadian Development Assistance* (Waterloo: Wilfrid Laurier Press, 1998), 439.

If Canada is to contribute more effectively to development assistance in the future, advocates on both sides must recognize that they share an ultimate goal — greater global prosperity — and collaborate in their efforts to improve the national performance. Aid policy serves a number of competing and perhaps even contradictory interests, all of which must be taken into consideration by the federal government. There will always be humanitarian aspects to foreign policy, but they will not soon wholly trump the realities of domestic and international politics, even when decisions taken for short-term gain might eventually prove contrary to the long-term national interest. In today's context, stemming from the disappointments of a half-century, following the British example and legislating CIDA's mandate explicitly in terms of poverty alleviation (without regard for immediate national security interests that realists hold dear) might well result in disappointment. Even if Parliament could pass the required bill, the political will necessary to enforce it — at the highest levels — would be essential, and could not be guaranteed. Without it, criticism of the government's (and agency's) failure would likely follow, further poisoning public attitudes and support for innovation.

EMERGENCY AID VERSUS DEVELOPMENT ASSISTANCE

A more achievable preliminary step that should be supported by the humane internationalists and the realists would be a legislated differentiation between emergency humanitarian aid and development assistance. Although both are forms of relief, emergency aid is a limited, short-term response to an unanticipated crisis. Typically, such assistance has been administered in conjunction with more general, long-term development strategies for two reasons. Approximately 90% of disaster victims live in the developing world, making relief essentially a corollary of traditional ODA. Second, and more important, some development scholars and field-

workers are sceptical of the benefits of short-term aid in general. They maintain that without long-term commitments the problems caused by the immediate crisis will likely recur. It follows that by treating such incidents as part of a more general project, there is a greater chance of achieving sustainable results.

Development advocates who question the merits of short-term emergency relief may be doing their own long-term cause a disservice. At this point, the Canadian public is not necessarily sufficiently informed to appreciate the nuance of their argument, and might well conclude from it that some of the current development assistance budget is being wasted. Rather than focusing on the negative, humane internationalists in particular might instead encourage governments to improve the effectiveness of the emergency assistance that Canada does provide. Specifically, the government should legislate an end to tied food aid (allegedly a form of emergency relief) in response to famines abroad. This should resonate with international realists — most of whom now accept that, overall, tying aid benefits no one — and it could create the possibility for a more progressive approach to all ODA in the future. A more restrictive version of Great Britain's International Development Act, or of Canada's own Bill C-293 (An Act Respecting the Provision of Official Development Assistance Abroad), could establish a precedent for allocating disaster relief without specific regard for the donor's immediate interests, and as such make any subsequent call for a recipient-based policy for all development assistance — one

⁴ The current incarnation of C-293 describes development assistance and emergency humanitarian relief separately but then defines them both as forms of ODA. A revised version would also facilitate cooperation with members of the non-governmental community who might typically hesitate to become involved humanitarian interventions that involve the military (as can often be the case in responses to disasters). See Peter Walker, "Foreign Military Resources for Disaster Relief: An NGO Perspective," *Disaster* 16,2 (1992): 152-59.

of the ultimate goals of the humane internationalists — more politically palatable.⁴

SETTING THE BUDGET

Recognizing that aid that is promised and then rescinded — as has been the case in the past when the Canadian economy has soured — is often worse than no aid at all, the national approach to funding and evaluating development assistance must also be reformulated to ensure that any significant, long-term commitments will withstand changes in government, public misperceptions, and unanticipated economic pressures. In October 2006, the interim report of the Standing Senate Committee on National Security and Defence recommended that Canada double its foreign aid budget. The result would be a commitment of 0.7% of GNI, the UN-endorsed aspirational goal of donor nations. While an increase in development assistance should be welcomed, the committee's justification of it is not ideal: "The world target of 0.7% is either being met or committed to by countries with the same kind of mindsets and interests as Canada. We Canadians should be doing our share to encourage justice and pre-empt instability." There are two critical assumptions implicit in these statements, only one of which is legitimate. First, the 0.7% of GNI target is framed as a rational, calculated ratio that is both relevant and a guarantor of success. Second, the explanation suggests that image matters — that Canada should not embarrass itself on the world stage by appearing miserly.

The first assumption has been proven largely mistaken. In their 2005 study for the Center for Global Development, analysts Michael Clemens and Todd Moss have offered a series of reasons to dismiss the 0.7% goal as a legitimate target, the most convincing of which being the target's "seemingly backwards premise of determining the correct size of aid flows to poor countries based on the size of rich countries."

Moreover, it is possible to accept the logic of their argument without believing that the volume of aid should therefore be dramatically restricted. The second assumption is more reasonable. In determining the size of the federal budget for development assistance, one must take into consideration the public's desire not to be perceived as a global foot-dragger. This is something that even Clemens and Moss, the greatest sceptics of the 0.7% target, can accept.

A revised approach to the Canadian foreign aid budget would set a relative level (in comparison to other states) below which the national contribution to long-term development assistance cannot fall. Perhaps Ottawa should pledge to maintain a record that is always at or above the OECD average in terms of percentage of GNI. Based on the preliminary 2007 data, this would mean an increase from 0.28% to 0.45%, or approximately \$2 billion. Perhaps that is too ambitious, or maybe an even higher placing is more appropriate. What is most important is that each political party support the commitment explicitly. Although it is not a guarantor, multi-party agreement would improve the likelihood of steadfastness during difficult economic periods and would demonstrate to Canadians that their leaders take development seriously and understand that results take time.

REHABILITATING CIDA'S REPUTATION

The image of Canada's lead agency responsible for aid management and distribution is in need of significant rehabilitation. Not all of the problems, however, are its own doing. As aid practitioner Carole Lancaster has recently argued, one of the most significant faults in the history of monitoring the cost-effectiveness of development programs has been the failure of the international community to acknowledge that aid has typically been given for more than just humanitarian reasons. Critics who cite the lack of progress in sub-Saharan Africa, for instance, and accuse CIDA of

wasteful spending, have not necessarily accounted for the portion of the Canadian assistance that was allocated primarily (albeit of course not officially) to enhance Canada's international reputation, to heal bureaucratic rifts, to support Canadian industry, or to gain political influence. The most obvious illustration of this problem is tied aid. Often, a program that commits, for example, \$50 million to reduce hunger in a particular developing country but demands that the money be spent in the donor state might well achieve greater success in the recipient state at a lower cost (for the sake of argument, for \$35 million) if the money is used more effectively. In such a case, the cost-effectiveness of the program should be measured based on an allocation of just \$35 million, while the impact of the remaining 30% should be assessed based on a set of profoundly different indicators focused on the donor state's economy.

Since there is no doubt that Ottawa's motivations in its ODA policy have historically been mixed, CIDA might be wary of attempting to improve its image by focusing on the cost-effectiveness of its programs. Indeed, until the political will necessary to focus CIDA's mandate and institute a recipient-based policy has been mobilized, the agency might concentrate on working to increase awareness of successful aspects of Canadian aid policy that it can control and, in doing so, rebuilding public trust. More regular and transparent reports to Parliament, a substantial public relations campaign, and continued cooperation and communication with the other international leaders in sustainable development are first steps in the establishment of an institutional context more conducive to bold moves at the political level.

In summary, a sustainable, strategic plan should be supported by both humane internationalists and international realists. It should differentiate formally between immediate humanitarian emergency aid and long-term development assistance, and support each accordingly. It should be based

on a budget that is at least reasonably predictable. And it should be managed by a capable, responsible agency that is aware of its limitations, as well as its strengths.

WHAT ARE THE PRIORITIES?

Public policy is about choices. Since its inception, Canadian official development assistance policy has been the recipient of almost endless analysis and advice. And yet, perhaps in part because of the plethora of choices, the national record remains disappointing. The debate has been largely well informed, if only because it has been confined to a small community of interested people. It has been passionate, reflecting the extent of desperation, and at times hopelessness, evident in the developing world and among those who wish to change it. Anyone offering yet another bit of analysis and advice must therefore do so with a strong sense of modesty.

In reviewing previous studies of Canadian development assistance, it is impossible to ignore the emphasis on focus. Canada must concentrate its aid, in terms of research and volume, in a limited number of countries and sectors. How it should determine its partner states and areas of specialization remains contested. Although they both ultimately seek to enhance the prosperity of the developing world, humane internationalists start with the poorest of the poor while international realists concentrate on those states whose success will provide Canada with the greatest direct and immediate benefits in return. Even if it were possible to synchronize the two ideas — and in some cases it likely is — unless the policy creates a willingness among the voting public and the national leadership to maintain a full commitment regardless of domestic political or economic volatility, it might still disappoint. The immediate solution is more compromise.

Whatever the motivation, whether humanitarian or realist, history has shown that programs that do not empower recipient states that have demonstrated the capacity and

commitment to improve themselves have little chance of long-term success. At the same time, if Canadians are unwilling to fulfill their obligations as donors in difficult times, a program will likely fail even if it is recipient-driven and capably managed. Although constituencies of various sorts may and do oppose cutting off their favourite individual countries, succumbing to their pressures could politicize the exercise, framing opposing parties as champions of certain ethnic groups, for example, and increasing the likelihood that a change in government would precipitate a change in priorities. It would make more sense, at least at first, to establish a rough number of states with whom Canada wishes to partner, leaving the specifics until after matches between recipient needs and available donor expertise have been determined. Fixing the number of countries exactly is not ideal — it would presuppose adequate financial support without costing the programs in advance — but following the Norwegian lead and aiming for seven to ten major partners (Norway and Canada provided virtually the same volume of aid in 2007) would be a start. The process for doing so would have to include continued efforts not to renew current programs in states that will not qualify as primary partners.

Establishing priorities at the sectoral level also creates a dilemma. For optimal results, the donor state should base its provision of assistance and expertise exclusively on the needs of recipient states who have demonstrated a commitment to managing that aid effectively. However, to build public support in the short term, to limit the potential for funding to be cut when budgets are lean, and to reinvigorate CIDA's research arm to ensure that its findings reflect both depth and focus, it seems prudent to select a number of relevant sectors (a donor-focused idea) based on their resonance with the general public and Canadian capacities, and then create partnerships with recipient countries whose development plans cite those same sectors as areas of particular emphasis. This approach would have to be pursued in consultation with

the leading members of the donor community to ensure that Canadian contributions were harmonized with whatever aid has already been made available, thereby limiting redundancy and reducing delivery costs. The number of Canadian development partners could then be determined based on the combination of recipient needs and capacities and Ottawa's commitment to maintain successful partnerships.

Health care and education are both sectors of development in which Canada is already equipped to contribute meaningfully. There is particular popular support for preventing the spread of diseases such as malaria, measles, and HIV/AIDS. If the government were to focus further on the health of younger children, it would be politically difficult to justify a reduced commitment, regardless of the domestic economic climate. As sociologist Maureen Baker explained in a 1995 article, "People cannot argue that children are poor because they are lazy, do not work, [or are dishonest]. Children are always perceived as innocent victims." Moreover, as analyst John Richards showed in a study that considered, among other factors, the role of the private sector in international development, basic health care is one of the few fields in which the market will struggle to compete with the abilities of a properly functioning state or relevant NGO. Moreover, he added, strengthening and improving the quality of primary government institutions would generally result in superior long-term outcomes at every level. Facilitating the delivery of quality basic health services in the developing world would call upon the skills of both the federal and provincial governments as well as NGOs and relevant multilateral organizations, creating a broader basis for long-term nationwide support. In doing so it would also enhance the possibility of cooperation among domestically and internationally focused members of Canadian civil society who champion health-related issues.

Early childhood education — the level which UNICEF

and others have proven matters the most — seems to be a second logical choice. Investing in children is politically popular, and again Canada has the expertise. Like health care, education is a provincial responsibility that will therefore engage both levels of government along with the relevant domestic and external actors and advocates. The major difference between the two sectors, and the weakness of a general focus on this one, is the deceptively attractive suggestion that success can be equated with the achievement of universal primary schooling. This theory is overly simplistic. The goal, as a number of studies have shown, must be to improve the quality of education, not simply to ensure that children attend a finite number of classes.

Acknowledging that humanitarian aid on its own does not necessarily help create conditions for sustainable development or alleviate systemic poverty, but keeping in mind the need to inspire faith among the public, the government might contemplate a final focus on disaster relief. When Robert Greenhill, now the president of CIDA, interviewed over 40 foreign policy experts from 19 countries in 2004, he found widespread support for the idea of Canadians making a significant commitment to emergency humanitarian assistance. More recently, the government has committed \$192 million over five years to the United Nations' Central Emergency Response Fund (CERF). Canada is not only an original donor, but also a member of an advisory group that monitors the fund's effectiveness. The expertise, along with a preliminary financial commitment, therefore already exists. Disaster relief can potentially draw effectively on national, provincial, and municipal expertise in crisis management and relies significantly on the commitment of multilateral and non-governmental organizations. Public support for government-directed responses to global crises is also strong and that commitment is not affected by economic difficulties at home. (Canada should, however, follow the practice of other states

and develop a more effective means of coordinating emergency fundraising and the distribution of those funds to those best able to make good use of them in the particular crisis.) The immediate results of an emergency response are at least somewhat measurable. Finally, if the political will necessary to institute a more progressive policy does emerge, as it has in much of Western Europe, Ottawa could shift its focus fairly easily to the broader theme of disaster prevention.

CONCLUSION

In spite of the relatively clear political incentives to move aggressively on the development agenda — poverty alleviation is in the national interest, a generous ODA program is consistent with standard interpretations of Canadian values, development priorities are relatively inexpensive, successful models of how to proceed are widely available — successive Canadian governments have failed to embrace and then follow through on a national ODA strategy focused on aid effectiveness. The Paris Declaration makes the recipe for progress clear: empower the recipient state, harmonize donor responsibilities, and focus on results by promoting mutual accountability. Moreover, other countries have made significant progress and their achievements have enhanced their international reputations. Why then, has Canada not done the same?

The most significant factor is a lack of effective leadership. Progress will not be achieved without a strong minister who is able to build firm support among his or her cabinet colleagues and to elicit support from leaders in other political parties. Even with such leadership, however, this analysis counsels a cautious way forward. Some of the innovations achieved by the British, the Norwegians, and the Danes may not yet be replicable in the Canadian context. In working towards consistency with the spirit of the Paris Declaration, the government in Ottawa should focus on

progress that is sustainable in the face of changes in both the political and economic circumstances. This means striving for parliamentary cohesion in the federal approach to aid effectiveness. The philosophical differences between humane internationalists and international realists must be managed effectively to minimize criticism of the Canadian effort at a time when public support needs to be buttressed. Rather than insisting that poverty alleviation be legislated as the primary basis for all ODA immediately, one might start with legislation on emergency relief, using this as a precedent for more forthright action later on. Rather than criticizing CIDA for a series of failures for which responsibility should be shared more broadly, the agency should be encouraged to institute meaningful, but moderate, internal reforms with the goal of generating the public and political trust necessary to undertake the needed, bolder, and potentially more expensive actions — such as putting more people in the field — gradually. Rather than insisting on basing Canadian development partnerships and contributions exclusively on recipient need right away, the government might begin by reducing the number of its partners significantly and, in consultation with its fellow donors (to avoid redundancy and reduce delivery costs), select specific recipients based on their expressed interest in Canadian support in the areas of basic health care and early childhood education. To increase public awareness of aid-related issues, Ottawa might also draw greater attention to its laudable role in responding to global emergencies. Finally, rather than setting the budget for development assistance based on internal measures of volume, the government might consider basing needed increases on a commitment to maintain a relative ranking among Canada's international peers.

It is easy to declare that global poverty alleviation is a national interest that must be pursued with vigour. Over fifty years of underachievement suggests that it is much more

difficult to implement a strategy to do so. The details within this proposed strategic framework will undoubtedly be criticized by experts and specialists, but the underlying message should not be. Foreign policy is, and has always been, the art of the possible. Canadians must work with whatever resources are available to them, not the ones they would like to have, or should have, to promote their national interests and values effectively.

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