Rethinking Canadian Aid

Edited by Stephen Brown, Molly den Heyer and David R. Black
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# Table of Contents

Acknowledgments ........................................................................................................ vii
Abbreviations ................................................................................................................ ix

**Introduction: Why Rethink Canadian Aid?**

*Stephen Brown, Molly den Heyer and David R. Black* ................................. 1

**Section I: Foundations of Ethics, Power and Bureaucracy**

I Humane Internationalism and the Malaise of Canadian Aid Policy  
*David R. Black* ................................................................................................. 17

II Refashioning Humane Internationalism in Twenty-First-Century Canada  
*Adam Chapnick* ............................................................................................ 35

III Revisiting the Ethical Foundations of Aid and Development Policy from a Cosmopolitan Perspective  
*John D. Cameron* ....................................................................................... 51

IV Power and Policy: Lessons from Aid Effectiveness  
*Molly den Heyer* .......................................................................................... 67

V Results, Risk, Rhetoric and Reality: The Need for Common Sense in Canada’s Development Assistance  
*Ian Smillie* .................................................................................................. 83

**Section II: The Canadian Context and Motivations**

VI Mimicry and Motives: Canadian Aid Allocation in Longitudinal Perspective  
*Liam Swiss* .................................................................................................... 101

VII Continental Shift? Rethinking Canadian Aid to the Americas  
*Laura Macdonald and Arne Ruckert* ........................................................... 125

VIII Preventing, Substituting or Complementing the Use of Force? Development Assistance in Canadian Strategic Culture  
*Justin Massie and Stéphane Roussel* ............................................................ 143
IX Why Aid? Canadian Perception of the Usefulness of Canadian Aid in an Era of Economic Uncertainty
Dominic H. Silvio .......................................................................................... 161

X The Management of Canadian Development Assistance: Ideology, Electoral Politics or Public Interest?
François Audet and Olga Navarro-Flores .................................................. 179

Section III: Canada’s Role in International Development on Key Themes

XI Gender Equality and the “Two CIDAs”: Successes and Setbacks, 1976–2013
Rebecca Tiessen .......................................................................................... 195

XII From “Children-in-Development” to Social Age Mainstreaming in Canada’s Development Policy and Programming: Practice, Prospects and Proposals
Christina Clark-Kazak .................................................................................. 211

XIII Canada’s Fragile States Policy: What Have We Accomplished and Where Do We Go from Here?
David Carment and Yiagadeesen Samy......................................................... 227

XIV Canada and Development in Other Fragile States: Moving beyond the “Afghanistan Model”
Stephen Baranyi and Themrise Khan ............................................................. 241

XV Charity Begins at Home: The Extractive Sector as an Illustration of Changes and Continuities in the New De Facto Canadian Aid Policy
Gabriel C. Goyette ......................................................................................... 259

XVI Undermining Foreign Aid: The Extractive Sector and the Recommercialization of Canadian Development Assistance
Stephen Brown ................................................................................................ 277

Conclusion: Rethinking Canadian Development Cooperation – Towards Renewed Partnerships?
David R. Black, Stephen Brown and Molly den Heyer ................................. 297

Contributors ................................................................................................. 313

Index ............................................................................................................. 321
Introduction:
Why Rethink Canadian Aid?

Stephen Brown, Molly den Heyer and David R. Black

The Need to Rethink Canadian Aid

There has been no shortage of recent calls for “reinventing” or “re-imagining” Canadian foreign aid to respond to the litany of problems that emerged over the forty-five-year lifespan of the Canadian International Development Agency (CIDA), including excessive bureaucracy, slow delivery and frequently shifting priorities (Carin and Smith 2010; Gordon Foundation 2010). Yet there was general surprise in March 2013 when the Canadian government announced its institutional solution: merging CIDA with the Department of Foreign Affairs and International Trade, creating in June 2013 the new Department of Foreign Affairs, Trade and Development (DFATD) – a megalith with no fewer than four Cabinet ministers.

The merger will prove disruptive in the short run and it is unlikely that it will solve the more fundamental issues plaguing Canadian aid (Gulrajani 2012). A more fundamental “rethinking” is required, linked to a national conversation on the topic. Why do Canadians provide foreign aid? What is its role in the international arena? How is Canadian aid delivered and who benefits from it? How does, and should, aid relate to other foreign, security, economic, and commercial policy priorities? Where and how has aid been successful in improving development prospects? Conversely, what persistent
weaknesses are associated with aid policy and practice? To what extent can these weaknesses be identified, addressed, and corrected?

Canadian aid requires analytical “rethinking” at four different levels, which this book addresses to varying degrees. First, we undertake a collective rethinking of the foundations of Canadian aid, including both its normative underpinnings—a altruistic desire to reduce poverty and inequality and achieve greater social justice, a means to achieve commercial or strategic self-interest, or a projection of Canadian values and prestige onto the world stage—and its past record. Second, many chapters analyze how the Harper government is itself rethinking Canadian aid, including greater focus on the Americas and specific themes (such as mothers, children and youth, and fragile states) and countries, increased involvement of the private sector (particularly Canadian mining companies), and greater emphasis on deploying aid to advance Canadian self-interest. Third, several contributors rethink where Canadian aid is or should be heading, including recommendations for improved development assistance. Fourth, serious rethinking is required on aid itself: the concept, its relation to non-aid policies that affect development in the global South, and the rise of new providers of development assistance, especially “emerging economies.” Each of these novel challenges holds important implications for Canada and other “traditional” Western donors, questioning their development policies and highlighting their declining influence in the morphing global aid regime. The fourth “rethink” is the most difficult and speculative form of rethinking, requiring more concerted and wide-ranging investigation than we were able to accomplish in this volume. We do, however, return to this theme in the conclusion of this volume.

The State of the Debate

At present, the literature that addresses these issues is struggling to keep up with rapidly changing Canadian and international contexts. Over the last decade, the debate on development assistance and its contributions to Canada’s role in the world has been re-energized by a series of shifts in the Canadian and international landscapes. Globally, the emergence of a new class of donor countries or “aid providers” (including Brazil, Russia, India, China, and South Korea), the financial crisis of 2007–08 and ongoing economic turbulence have shaken the foundations of North–South relationships. Among other
things, these changing global conditions have thrown into question the donor–recipient taxonomy and dynamics that have typically framed research on development assistance. Against this changing backdrop, Western aid donors, orchestrated by the Organisation for Economic Co-operation and Development (OECD), have undertaken significant efforts to restructure the international aid architecture with global initiatives such as the Monterrey Agreement, the Millennium Development Goals, and the Paris Declaration on Aid Effectiveness. Whether or not these efforts are regarded as successful, these trends continue to resonate in the Canadian context.

There is growing uncertainty as to what the goals of Canada’s international development assistance policies are and should be, as well as how these goals relate to other Canadian foreign policy objectives. Historically, Canadian scholars have analyzed the intent of aid in terms of a spectrum ranging from altruism to self-interest, whether understood narrowly or in more enlightened terms (see, for example, Freeman 1982; Nossal 1988; Pratt 1994). The latter perspective highlights how policies formally aimed at poverty alleviation are often used to advance Canada’s (or the Canadian elite’s) security, diplomatic and/or commercial objectives. These debates were brought to the fore once again with the introduction of the “3D” approach in the early 2000s, later expanded and reframed through the “whole-of-government” lens. This post-9/11 approach combined defence, diplomatic, commercial, and development objectives, with particular relevance to Canada’s mission in Afghanistan, in ways that organized policy coherence around security objectives and consequently diminished the weight given to development priorities (Brown 2008).

In another example, CIDA’s funding and policy relationship with non-governmental organizations (NGOs) and the private sector began to shift in 2008–09 to become more closely aligned with trade and investment objectives, as manifested in the co-funding of projects with Canadian mining companies and the prioritization of middle-income countries in the Americas at the expense of poorer African ones with less promising commercial prospects. The mixed motives and lack of clear vision for Canadian aid undermine clarity of purpose in the design and implementation of projects, and obfuscate appropriate criteria to determine success (Brown 2012a; den Heyer 2012). They also contradict the spirit of the Official Development Assistance Accountability Act of 2008, the purpose of which is “to ensure that all Canadian official development assistance abroad
is provided with a central focus on poverty reduction” (Minister of Justice 2013, 1). The persistent uncertainty surrounding the core objectives of Canadian aid, combined with a changing international development landscape, underscores the pressing need for a renewed scholarly dialogue regarding the foundation and rationale for Canadian aid, and how first principles of intervention should be translated in practice.

Brown (2012a) argues that the existing scholarly literature on Canadian aid can be understood in terms of three distinct eras. From the beginning of Canadian aid in the 1960s up until the 1990s, the literature was rooted in distinct ideological approaches that manifested as a radical critique of the intentions of aid, a relatively benign liberal vision of Canadian aid, or a right-wing critique of development inefficiencies. By the 1990s, however, this ideological approach gave way to a more instrumental approach that produced an analysis of the history, motivations, and policies embedded in Canadian aid and in relation to foreign policy. While these works created a strong academic foundation, the end of the Chrétien era and political uncertainty in the new millennium left scholars and practitioners with still more questions regarding the future structure and functioning of the Canadian aid bureaucracy.

In this third and current era of scholarly analysis, there has been an upsurge in institutional grey literature and scholarly publications concerning the structure and functioning of the Canadian aid bureaucracy. For example, the 2007 Senate Report on Africa presciently asked whether CIDA should be abolished (Standing Senate Committee on Foreign Affairs and International Trade 2007; see also Brown and Jackson 2009). This conversation was taken up in a series of reports from organizations such as the Canadian International Council, the Walter and Duncan Gordon Foundation, and the Canadian Defence and Foreign Affairs Institute (Greenspon 2010; Carin and Smith 2010; Gulrajani 2010; Johnston 2010; Swiss with Maxwell 2010). These analyses examined the effectiveness of Canadian aid in comparison with the efforts of other OECD countries, highlighting CIDA’s own persistent failures and foreshadowing the agency’s amalgamation with the Department of Foreign Affairs and International Trade.

Similarly, there has been a renewal of academic analyses, including a special issue of the Canadian Journal of Development Studies in 2007 dedicated to “The Canadian International Development
Agency: New Policies, Old Problems” and, more recently, two edited volumes: *L’aide canadienne au développement : bilan, défis et perspectives* (Audet, Desrosiers, and Roussel 2008) and *Struggling for Effectiveness: CIDA and Canadian Foreign Aid* (Brown 2012b). Building on these contributions, a more coordinated and comprehensive effort is required to strengthen the scholarship on Canadian aid, closer links should be forged with policy making and practice, and more foundational questions are needed to undergird this process.

**The Contents of this Book**

Though a single volume cannot by itself fill all the gaps identified above, this book is an attempt to advance understanding and promote further rethinking of Canadian aid. We kept chapter lengths deliberately short in order to include as many voices as possible. The contributors include twenty-one scholars and practitioners, with several straddling both categories, from all career stages. The resulting sixteen chapters are designed to reach a variety of audiences, including academics, students, policy makers, practitioners in governmental and non-governmental organizations, and members of the general public, in Canada and abroad, who share an interest in Canadian development assistance and foreign policy. The range of topics covered is broad, albeit not exhaustive. For instance, we were unable to include analyses of Canadian aid in relation to the important issues of climate change, food security, or humanitarian assistance. The book also focuses almost exclusively on bilateral aid. These *lacunae* underscore the need for sustained and indeed expanded efforts to study the manifestations and impacts of Canadian development cooperation.

The book’s rethinking is divided into three sections: (1) the foundations of ethics, power, and bureaucracy; (2) the Canadian context and motivations; and (3) Canada’s role in international development. Each section contains a half-dozen chapters that fall principally under the main theme, though numerous chapters raise issues concerning two or more themes.

The first section examines some of the “first principles” of industrialized countries’ involvement in international development. It asks a number of questions, without pretending to answer them fully: What is the logic behind “global social transfers” in relation to other foreign policy priorities and engagements? What is the role of
ethics in development practice? Why should Canada provide development assistance? What are (and should be) its purposes and whose interests does it serve? What sorts of themes and approaches should be emphasized in light of Canadian priorities and experiences? How does Canadian aid relate to the imperatives of global citizenship?

David Black opens this section by revisiting the concept of humane internationalism, pioneered in the Canadian context by Cranford Pratt. Black argues that Pratt’s influence and this concept in particular have structured the thinking of a generation of analysts on the motivations that should underpin Canadian aid. Pratt’s framing of Canadian aid policy has proved insightful, but also limiting in some key ways. His dichotomy between the self-interested motivations of the “dominant class” and the “counter-consensus” emphasis on the primacy of altruistic motives exaggerated the contrast between the “corrupted” government and “ethically pure” non-governmental organizations (NGOs). It overestimated popular support for the latter’s perspective, and underplayed the extent to which various actors could be characterized by both sets of motives. The result was to polarize the debate and hinder engagement among politicians, civil servants, and civil society organizations, contributing to the prevalent policy “malaise.” Black further argues that the resulting preoccupation with aid alone led to the relative neglect of the ways that other elements of foreign policy can have a positive or negative influence on development.

Adam Chapnick also rethinks the humane internationalist frame, but from a more critical perspective than Black. Like Black, Chapnick recognizes the humane internationalist viewpoint’s noble intentions, but believes that it is based on a false dichotomy of good-versus-bad motives and an over-idealized assessment of popular opinion. His chapter argues that it has failed to influence policy makers because it has two fundamental flaws. First, it ignores the extent to which its own objectives can be compatible with national self-interest. Second, it seeks to downplay the stark distinction that realists make between short-term emergency assistance and longer-term development assistance. To help improve Canada’s development assistance, Chapnick recommends that humane internationalists work across the humane internationalist–realist divide on common goals, focus more on poverty reduction and less on charity, and collaborate more closely with the government to strengthen its development efforts.
John Cameron’s chapter also addresses the normative foundations of foreign aid policy, arguing for the application of cosmopolitan ethics, with its dual imperative of “do good” and “do no harm,” to analyze aid along with other foreign policy areas. Cameron suggests that scholars should be inspired by the policy world’s “whole-of-government approach” and use the concept of policy coherence for development to assess not just aid policy, but the full range of Canadian policies that have an impact on international development. In doing so, they should rethink not only the extent to which policies seek to “do good,” as humane internationalists advocate, but also the extent to which they reflect the more fundamental ethical imperative to “do no harm.”

Molly den Heyer’s contribution seeks to understand why Canadian aid is stuck in a “policy eddy” of technical and administrative measures that fail to address underlying policy problems. Such rethinking, she argues, requires a closer examination of power, more specifically the “discursive frames” that shape policy. Using the aid effectiveness agenda as a case study, den Heyer demonstrates how understanding policy and policy making requires an examination of not only visible power, but also its hidden and invisible manifestations. Canadian aid, she concludes, can only be reinvigorated if the government stops doing the bureaucratic equivalent of rearranging the deck chairs on the Titanic and makes more fundamental modifications to its foreign policy. The latter include recognizing major changes in international politics, adopting a more cosmopolitan approach to global challenges, and engaging in more effective and genuine partnerships.

Like den Heyer’s, Ian Smillie’s chapter criticizes the Canadian government’s overemphasis on technical and administrative concerns. He argues that the excessive focus on effectiveness and results, in particular, has had a counterproductive effect. His chapter demonstrates how various pathologies of the aid world, including self-interested motives, constraining accountability mechanisms, risk avoidance, the lack of learning and local knowledge, short time frames and slow speed, all prevent aid from reaching its full transformative potential. He concludes with a number of recommendations for rethinking, aimed at government and other aid actors, that would help re-inject some common sense into poverty reduction efforts.

Whereas this book’s first section analyzes fundamental issues that apply to other donor countries as much as they do to Canada, the
second section focuses more closely on the Canadian context. It seeks to address the following questions: How has Canadian aid evolved? What underlying principles and purposes have been espoused and implemented? How have they changed over time? How have foreign policy and development assistance evolved in relation to each other and to broader government structures? What factors have influenced Canadian development assistance policies? How have these factors evolved in relation to the changing global context? What is the public perception of the usefulness of Canadian aid and how has it changed over time?

The second section opens with Liam Swiss’s quantitative analysis of Canadian aid distribution patterns in comparison with those of other Western donors from the 1960s to 2010. He finds that Canadian aid resembled most closely the relatively altruistic “like-minded” donors in the 1980s and 1990s, but that after 2000 Canada more closely resembles the more self-interested United States and United Kingdom. While Swiss recognizes that further evidence is required, the numbers suggest a concomitant shift in Canadian motives for foreign aid.

Laura Macdonald and Arne Ruckert’s chapter examines the effects on aid of the Harper government’s emphasis on the Americas, first signalled in 2007. They focus on three case studies: Peru, site of many Canadian extractive industry investments and of a CIDA-funded partnership between a Canadian mining company and NGO; Haiti, the largest recipient of Canadian aid in the region; and Honduras, site of a controversial coup d’état. They analyze the vagaries of Canadian aid to those three countries between 2001 and 2012 and find considerable evidence of mixed motives. Though rapidly rising aid to Peru and Honduras reflects Conservative ideological preferences and especially commercial self-interest, Canadian assistance to Haiti suggests that other, more altruistic, factors are also at play.

Justin Massie and Stéphane Roussel, in their chapter, rethink the relationship between Canadian foreign aid and security. Using the concept of “strategic culture,” they trace three successive foreign aid strategies. From 1945 to 1976, the Canadian government used its aid primarily in an effort to prevent conflict and the need for military intervention. From 1977 to 1992, it saw aid mainly as a substitute for security-related involvement. From 1993 onwards, it used aid to complement its military involvement, especially after the September 11, 2001 attacks. Massie and Roussel expect the Canadian government
to maintain the latter approach, in large part because it uses it to cement its membership in the Western security alliance.

Whereas other chapters in this volume examine the Canadian government’s motivations for providing foreign aid, Dominic Silvio’s analyzes Canadian public opinion between 1993 and 2012. He is especially interested in the effect of the 2007–08 financial crisis on Canadians’ attitudes towards development assistance. He finds that, despite the economic crisis at home, Canadians still broadly support providing aid abroad, and a slim majority favour increasing the aid budget. Yet Silvio goes on to argue that Canadians’ opinions on this topic are not very strongly held and will therefore have little influence on the government’s allocation of funds.

Drawing on theoretical frameworks from public administration, François Audet and Olga Navarro-Flores’s chapter analyzes the Harper government’s development-related decisions between 2010 and 2013. They categorize them according to the underlying rationale provided (economic, efficiency, or other/none) and consider the respective roles of elected officials and the public service. Their analysis reveals a mix of rationales: Some decisions are justifiable under New Public Management’s focus on downsizing and efficiency or the desire to promote the private sector. Others, however, point more towards Conservative political ideology and politicians’ desire to be re-elected, rather than developmental concerns. The result may have a negative impact on aid effectiveness.

The book’s third section addresses key themes concerning Canada’s role in international development. It asks: What approach should be taken to put into practice the “first principles of intervention”? What are the different roles that Canadian assistance can play in the world and what are its specific contributions? What is the most appropriate and effective institutional design for the delivery of Canadian foreign assistance? Who are the different constituents in the debate? What are the most promising scenarios for moving forward?

For decades, Canada was a leader on issues related to women/gender and development. Rebecca Tiessen’s chapter traces the rise of gender equality concerns at CIDA after 1976, but also its decline, especially after 2009, when the Canadian government apparently rethought its approach. It replaced the globally used term “gender equality” with the more idiosyncratic expression “equality between women and men” and adopted the Muskoka Initiative on maternal
health, which conceptualizes women as victims rather than agents of development. In spite of these top-level changes, committed mid-level officials—Tiessen refers to them as a “second CIDA”—still advance gender equality goals, often surreptitiously, but their efforts cannot ensure that gender will remain on the agenda indefinitely.

Christina Clark-Kazak’s chapter draws on decades of theories, policies, and practices on women/gender and development to analyze the role of children and youth in Canadian development policies and programming, designated a priority theme in 2009. She argues that current policies adopt a “children-in-development” approach reminiscent of discredited “women-in-development” approaches (described by Tiessen in her chapter), in which children are simply added to the development equation without recognizing the social relevancy or agency of children themselves. Clark-Kazak recommends that the Canadian government adopt instead a “social age mainstreaming” perspective, similar to “gender mainstreaming,” and assume a global leadership role in innovative development thinking and practice in relation to this issue area.

The next two chapters examine Canada’s aid to fragile states. The first, by David Carment and Yiagadeesen Samy, takes a macro-level approach. It traces how the Canadian government made important contributions to the analysis of state fragility and the development of networks to respond to the challenges of fragile states, but then “squandered” them. For conceptual, political, and organizational reasons, Canada’s significant aid to fragile states has failed to translate into effective programs. According to Carment and Samy, Canadian efforts tend to be “ad hoc, unstructured and unsystematic,” lacking in theoretical grounding, common analysis, and coordination among actors.

The second chapter on state fragility, by Stephen Baranyi and Themrise Khan, focuses on Canadian assistance to five specific conflict-affected and fragile states, namely Bangladesh, Ethiopia, Mali, Pakistan, and Palestine (West Bank and Gaza). It analyzes Canadian aid’s degree of securitization, its effectiveness, and its relationship to Canadian commercial interests in each of the five countries. It finds wide variations in securitization and effectiveness across the cases and little evidence of problematic commercialization in any of them. The authors therefore argue for greater contextual analysis when considering aid to fragile states and warn against generalizations based solely on the case of Afghanistan. They also
Introduction: Why Rethink Canadian Aid?

Outline some options for the Canadian government to rethink its activities in this area.

Canadian trade interests play a central role in the book’s last two substantive chapters. In contrast to Baranyi and Khan’s analysis, the authors of the next two chapters find clear cause for concern that commercial self-interest increasingly characterizes Canadian aid. Gabriel Goyette’s contribution examines the Harper government’s growing instrumentalization of Canadian aid for other foreign policy purposes, examining a number of initiatives that together constitute an emerging “new de facto Canadian aid policy.” He focuses on government support for the Canadian extractive industry, which epitomizes this new approach, analyzing the choice of priority themes and recipient countries, the exaggerated emphasis on results, and the growing role of the private sector. He considers the commercially motivated de facto policy highly problematic, as it risks further undermining the effectiveness of aid.

Like Goyette’s, Stephen Brown’s chapter is critical of the role of commercial self-interest in Canadian foreign aid and its impact on aid effectiveness. He examines the partnerships that CIDA has forged with mining companies and NGOs, starting in 2011, and argues that they epitomize the government’s rethinking of aid, specifically its “recommercialization.” The partnerships, which heavily subsidize mining companies’ corporate social responsibility projects, mainly in mining-affected communities, will help the Canadian extractive industry sustain controversial mining activities and thus constitute indirect subsidies. Rather than hold these companies to account for their controversial practices or seek ways to improve them, these government-funded projects help to recast the companies as humanitarian actors.

The concluding chapter, by the editors, summarizes the main issues raised by the book’s various chapters under the rubric of “rethinking Canadian development cooperation,” reflecting the insufficiency of rethinking aid alone. It organizes the findings thematically according to four different kinds of partnerships that will be key to the future rethinking: (1) the foundations of development partnerships; (2) partnerships within the international aid regime; (3) partnerships with key Canadian stakeholders; and (4) intra-governmental partnerships. It sums up what we hope will be a useful contribution to the unfolding Canadian aid conversation in an era of unprecedented challenges and uncharted administrative structures.
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