

CIDA under the Gun

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CIDA in the New Millennium

The new millennium brought significant changes to the Canadian International Development Agency (CIDA). After almost a decade of decline, Canadian Official Development Assistance (ODA) rapidly rose from C\$2.6 billion in 2000-01 to C\$4.1 billion in 2004-05 (Canada 2006b, 1).¹ This dramatic budget increase, not seen since the early 1980s, provided CIDA with the financial means to improve not only quantitatively but qualitatively. In parallel, the government began revising its aid policies and changing its priorities and delivery modalities (Canada 2002, 2005a). Successive prime ministers each brought a new direction to foreign aid, usually building on his predecessor's achievements: Jean Chrétien reversed the decline in aid flows and designated Africa a priority; Paul Martin integrated aid more tightly with other foreign policy "instruments" (in what is known as the "whole-of-government" approach) and took steps to focus on a smaller number of countries and sectors; Stephen Harper sought to concentrate and integrate even further, focusing resources and innovative approaches on Afghanistan. In response to these changes, a number of researchers questioned CIDA's policy autonomy vis-à-vis other donors (Campbell and Hatcher 2004) and reacted critically to Canadian aid policy (Black and Tiessen 2007; Brown 2005, 2007a; Cameron 2007; Goldfarb and Tapp 2006; Stairs 2005).

This chapter examines how recent trends have affected CIDA in the context of changing motivations for foreign aid, greater integration of Canadian foreign policy instruments and new pressures on the agency from other Canadian actors. It finds that increasing budgets and interdepartmental coordination have created a sort of paradox: as resources increase and the agency gains importance, CIDA's margin to manoeuvre is decreasing. Greater policy integration and the increased politicization of aid have reduced CIDA's autonomy and capacity to fight poverty and actually promote development. This could be because as CIDA's budget grows, it wields resources that are more attractive for "capture" by parties more interested in Canada's own security, diplomatic or commercial interests than in development assistance that actually focuses on poverty reduction. Alternatively, this may be explained by that fact that CIDA's policy subordination makes the government more willing to channel resources through the agency in order to achieve non-development-related foreign policy interests. If successful from the point of view of Canadian interests, increased politicization of aid could further increase CIDA's importance and reduce its autonomy. If current initiatives fail, CIDA could see itself marginalized from the rest of government, regaining autonomy but enjoying more modest financial resources.

The Battle over Aid Motivation

The battle over the purpose of ODA lies at the heart of the current changes affecting CIDA. To a large extent, it is not new: the rationale for foreign aid has been hotly debated since its inception. On one hand, foreign aid can be conceptualized as a self-interested tool, designed to further donors' own political, commercial and security interests. 'Realists' have long advocated such an approach. For instance, Hans Morgenthau (1962, 309) considered foreign aid an additional "weapon in the political armory of the nation." On the other hand, many 'liberals' see aid as an expression of international solidarity and believe it should be provided out of ethical concern and

compassion - for instance, David Halloren Lumsdain (1993) and Roger Riddell (1996). Cranford Pratt (2000) characterizes these two motivations as “international realism” and “humane internationalism” respectively. The two are however not always in opposition to one another. They can align, for instance, when Canada has an interest in presenting itself as a generous provider of ODA, be it at the United Nations, to developing countries or among its donor peers.

Since the inception of Canada’s aid program, the two rationales have coexisted uneasily. In the words of a 1987 parliamentary report, Canadian ODA has been “beset with confusion of purpose” (Canada 1987, 7). While Canada’s first foray into foreign aid in 1950 was designed to prevent the expansion of Soviet influence in South Asia, the Canadian government supplemented concerns over Western security with a desire, at least at the rhetorical level, to help the poor and promote social justice. Canada has thus simultaneously pursued a “trinity of motives” that combined development goals with Canadian foreign policy and commercial ones (Morrison 1998, 12-13).

The mix of the motivations has changed over time. In 2000, Cranford Pratt found that, over a 25-year period, government policy documents increasingly emphasized self-interest, at the expense of ethics and compassion (Pratt 2000). Following the events of 11 September 2001, the trend was accelerated, notably in Paul Martin’s government’s *International Policy Statement* (IPS) (Brown 2005, 2007a), much to the distress of Canadian non-governmental organizations (NGOs) that work in the field of development and other “humane internationalists.” The tying of aid to the purchase of goods and services from the donor country is one indicator of donor self-interest. By this measure, Canada is the second most selfish donor of the 22 donor countries that belong to the Organisation for Economic Co-operation and Development. Though the proportion has decreased in recent years, in line with government commitments (Canada 2002, 21-22), Canada still tied over 40 per cent of its aid in 2005, compared to an average of less than 7 per cent (OECD 2007, Table 23).²

It is within this context that CIDA finds itself in the middle of a tug-of-war that is closely related to motivations. This is not just a theoretical debate, since motivations help determine the choice of recipients and the size of their programs. Humane internationalism suggests a focus on poverty reduction and the poorest countries, as well as disaster relief; commercial interests favour focusing aid on important trade and investment partners, which tend to be middle-income countries; while security interests advocate concentrating resources on strategically important partners, for instance in the “global war on terror.” This struggle has the potential of radically affecting CIDA’s future and is closely related to the question of policy integration and the relationship among government departments.

Policy Integration and Inter-Departmental Struggles

CIDA began as an office with the then Department of External Affairs. Since it became a separate entity in 1968, it has maintained an often tense relationship with what is now called the Department of Foreign Affairs and International Trade (DFAIT). According to one close observer of CIDA, “every effort to enhance CIDA’s autonomy... provoked a strong reaction, aimed at putting the Agency under the thumb of External/Foreign Affairs and harnessing aid more fully to commercial and foreign policy priorities” (Morrison 1998, 401). In the 1990s, there was even discussion of an attempted DFAIT “takeover bid of CIDA” (Pratt 1998).

Conflict over “turf” is not unusual between departments, but CIDA’s relationship with DFAIT is not limited to bureaucratic squabbles. The two bodies have a fundamentally different philosophical approach to foreign aid. According to the CIDA website, “the purpose of Canada’s Official Development Assistance is to support sustainable development in developing countries” (Canada 2007f), suggesting an altruistic approach, while DFAIT concentrates on the self-interested objective of “advanc[ing] Canada’s national interests” and “achiev[ing] increased economic opportunity and enhanced security for Canada and for Canadians” (Canada 2007g). They converge only when Canadian interests are interpreted to include a robust development assistance program.³

In recent years, the government has increasingly emphasized the policy integration of the various departments involved in the international arena. This was initially presented as the “3D approach” (referring to diplomacy, defence and development) and then “3D+T” (when trade was added). This morphed into the “whole-of-government” approach, which was at the centre of the 2005 *International Policy Statement*. The IPS assigned DFAIT the lead role in coordinating integrated strategies (Canada 2005b, 30), as well as additional responsibilities for intervening in “failed and fragile states” (creating a Stabilization and Reconstruction Task Force) and stabilizing and rebuilding countries in crisis (managing a Global Peace and Security Fund), thus strengthening DFAIT’s primacy in international policy and potentially expanding DFAIT’s responsibilities into what was considered CIDA’s bailiwick.

Policy integration is a method to achieve objectives, rather than an objective in and of itself. The whole-of-government approach can be used as a “fig leaf” to justify a particular policy and hide the actual goals themselves. It can also refer to a range of forms of inter-departmental cooperation, from information sharing and coordination to full hierarchical integration (Canadian Council for International Co-operation 2006, 1-2). In the past, according to one analyst, “CIDA has never had significant influence on the trade or other foreign policies of the Canadian government” and “[t]he pursuit of development objectives by CIDA has been tempered from the start by commercial and international political considerations” (Pratt 1999, 83). CIDA’s closer collaboration with the government’s other international policy actors, mainly DFAIT and the Department of National Defence (DND), carries the strong risk that development objectives will be subordinated to security and commercial interests, rather than the other way around (Brown 2007a).

Though the Martin government’s *International Policy Statement* included a chapter on development, Stephen Harper’s Conservative government has provided very little policy direction of its own on foreign aid. Initially, CIDA retained the development contents of the IPS, merely rebaptizing it the Agency Transformation Initiative. However, within a year, the initiative was quietly dropped. With a low-profile minister (Josée Verner, who had no international development experience before becoming minister of international cooperation) and a decision-making process highly centralized in the Prime Minister’s Office, CIDA does not seem to play much role in setting priorities. The case of Afghanistan provides a key illustration.

Is Afghanistan the New Africa?

While in office, Liberal Prime Ministers Jean Chrétien and Paul Martin advocated increasing Canada’s foreign aid focus on Africa, most prominently at successive G8 summits. Indeed,

Canada was part of - and had helped shape - a consensus among donors that priority should be placed on Sub-Saharan Africa, including a shared commitment to doubling aid to the continent between 2003-04 and 2008-09 (Canada 2005a, 7, 23). In contrast, Africa was seen as a Liberal issue by the incoming Conservative government and placed on the backburner (see Brown 2008). Under Prime Minister Harper, the government's attention appears to limit itself to only one country (other than the United States): Afghanistan. Foreign Minister Peter MacKay (2007a) has called the Afghanistan mission "the number-one priority for the Government of Canada in its foreign policy."

The prime minister repeatedly announces new funds for development assistance to that country, but not all such announcements constitute new funding. In other words, CIDA's budget is not always increased by a corresponding amount. At times, CIDA has to cut aid to other countries, such as Bangladesh, to be able to meet the commitments made by the prime minister. In total, CIDA has spent about C\$600 million on Afghanistan since the Taliban were overthrown in 2001, a figure that is expected to reach almost C\$1 billion dollars by 2011 (Canada 2007d).

Though Afghanistan is not among the 25 countries identified as Canada's priority "Development Partners," it has become the top recipient of Canadian ODA. As of March 2007, CIDA's Afghanistan Task Force is headed by a vice-president, the first time such a senior manager has been put in charge of a country desk. This kind of emphasis placed on a single country is unprecedented in CIDA's history. Many officials consider the resources being allocated to Afghanistan and the close cooperation with DFAIT and especially with DND and Canadian Forces on the ground to be an experiment or laboratory for a new form of policy integration. If successful, it could potentially be replicated elsewhere, with Haiti being a prime candidate (see Canada 2006a).

The inter-departmental partnership in Afghanistan has, however, not been an easy one. Though Prime Minister Harper gave Associate Deputy Minister David Mulroney and DFAIT the role of coordinating Canadian activities in Afghanistan in January 2007, DND remained the most active Canadian player, led by Chief of Defence Staff Gen. Rick Hillier. The difficulties of carrying out development activities where fighting is still occurring coupled with a slow-moving bureaucracy have meant that CIDA has not been able to spend quickly the funds earmarked for Afghanistan in its own development projects. Large sums have been turned over to multilateral donors, such as the World Bank, various United Nations agencies and the Asian Development Bank. The lack of public third-party reporting has made it more difficult to determine the impact of these contributions. This was widely reported in the media in 2006, after law professor Amir Attaran's access-to-information requests were met with government stonewalling. Since then, CIDA and the Canadian government more generally have placed a lot more emphasis on Canada's assistance to Afghanistan, publishing glossy brochures and building an important web presence, including on CIDA's homepage and through a dedicated website hosted by DFAIT, entitled "Protecting Canadians / Rebuilding Afghanistan" (www.canada-afghanistan.gc.ca).

Other parties are interested in taking advantage of CIDA's Afghanistan "pot of gold."⁴ A recent Senate report complained that CIDA's work was not visible in Kandahar, the province where Canada is focusing its activities. As part of a strategy to "win hearts and minds" ("when our military is seen to be there to assist rather than conquer"), it recommended that "CIDA provide from its budget C\$20 million directly to the Canadian Forces for their use in local development projects" in Kandahar, until security could be established (Canada 2007e, 9, 26). This was precisely the kind of securitization of aid that NGOs and other critics had been warning

against. Using aid for military purposes, including as a reward for anti-Taliban collaboration, betrays the basic philosophy of development and the fundamental principle of neutrality of humanitarian assistance, potentially in breach of the Geneva Conventions and international humanitarian law. It also puts humanitarian workers' lives at risk by associating them with one side in the armed conflict, actually leading the NGO Médecins Sans Frontières/Doctors Without Borders to cease its operations in Afghanistan in 2004.⁵

CIDA's work in Afghanistan was criticized by other actors as well. In 2006, a retired Canadian military officer attributed the "failure" of the 3D approach in Kandahar province to insufficient contributions from CIDA and DFAIT (Lehre 2006). In 2007, an international think tank reported that "Canada's development, aid and counter-narcotics strategies remain incoherent and limited in their capacity to impact positively on even the basic needs of Kandahar's people" and that these were "compromising the entire Canadian mission and the international community's primary objective [of] preventing the return of extremism to the region" (Senlis Council 2007, 8-9). It recommended a massive increase in development assistance to over C\$1 billion per year (equivalent to more than a quarter of Canada's total ODA), as well as transferring CIDA's responsibilities to a special envoy in Kandahar mandated to "maximise Canada's development, diplomatic, military and civilian volunteer resources" (Senlis Council 2007, 16).

By mid-2007, it appeared that the whole-of-government approach had reached its limits in Afghanistan. Not only was CIDA under attack from various parties, notably Canadian military, for a lack of presence and results, especially in Kandahar province; the media also reported on squabbles between DND and DFAIT over the blame for the transfer of prisoners to Afghan authorities, who then gravely mistreated them - another possible breach of international law. Rather than policy integration increasing effectiveness, the main players were seen to have a dysfunctional, even conflictual relationship.

Why did CIDA decide to place such emphasis on Afghanistan? The country was not one of Canada's 25 priority "Development Partners" and many other countries had similarly high levels of poverty. Afghanistan did fall under the category of "failed and fragile states," which had been stressed in the IPS and could provide some degree of justification, but, again, many other countries with equal claim to the label were not selected. Furthermore, it is still not clear how much development work can be carried out in a war zone, though it is understood to cost more and be less effective, which contradicts the government's emphasis on aid effectiveness.

In fact, it was not CIDA that decided to concentrate on Afghanistan, but other government bodies, notably the Prime Minister's Office. The true reason depends closely on the association of Afghanistan with the Taliban and by extension with Osama bin Laden and al-Qaeda. Countless speeches by the prime minister and his cabinet colleagues evoke the tragedy of 9/11 and link Canadian security to the pacification and reconstruction of Afghanistan. A February 2007 joint DFAIT/DND/CIDA progress report to parliament concludes that "Canadians can be proud of the sacrifices and contributions made by our forces and personnel in Afghanistan in 2006. We are a country standing up for our interest, a country actively protecting our security" (Canada 2007c, 19). Along the same lines, the minister of foreign affairs has stated, "We are there to protect the security of Canada and Canadians" (echoing the banner on the dedicated Canada-Afghanistan website referenced earlier), adding a mention of "implications for a wide range of Canadian interests - not only our security interests, but also our trade and investment activities" (MacKay 2007b). Though the benefits for Afghans are constantly evoked as well, they

are insufficient to explain why intervention has taken place in Afghanistan rather than, say, Darfur. Instead, the priority that Canada places on Afghanistan responds to a security agenda, rather than a development one, and one actually more closely and directly related to the United States' security than Canada's. In this case, CIDA's resource allocation process has been subordinated to this broader objective.

Pressure on Other Fronts

In 2007, CIDA came under pressure on two other fronts. First, a scathing Senate report on Canadian aid to Africa attacked CIDA as "ineffective, costly, and overly bureaucratic" and described Canadian development assistance as "slow, inflexible, and unresponsive to conditions on the ground in recipient countries" (Canada 2007h, XI). Though deeply flawed in its assumptions, methodology and argumentation (Brown 2007b), the report's harsh assessment of CIDA's work led it to propose two possible remedies. Because "Africa has to be a central focus of our foreign policy and our African policy must be made more robust" (Canada 2007h, 97), the report recommended radical decentralization and policy integration. It advocated creating an Africa Office that "would incorporate all international development, international trade and foreign affairs personnel dealing with the African continent and would consult closely with the Department of National Defence" and "[d]ecentralizing a minimum of 80 per cent of the staff within the new Africa Office and decision-making authority... to Canadian missions in the field in Africa" (Canada 2007h, 98). The other remedy was to either give CIDA a clearly defined parliamentary mandate or, failing that, abolish the agency and transfer its staff and functions to DFAIT. The latter possibility was not developed in the report, but nonetheless attracted a disproportionate amount of media attention, further feeding CIDA's public relations problems.

At the same time, a private member's bill, introduced by Liberal John MacKay in May 2006, was making its way through parliament. The bill, known as C-293 or the Official Development Assistance Accountability Act, aimed "to ensure that all Canadian official development assistance abroad is provided with a central focus on poverty reduction and in a manner that is consistent with Canadian values, Canadian foreign policy, sustainable development and democracy promotion and that promotes international human rights standards," according to the version passed by the House of Commons (Canada 2007a).⁶ By focusing aid on altruistic poverty reduction above all else, Bill C-293 has the potential to re-establish a clear sense of direction and purpose at CIDA. It would also reverse the trend towards greater whole-of-government policy integration, which injects far more Canadian self-interest into CIDA's programming. For those reasons, it was opposed by the minority Conservative government, but enjoyed unanimous support from opposition parties in the House of Commons. If it becomes law, it could however have some unintended consequences, discussed further below.

Assessing the Results

From the point of view of the Canadian state, the whole-of-government approach and CIDA's subordination to Canadian self-interest could be a positive step forward. Indeed, from the 'realist' perspective, it strengthens the government's capacity to meet its objectives abroad. The greater centralization of decision-making and the strengthening of "the Centre" (bodies such as

the Prime Minister's Office and the Privy Council Office) also has the potential of increasing Canada's prestige abroad, especially among allies. In particular, the integrated focus on Afghanistan could help improve relations with the United States, demonstrating for instance that, though Canada is not present in Iraq, it can be counted on to contribute significantly on another important front in the so-called "global war on terror."

The value of these changes depends on the actual success of policy integration on the ground. Results to date in Afghanistan indicate that the whole-of-government approach might actually wind up irremediably discredited. It remains to be determined - and may be impossible to do so - whether the main problems are poor communication and coordination, insufficient contributions on the diplomacy and development sides, or unrealistic expectations - especially of development projects in the midst of an undeclared war. It could also be that, as suggested above, the whole-of-government might have been an appropriate approach, but that the use of force will prove to have been the wrong means. Moreover, if instead of contributing to the defeat of the Taliban and a weakening of al-Qaeda Canada's involvement in Afghanistan makes it a more likely target of terrorist attacks, it would have ostensibly decreased rather than increased Canadians' security and proved contrary to national self-interest (illustrating the difficulties on some occasions of determining actual self-interest).

The erosion of CIDA's autonomy, while increasing its prominence as a foreign policy actor, has negative repercussions from the "humane internationalist" point of view. While ODA has never been allocated solely on an altruistic basis, recent changes have reduced the emphasis on development itself, including poverty reduction and the principles behind the Millennium Development Goals. If Canada and other donors restrict their aid to countries where they have security or other interests at stake, many other countries in need - especially in Africa - risk becoming "aid orphans" and then potentially collapsing or becoming "failed states." It also contradicts the notion of a human rights-based approach to development, which focuses on the rights of recipients instead of the interests of the donor.

As CIDA's budget has increased, the agency's margin to manoeuvre has shrunk. Yet it is unclear which is the cause and which the effect. Has an increase in financial resources caused other government bodies to seek to harness them? Or has increased subordination at CIDA made government decision-makers more willing to channel extra money through CIDA? It is likely that the two are too intertwined to be extricated and that they are mutually reinforcing. Moreover, though it is hard to determine to what extent, a range of international influences also came into play. In particular, 'peer pressure' from the European members of the G8, and donor countries more generally, has also contributed to the government's decision to increase foreign aid.

The concrete result of joining up development with diplomacy, defence and trade will be to lessen the impact of Canadian aid on development indicators in developing countries. At best, it will help end conflict and rebuild post-conflict societies, which are important activities. However, if those are Canada's goals, other means might actually prove to be less costly and more effective. For instance, foreign troops may never be sufficient to quell the fighting in Afghanistan (or Iraq). Other means, such as a negotiated settlement that would include all major parties, could be more efficient and effective. Having sent troops on the ground to defeat the Taliban - whom Gen. Hillier has called "detestable murderers and scumbags" (Leblanc 2005) - Canada is unlikely to support the option of negotiating peace with them.

Though the whole-of-government approach reduces the autonomy of all parties involved, it theoretically creates new opportunities. CIDA does not however appear to have gained any influence on other agencies. As CIDA loses control of its own agenda-setting, there are no indications that other government agencies are changing their priorities to accommodate CIDA's mission to "support sustainable development in developing countries" (Canada 2007f). On the contrary, the pursuit of Canadian interests is evermore emphasized.

Signs of Things to Come

What policy turns CIDA will take in the future are far from clear. Recent indications of further shifts come from outside CIDA itself. The March 2007 federal budget expressed the goal of placing Canada "among the largest five donors in core countries of interest, in order to improve how we work" and promises to "put more of our staff in the field" (Canada 2007b, 262). The commitment to decentralize may have been triggered by the Senate report on aid, released the previous month, which lamented that over 80 per cent of CIDA staff work in the Ottawa area (Canada 2007h, XI, 92). However, it is not clear how the relocation of hundreds of employees (often accompanied by family members) to field offices around the world can be squared with the simultaneous commitment to "reducing administrative costs" (Canada 2007b, 262). The implications of the other goal left CIDA staff scratching their heads. Among the top 30 recipients of Canadian aid in 2004-05, Canada was among the top five bilateral donors in only eleven countries (Canada 2006b, 52-3, table T).⁷ This seemed to imply that the list of 25 priority countries of assistance, announced in 2005, would be whittled down further, perhaps with some new ones added. It seems likely that the decision on which ones and according to what criteria would be made by Cabinet or more likely the Prime Minister's Office, rather than within CIDA. This commitment was later repeated by the minister responsible for CIDA, Josée Verner, who in an interview explained that a country-by-country analysis had to be carried out and "in some countries you can spend just a little more money to be in the top five" (Berthiaume 2007b). This suggested that only minor adjustments could be made to place Canada in the top five donors in many countries, which is not the case in numerous others. Also, it is unclear how being in the top five would *ipso facto* increase the impact of Canadian aid, especially if increasing funding by only a small amount would place Canada there. Instead, it suggests that the real motivation is prestige, being able to impress voters and taxpayers, as well as donor peers.

Further manifestations of coming changes came in June 2007, linked to the G8 summit in Heiligendamm, Germany. Prime Minister Harper admitted that though the government was respecting its commitment to double aid to Africa between 2003-04 and 2008-09, its contribution for the continent would rise to C\$2.1 billion, rather than C\$2.8 billion, as promised by the previous government. He claimed that in spite of this C\$700 million budget cut Canada was still meeting the letter of the commitment, even if it did not meet the dollar target previously announced, because actual expenditure on Africa in 2003-04 wound up being C\$350 million less than expected. By using reduced generosity towards Africa in the past to justify further cuts in the future, Harper gave an unmistakable indication that CIDA would be abandoning the priority it previously placed on that continent. The highly critical Senate report on "40 years of failure" in aid to Africa might have constituted the last nail in the proverbial coffin. Though funds were being redirected to Afghanistan, Harper also announced at the summit that Canada's foreign aid focus would shift to Latin America and the Caribbean, perhaps in part a petulant response to

high-profile critiques of the deficiencies of Canadian aid to Africa. This change of focus again came as a surprise to most CIDA officials and others working in the field of foreign aid, as until then it seemed that Canada was actually losing interest in Latin America (Cameron 2007). Equally unexpected was CIDA President Robert Greenhill's subsequent indication that Canada would focus less on "failed and fragile states" such as Afghanistan and Haiti and increasingly emphasize countries where "we've actually seen real results" (Berthiaume 2007a). As of July 2007, a comprehensive reorganization of CIDA was expected to be announced imminently, though it would remain to be seen to what extent it would further detail the policy shifts to which various high-level officials alluded and how many of the changes would be more cosmetic than substantive.

Beyond the government's control is the fate of the Official Development Assistance Accountability Act. If Bill C-293 passes in the Liberal-dominated Senate and is proclaimed, it would refocus Canadian development assistance on poverty reduction and render it less subject to being used to further Canada's own foreign policy objectives. This would reinforce CIDA's identity as an institution dedicated to helping poor people in poor countries. Such policy insulation could however have the perverse effect of reducing the priority the government accords to foreign aid, causing it to cut CIDA's budget.

Irrespective of policy changes within CIDA, whole-of-government efforts will increase the impact of Canadian foreign aid on development only if DFAIT and other government bodies reduce their emphasis on Canadian interests and privilege those of developing countries instead or if they reconceptualise Canadian interests as depending primarily on a much more just and equitable world - both highly unlikely scenarios. CIDA can therefore either sit at the table with bigger players (mainly DND and DFAIT) and have its development agenda overridden by Canadian self-interest, or it can try to insulate itself from outside influence, risking in the process a dramatic decrease in the resources it is allocated. Under current circumstances, CIDA is unlikely to seek to dissociate itself from other government agencies. If, however, the whole-of-government approach meets its Waterloo in Afghanistan, the coming decade might bring about precisely that scenario for CIDA. Future funding and priorities, however, like so much else, will depend on which party is in power.

Though the Conservative government has continued to increase ODA by 8 per cent per year in current dollar sums, in line with the earlier Liberal commitments, Canada's aid budget actually shrank slightly between 2005-06 and 2006-07, when expressed as a percentage of GNP, from 0.33 to 0.32 per cent (Berthiaume 2007b). Canada is far off course to reach its stated goal of 0.7 per cent, announced in 1970 and reiterated countless times since then. A large majority of Canadians believe in a "moral obligation to help poor countries"⁸ and could thus be considered "humane internationalists." However, foreign aid is a low-ranked priority when contrasted with issues like health care or education among voters in Canada and other donor countries (Noël, Thérien and Dallaire 2004; Otter 2003). Foreign aid thus is unlikely to become an important issue in future elections and 'realists' in decision-making positions can either continue to reduce CIDA's margin to manoeuvre and divert foreign aid to serve domestic interests or renege with impunity on prior commitments to step up the fight against poverty abroad. Parliament, and especially the Cabinet, currently lack strong and effective advocates for foreign aid. As long as the Conservatives are in power, their mantra of accountability to taxpayers could easily serve as a justification for further cuts - though this would imply an admission that their best efforts to improve the effectiveness of Canada's foreign aid had failed.

Notes

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- ¹ This 58 per cent increase in current dollars over only a four-year period corresponds to a significantly smaller increase - only 10 per cent - when expressed as a percentage of gross national product (GNP): from 0.29 to 0.32 per cent for the same two fiscal years.
- ² The United States did not report its figures, but were likely to reflect a higher tying rate than Canada's.
- ³ Some Canadian interests can be relatively easily defined, such as the integrity of the country's borders or the physical safety of its citizens. Others are more open to interpretation and redefinition. For example, different governments can conceptualize self-interest in foreign aid differently. Under the influence of the "international aid regime," one could impute a Canadian interest in providing a generous amount of ODA and setting certain priorities, such as aid to Africa (Black and Thérien with Clark 1996). Otherwise, Canada could lack credibility among its donor peers and with developing countries, which would reduce its international influence. Such an argument holds more sway with the multilateralist Liberals than fiscal Conservatives, who consider the billions of dollars spent annually on foreign to be more effectively used for other purposes.
- ⁴ CIDA's budget for 2007-08 was C\$3.0 billion, compared to DND's C\$16.9 billion and only C\$2.0 billion for DFAIT, itself a 7 per cent reduction on the previous year's allocation (Canada 2007i, 1-14).
- ⁵ This decision followed the killing of five of its employees, which a Taliban spokesperson justified by stating that "Organizations like Médecins Sans Frontières work for American interests and are therefore targets for us" (Weissman 2004: 7).
- ⁶ As of July 2007, the bill was awaiting third reading in the Senate, whose Standing Committee on Foreign Affairs and International Trade was reportedly stalling because the bill contradicted the recommendations of its own report on aid to Africa to focus on investment and private sector development, rather than poverty reduction.
- ⁷ Namely Haiti, Iraq, India, Nigeria, Indonesia, Ethiopia, Bangladesh, Mali, Cameroon, Senegal and Pakistan (of which the latter seven were among Canada's 25 "Development Partners"). During that year, Canada ranked seventh among bilateral donors in Afghanistan, though the Canadian government later stated that it was among the top five donors (Canada 2007c, 5).
- ⁸ According to CDFAI (2007), 70 per cent of Canadians polled agreed with that statement and only 13 per cent disagreed.

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