

***The Challenges of Development Today:
Practitioners' Perspectives on Where to Move
Forward***

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Conference report by Dr. Monica Treviño Gonzalez



ISID

INSTITUTE FOR THE STUDY
OF INTERNATIONAL DEVELOPMENT

INSTITUT D'ÉTUDE DU
DÉVELOPPEMENT INTERNATIONAL



McGill

The Challenges of Development Today: Practitioners' Perspectives on Where to Move Forward

March 23 and 24, 2009

Conference Report

Jointly organized by the Institute for the Study of International Development, McGill University, and the Public Policy Forum

Monday, March 23

Inaugural Event for the McGill Institute for the Study of International Development (ISID)

Opening Remarks: *Professor Philip Oxhorn (Director, ISID, McGill University)*

This conference is the inaugural event for the Institute for the Study of International Development (ISID) at McGill University. The Institute has its origins in the 1960s, when, in the absence of models for promoting development, aside from the Marshall Plan, the Centre for Developing-Area Studies (CDAS) was formed precisely to figure out how development works. Back then, it was created for two reasons: to look for guidance so that Canada and Western Europe could make their money work to promote a better life for people, and to capture the energy of young people at the time to go and create non-governmental organizations and other similar organisations.

Today, we live in a very different world, that is, however, quite similar. The same energy and commitment of the young are back in full force. The same question remains: how can we help and guide that energy? However, at the same time, things are very different. In the 1960s, the context of development was one of new states, whereas today the challenge is more likely to be that of failed states.

Development as a discipline and practice has had a mixed record, in that while there have been numerous advances, there are still many unattained objectives, as the Millennium Development Goals (MDGs) exemplify. The world is more complex, and there are new problems and new sources of instability created by the process of intertwined globalization and by global phenomena such as global warming. This context creates new opportunities for ISID: there are new actors in development, such as businesses and NGOs, that did not exist or were not involved in the 1960s or 1970s. For the first time, new movements and NGOs are being created by and for young people.

ISID is an attempt to take advantage of what universities can uniquely offer, in particular the interdisciplinarity created by the hundreds or thousands of students who are committed to development, by bringing them together under one roof and giving them a home. We are committed to making research policy relevant. As an institute, we can add breadth through the various faculties and disciplines involved, something that only universities can provide. In terms of accountability in development, universities can provide a better sense of what evidence means for the creation of evidence-based policy; we can help create new paradigms. In terms of policy relevance, there is a new emphasis on accountability in development practice, and universities can help understand what this means, and to whom policies need to be accountable (donors, electors, recipients of aid).

ISID was created to bring all these strengths under one roof, to capture the inspiration of a new generation, and to bring into our thinking the perspectives of people who are involved in development.

I would like to thank Dean Manfredi for his help in making ISID possible and for his assistance in defining this Conference, and thank as well Margaret Biggs, President of CIDA, and David Malone, President of IDRC, for their participation in this inaugural conference. Thank you also to the Rt. Honourable Joe Clark, Professor of Practice for Public-Private Partnerships at CDAS, who has been an important part of the success of CIDA and ISID.

Professor Christopher Manfredi (Dean of Arts, McGill University)

Welcome, on behalf of the Faculty of Arts. The creation of the Institute for the Study of Development is the natural evolution of CDAS, which remains within the ISID. Internationalism and interdisciplinarity are guiding principles and characteristics for McGill University and in particular for the Faculty of Arts, and this is reflected in the ISID. The Institute will be responsible for the administration of the second largest programme in the Faculty of Arts after Political Science, International Development Studies, as well as for the Faculty's interdisciplinary programmes. It will have an important role in teaching those programmes, but the Institute will also be at the core of all activities regarding development in the Faculty of Arts and in establishing partnerships with governmental and private actors. The Faculty's most long-standing partnership is our Indonesia project which has been in place for 25 years, funded largely by CIDA, to develop educational capacity in Indonesia.

The Faculty of Arts has also put in place the Arts Internship Programme, which began with around 25 students in the first year, who take up international internships in Latin America, Asia and Africa. The Programme has grown over the years, through the support of private donors, so that last year over 250 students were able to take up this opportunity. I am thrilled that the ISID has come into being, and to preside over it in my role as Dean of Arts.

Ms. Margaret Biggs (President, Canadian International Development Agency)

Thank you for the opportunity to help kick off the ISID. Your leadership in building policy networks brought new life to CDAS, and now has led to the creation of the Institute for the Study of International Development. We all benefit from your initiative, in understanding what works and what doesn't in international development. Online research allows us to reflect on where we've been and where we want to go.

Development always poses many challenges, and never more so than today. At this critical moment in history when, in light of the current financial and economic crisis and of the rising numbers of fragile and failed states, business as usual is clearly not possible, this conference will help us reshape the development agenda for the next decade. These circumstances will shape the development agenda for the next decade.

Development is no longer a side event in foreign policy issues. It has always mattered to Canadians, and it increasingly speaks also to our national interest; creating opportunities, challenges and risks. So what better time to create ISID? The Institute will raise the level of evidence, discourse and debate. I look forward to our continuing dialogue. Thank you, and best of luck.

Mr. David Malone (President, International Development Research Centre)

Thank you, I am delighted to be here; even if I hold my diploma from the Haute École de Commerce, I always feel like I am among friends at McGill. It is also always an honour to work with Mr. Clark, who supports so many activities.

I would like to speak of the importance of development studies. The problem of development gives rise to good intentions, but these are often unfocused and don't achieve much, and sometimes even end up being harmful. What is needed is a sense of seriousness in planning and setting objectives; there should also be seriousness in choosing the methods, project integrity and management, because when these go wrong or are absent, bad results ensue and they give ammunition to the opponents of such programmes.

It is also important to make sure the results of research are disseminated. For instance, CIDA has achieved a lot in India over forty years, but Canadians know very little of that, or of what IDRC does for them. Philip Oxhorn and ISID can help us be better at telling our story, which is what CIDA and more modestly IDRC try to do. Development is deadly serious, but is not always treated seriously.

I would like to say a few things about our keynote speaker today. When I was in India in 2006, I kept reading articles from a very challenging guy in the newspaper, who challenged us to do better and to think more clearly about development. He was also leading a movement in India and at the world level dealing with the issue of brain drain –which is more like brain circulation nowadays. This is a movement where successful, highly educated Indians who are living abroad are returning to India, achieving great things and challenging the country to be the best that it can be. It was very exciting following you and being challenged by you. A good number of members of the board of governors of IDRC –which is incidentally the only international board of governors of any Crown corporation- are here tonight. Thank you for the opportunity to share this event with you.

The Rt. Honourable Joe Clark

I am just waiting to hear our keynote speaker flay IDRC... I am very happy to be here, and I want to congratulate Dr. Oxhorn and McGill, for their commitment to development and for their calculated decision to use their talent and resources to promote international development. As has been said, what is interesting in the transformation from CDAS to the Institute, is the two forces driving it. The first is the real need for paying attention to development. The second is the growing interest among young Canadians, which has not always been present, but is a real asset. I am very interested in evidence-based research. There is no doubt that the reputation and skill of McGill University will add substantively to the existing body of evidence. The ISID provides an important additional forum to stimulate dialogue. McGill has enormous convening power, and Canada and the world need it. There is a need not for neutral, but objective and serious discussion. That capacity is enhanced by the creation of the Institute for the Study of International Development.

Development has always been important, if not always a priority. Today, there is an inescapable need to understand it. At the recent meeting of the IMF in Dar-es-Salaam, African leaders pointed out the disparity of response to rich-world and poor-world problems. This needs to be addressed, taking advantage of those institutions that can make recommendations. There is a strong Canadian tradition of intervention from both citizens and government, and ISID can help build on that. And now we do it in

better company, considering that Secretary of State Hillary Clinton's first statement emphasised cooperation and diplomacy, which is very encouraging.

Professor Philip Oxhorn

I would like to thank all our speakers for their support, as well as all the professors at McGill who have helped make the Institute and this Conference possible. I would also like to thank the International Development Studies Students Association, Mariel Harding, Amanda Lockhart and Iain Blair for all their work.

KEYNOTE ADDRESS

Professor Pratap Bhanu Mehta, Member, Board of Governors, International Development Research Centre and President, Centre for Policy Research, New Delhi

“Bows without Arrows: The Institutional Deficits of Development Policy. Reflections on the Indian Experience”

It is very humbling to speak at this inauguration. I have personal affection for McGill University, which has made such a great contribution in my own field of political theory. It is tremendous that it has taken this initiative and this historic juncture, when we need to remind ourselves of the big issues. The most obvious of these is the context of development at this historical time, marked by the rise of China and India, which is a transformative event. We haven't fully understood the implications of the shift and its challenges. There is now a sense of the future being better than the past, a sense of entitlement. We can no longer say that it doesn't matter what they think. Intellectually, it feels sometimes like the old Marxist predicament: it kind of works in practice, but how does it work in theory?

In terms of the international context, this year we may be, for the first time, in an era of de-globalization. For development practitioners, negotiations will be carried out in a very altered context from 50 years ago; the structure of world power is more complex.

The global financial crisis has also generated a crisis in the authority of academic disciplines. There are not only stories of cronyism, but a certain type of intellectual complicity. Sometimes, ideology was passed off as social science. And so it is worth reflecting on this crisis for practitioners. We cannot hide behind our own intellectual complicities, and we need to be scrutinised.

The title for this talk is the very old-fashioned theme of bows without arrows, and what the Indian experience tells us. It is a reflection on what this has taught me intellectually and on why so little in the literature responds to my questions adequately.

We are like Sisyphus, in a sense: the debate on development often has a sense of déjà vu; there have been some important gains but the boulder has moved back. Why does so much of the development endeavour feel like Sisyphus? I have a couple of hypotheses. We have to admit that the social sciences are partly to blame for the re-conceptualisation of theoretical knowledge and practice. There are two modes of reasoning characterising the world of practitioners and theorists. Most of us in the social sciences are

taught to think in a *ceteris paribus* paradigm, trying to understand what is the variable that will explain something. But practitioners, especially states, are more “all things considered” interventions. The analytical distinction is important. In regression analysis, so in vogue, variation is more interesting than the value of the median for practitioners. Randomized experiments in development economics have returned economists to the field, but it is interesting that one feels that their main value is hypothesis generation. We need to return to the idea of making research “all things considered”.

There is the serious question of the intellectual terms of how we think of development, which leads to serial intervention. In the literature, I am struck by the succession of variables of what will create development. In the past ten or fifteen years, this has gone from liberalisation, to human capital, to institutions... It is my view that the Indian state has the challenge of defining at what level of government policy should happen. When the debate started in the 1990s, there was a constitutional amendment for decentralisation. At the same time, there was an intellectual fashion for independent regulatory institutions. Every government function has a correspondingly independent agency. This has led to a situation where local governments have all the powers, but no institutional powers to do things. This set of parallel institutions cannot function properly. The point is that it wasn't a simple mistake of competing interests, but of an elaborate intellectual backup and challenge. This is the problem of the “flavour of the month”.

The core of my argument is this: my own worry about the discourse of development in academia and in NGOs and donors. There is a kind of fantasy that we can do development and avoid the tough questions of politics, government and state-building. We will remain like Sisyphus if we don't address this issue. The biggest challenge will be very old-fashioned: how can we create responsible and accountable states in a very politicised world? How do we create states that make responsible trade-offs? I have been thinking about the contrast between India and China in this respect. The more I learn about their government systems, the more I am led to the conclusion that these are two very different political systems, but it is difficult to analytically understand which of their weaknesses are contingent and which are intrinsic to the nature of each system. India is a democracy, but it is not the most responsive state. So what explains the gap between representative and responsive democracy? On the other hand, China is not very representative, but it is quite responsive. Are these differences explainable purely by the regime types?

The more I study public institutions in India, the more I think about the attributes that they need to have: they need to be transparent, effective, responsive, participatory, accountable... And I am not convinced that these necessarily go together, that there may be tensions between these components. The question is: what do we make of those facts? It doesn't mean that we can't make these attributes harmonize better. A lot of work has been done on corruption; but to be brutally honest, based on the comparative literature, it is hard to make a case that anti-corruption interventions work in most contexts; in fact what changed in corruption as a result of these interventions was not the creation of better rules, but a change in the structure of corruption. From a development perspective, we want governments not to divert resources from development programmes. This will happen when it has more attractive sources of rent.

In other words, we are too comfortable in our assumptions about what makes good institutions. Things happen only if they serve the interests of power, and any development agenda that ignores this is bound to lead to Sisyphus.

Other than the political economy side of development, we should ask how many states in the developing world have put in place the structures to make development interventions work. The Indian state has put in place strong anti-poverty programmes, but it still has no effective means of identifying the relevant citizens for those programmes. For example, there are two lists in India that can be used to identify poor people: a survey and a national sample survey; there is less than 50% overlap between those two lists. The main obstacle in access to justice thus appears to be a lack of information for identifying citizens. The state clearly has not invested enough in itself to create a minimal information base to make its interventions succeed. Why is this the case? On every measure of stateness, the size of the Indian state is one of the smallest in the world, in spite of its reputation as a patronage democracy. Nothing in the development literature has emphasised the point of state capacity with regards to the minimum enabling conditions for effectiveness, and it is impossible to convince research organisations to take on this topic.

I submit to you, in conclusion, that in order to address the question of the effectiveness of development policy, development theory and practice will have to reconnect to the old question of the state. This question will also help us to understand whether representation inhibits responsiveness.

Q&A

It was noted that both political parties and civil society organizations have weaknesses and deficiencies in India, and the question of what can make a difference in supporting development effectiveness in this context was raised. Mr. Mehta responded that the nature and character of party systems indeed affects what governments do. It is not often noted that there are no conventional political parties with institutionalised rules of recruitment and advancement in India. Therefore, if structures are not internally institutionalised, and we have a fragmented party structure, it follows that patterns of state intervention will be “club goods”, and not public goods. There is a need for structural incentives. We need to think a lot harder about what are the reasonable rules necessary to achieve these objectives, but there is no silver bullet.

Since the lecture suggested that development depends on the integration of academia, government, business and other public organisations, and since the current structures create an incentive for each of these to be independent from the others, the question of what can be done to change the current thinking was raised. In response, Mr. Mehta noted that this is due to the nature of modernity and the separation of spheres that it posits. Indeed, the job of mediating between these competing positions will not be done by any one of these actors. But we can contribute to clarifying what the issue at stake is in any given policy choice. The task of mediating cannot be done outside of politics. There are two kinds of mediation or of forms of knowledge where an academic conversation can help. Most decision making involves the mediation of interests, wherever the conclusions are sufficiently indeterminate. Politicians will have to be central development practitioners. Do academics have a public role? They do, as long as they are clear about the distinction between this role and their academic arguments. They cannot claim a special authority in democracy; they can only clarify the enabling conditions of given scenarios, rather than attempt to have their models applied.

Given the impact of the financial failure of North America, the feasibility of continuing India’s current development model based on outsourcing was questioned. In response, it was noted that there is the appearance of submerging economies. However, it doesn’t seem like all the fundamentals of capitalist

regards to extreme poverty, we seem to be on target, as well as in achieving gender parity at school. For maternal mortality, however, the outlook is actually very bad. In short, we have made some progress on the MDGs, but there are important regional disparities, especially in Sub-Saharan Africa and South Asia. There has been a major reform process in the way aid is delivered.

Focusing on Ireland's priority of hunger, the Secretary General of the United Nations has noted that there are still unacceptable levels of hunger, with the poor being hardest hit, as they spend two thirds of their income on food. Bio-fuels have also put more pressure on food prices, so that programmes that provide food for work can now only afford to reach 6 of the originally 8 million people they targeted. There are today nearly one billion people who are hungry, and yet this seems "acceptable", since developed countries are not living up to their commitments. Responses are still uncoordinated among donors and governments. In Ireland alone, two different departments are involved, and yet the hungry themselves have little voice.

Irish aid is focused on assisting small-holder farmers, promoting infant and mother health, as well as on issues of governance, in order to keep the issue of development on the agenda.

I was struck by yesterday's key note address, and specifically by the lack of response to crises that affect the poor. The current financial crisis has resulted in a fall in the volume and prices for the main exports of developing countries, as well as lower remittances. This is particularly important given that remittances have outstripped the level of aid in recent years. In Lesotho and Honduras, remittances have fallen by over 20% and by more than 40% in Kenya. Foreign direct investment is also under pressure.

There is also a real challenge for maintaining commitments to current levels of aid, which instead of rising are likely to remain, at best, static. Aid is under pressure in Ireland, certainly, but also elsewhere, with Holland, for instance, reducing its levels of aid back to 0.7% of GDP. The key challenge will be the reform of the World Bank and the IMF.

The issue of fragile states was also raised last night. Large numbers of the "Bottom Billion", over 300 million people, live in either fragile states or conflict areas, as do one third of the women who die in childbirth. They constitute consistent pockets of poverty, where there is no state capacity to deliver services. They also have regional destabilisation effects, as is the case in Zimbabwe. But the current approach is clearly not working, and more attention is needed for the diverse populations in those states; we need more peace- and state-building and to move from an ad hoc to a coordinated and integrated approach.

Climate change, for its part, is also undermining development efforts. The Intergovernmental Panel on Climate Change predicts that the effects of climate change are expected to be greatest in developing countries in terms of loss of life, and relative effects on investment and economy. Livelihoods that have been built for generations on particular patterns of farming may quickly become impossible. If not addressed, climate change is likely to place an additional 80-120 million people at risk of hunger; 70 to 80 per cent of these will be in Africa. In Africa it is predicted that by 2050 Land areas may warm by as much as 1.6°C over the Sahara and semi-arid regions of southern Africa. This could mean people having to move from their home due to prolonged drought.

While climate change may generate economic opportunities in some parts of the world, the adverse impacts of climate change are projected to outweigh its benefits, particularly in developing countries. Climate change has the potential to exacerbate disaster risks, water stress, food insecurity, health risks, natural resource depletion, gender inequalities, social and economic marginalisation, conflict and migration.

Climate change impacts are also expected to adversely affect transport networks and other infrastructure, and activities such as tourism. Sea-level rise and accelerated coastal erosion poses an existential threat to some populated areas as well as to critical infrastructure such as coastal oil rigs and power plants. Through these mechanisms, climate change can undermine or even reverse human development, posing serious challenges to the achievement of the Millennium Development Goals (MDGs). This is elaborated in the 2007/2008 Human Development Report, which focuses on climate change, and concludes that successful climate change adaptation, coupled with stringent mitigation, holds the key to human development prospects for the 21st century and beyond. As a result, it is imperative to begin making future investments climate-proof.

In terms of aid effectiveness, major reforms are still needed for both bilateral and multilateral aid processes, which will not be an easy process. The Paris and Accra Processes have helped to improve the predictability of aid, but we still need to ensure that aid is untied. New structures of aid have appeared over the past ten years or so, leading to sector-wide, macro-budget approaches and away from project-type implementation. But we still need to think about the division of labour involved in development aid, where 80% of government time is currently taken up with donor work, such as filling out forms. There has been little change in this regard, and there is a need for critical trend analysis of the existing comparative advantages in terms of this division of labour. We need a continued reminder for practitioners to focus more on the impact on the ground, on development effectiveness rather than aid effectiveness.

While there has been some progress, some issues are still there. HIV/AIDS remains, as do its effects on economic and social development. The urbanisation of poverty is also a major and growing challenge, combining with already huge problems in the delivery of services such as health and education. And we also need to tackle the problems of good governance, not merely by attacking corruption but also by making countries and their governments responsible to their citizens.

In terms of the problems that are internal to Irish aid, the key problem is policy coherence across government departments. The division of labour, here again, is often problematic. The levels of funding are also under pressure. The recent crisis undermines the real advances made in recent years for development. We clearly have the technology, but do we have the political will? To ensure that we get that, results and measurable impacts will be key to maintaining the focus on development.

Berit Olsson (Former Director, Department for Research and Cooperation, Swedish International Development Cooperation Agency)

Sweden spends 1% of its GNP on development, but it is only a small country. It sees investment in research as very important, because of the need to have evidence on which to base our policies. Canada has also been at the forefront of funding international research to address neglected problems. Indeed, the

North spends money primarily on dealing with acute problems, but the problems that affect 80% of the poor are ignored.

To address this problem, Sweden created a research organisation, supporting efforts in and by low income countries to increase their capacity, the SAREC. This organisation is intended to invest not in thinking for low income countries, but in assisting those countries to think for themselves. This is because it is our understanding that, often, international research programmes may contribute to neo-colonial relations, bypass national priorities and country plans, delay national capacity development, contribute to brain drain and distort national priorities.

The ambition of SAREC is to support national research councils and regional research centres. After the first ten years of its operation, it was found to have been more politically than research oriented. This led to a change in the institutional framework for research, with universities at the hub, leading to strategic planning similar to that of the Paris Agenda.

Supporting capacity has not been easy. SAREC's current goal is to help countries do their own research training, which has led to the adoption of a national framework. In each case, comprehensive support packages are put together for the specific recipient country. Thematic research is still being encouraged at the regional level, moving from ad hoc to core funding schemes. The major challenge at the moment is to address financial problems. Why, indeed, is funding in research so marginal in low income countries? Why has donor coordination not taken off?

In terms of implementing the Paris Principles, the North sees the need for a close analysis to justify spending in development. But the question we need to address is where will that information come from? Will recipients of aid be the ones who own the solutions? There is a need to have local analysis, linked to an international analysis and understanding of global threats. There is therefore a need to design appropriate strategies and to negotiate between the various stakeholders. This in turn necessitates the existence of analytical capacity in both donor and recipient countries. At the same time, there is a need to monitor aid and to evaluate its performance, which again necessitates the presence of capacity.

One may wonder why, if this capacity already exists in the North, we should not just do the analysis on behalf of low income countries. Sweden, for example, can use and benefit from knowledge produced elsewhere, but this is because it has a rich research community of its own, which low income countries don't have. And they need to have their own research community to provide critical thinking and evidence based research. There are a number of arguments in support of this view, which were exemplified at the 8th Summit of the African Union in 2007, where African heads of state committed to spending 1% of their income on research by 2010.

In spite of these positive trends, there are also trends that weaken the chances of building a solid basis for research in low income countries. There is the problem of the dilution of resources resulting from the rapid expansion of higher education. Furthermore, there is a fragmentation of efforts, due in part to the push for immediate returns and to application-driven project funding. As a result, there is little external funding supporting research on statistics, sociology or biology, as there isn't always an obvious link to particular political priorities. In addition, there is little investment in these fields in low income countries

themselves. Hence the very ambitious project of establishing research partnerships; which may well be the “silver bullet”.

However, it does not provide sustained capacity, unless the basic institutions and structures are supported too. The impact of these inputs depends on the extent to which they are aligned with national strategies for research to which international aid agencies can contribute. A vibrant research community needs core funding, open grants, directed funding and research cooperation opportunities. While the latter two of these elements are funded at present, the former two are not.

If we are earnest in our ambitions of supporting developing countries, and in regarding them as equal partners, support for the development of their research community is an important ingredient of the Swedish development co-operation.

Discussant: Charles Bassett (Former Canadian Executive Director, Inter-American Development Bank; and Former Senior Vice-President, Canadian International Development Agency)

I would like to make a few comments regarding the nature of development. It is a long term process, working constantly through successes and setbacks throughout the past 20 to 25 years at least. Sometimes it becomes clear that it cannot succeed, but there are exceptions. It is difficult to find the right approach that will lead to success through a process of trial and error. It is a partnership between donors and recipients. Developing countries should have a long term development plan, and the first task for the donors should be to help develop this into a coherent pattern. We hear a lot about the need for recipients to be in the driver’s seat, so that governments can decide which projects they want to include in their development plans. And yet often the donors push for their own priorities or their own areas of expertise.

If it is to be a true partnership, the donors will have to restrain from doing that, because the governments involved need to be willing to accept the proposed intervention. But it is not only the government’s acceptance that is needed. There are too many examples of expensive new systems going unused because the recipients didn’t want them, as they were not a community priority. We need to recognise the difference between “doing for” and “doing to” people.

Sustainability should be part of any project. The donors have a wealth of experience in what is needed for a given project to succeed, and should make it available to help governments decide. There needs to be a plan for the time when the donor leaves. The donor’s responsibility also includes a meaningful partnership with other donors to not work at cross purposes.

We need to keep in mind the long term nature of development, but also that the predictability of support is crucial to the budgeting process. Multilateral institutions tend to be involved in larger, longer term programmes, to pay for technical assistance and to use local experts better. Bilateral institutions tend to operate mostly on grants, whereas multilateral institutions operate mainly on loans. The advantage of loans is that they mean that the project in question must be a priority that is accepted by the recipient government, since it needs to repay them. On the other hand, grants are harder to refuse. This leads to sustainability problems.

Regarding conditionality, there are good reasons for it, but there is also such a thing as bad conditionality. The recent improvements we have seen in social justice and gender equality, for instance, are largely

based on conditionality of funding. But there it can also be a problem, as was the case for example with structural adjustment programmes being blindly applied and as such punitive to the populations and resulting in political instability. Good conditionality can also be problematic. The biggest pitfalls occur in bilateral assistance when changes in government lead to the overturning of good principles.

Some countries in the North do not play politics with aid, while others do -as is the case in Canada-, even when the same party creates a new government. While many European countries keep the same minister in charge of international aid for a decade or more, in Canada this person changes every few years or even months. These ministers are rarely powerful within the government or cabinet. In addition, each new minister changes the priorities. There is also constant change within CIDA staff from one desk to another. This leads to a lack of predictability for the recipients of aid. Multilateral organisations are less prone to such changes because donors and recipients are all members, and since changes in policy require a majority, they are relatively rare.

The overarching purpose of development aid is to reduce poverty and to target the poorest people and the poorest countries. But aid is also used for other policy objectives, such as increasing trade or providing work for one's own experts. There is a problem when such objectives are financed from development assistance budgets. If Canada wants a new role, it will need to implement strategic and tactical changes; it will have to stop the practice of aid being a political football, and rather rely on all-party consensus to reach an agreement on aid predictability and long term commitments. There needs to be agreement on the general direction of aid, and to go beyond paying lip service to the concept and actually practice partnership to develop and use recipient expertise. We need to heed the lessons of the past fifty years, where we have done a lot of little things right.

I would also like to highlight some points from the previous presentations. How can a small country like Ireland spend twice as much, and Sweden three times as much money per capita on aid than Canada? Why is there such willingness to live with the existing levels of poverty? Why is there money to address the financial crisis, but not for the hunger crisis? Is it because the former affects "us" while the latter affects "them"? On the issue of failed states, we tend to immediately classify some countries as such, whereas there is a large body of research that suggests that others, like Pakistan and Mexico, are also very fragile or almost ungovernable.

Both presentations spoke of the problems with project aid, which is the antithesis of the long term commitment. The pressure for early results impedes progress in aid. Policy coherence across the government is absent in Canada, partly because of how the budget is managed and the need to spend it all in order to ensure its continuity, so that funds are committed early and there is no room for new proposals.

Finally, there is the question of why aid donors provide so little support to research. Why is so little value given to it? Is it related to the issue of core funding versus specific project funding?

Q&A

With regards to the tension between the need to show early results versus the need for core funding, it was noted that it is difficult to defend investment in long term processes, and this was related to the problem of communicating what aid agencies hope to achieve and the need to learn to better communicate these

objectives to elected officials and the electorate itself. It was also pointed out that the length of a given country's planning cycle will have an impact on the ability of its aid agencies to plan for the long term.

On the issue of communities of research, it was remarked that although regional approaches can help to make such projects more economically viable for small countries, this should complement rather than supersede the development of research capacity in each country.

Regarding the need to coordinate and integrate aid policy within and across government institutions, the point was made that this process should also include those agencies involved in promoting private investment, and ideally should include input from all relevant stakeholders in both the donor and the recipient countries.

Panel Two: Perspectives from Non-State Actors in Development: Businesses and NGOs

Chair: *Yves Poisson (Vice-President, Public Policy Forum)*

The Public Policy Forum is a not for profit organisation founded on the belief that better public policy and services result from dialogue. Almost all projects in development are initiated by the private sector, and so the speakers for this panel represent those efforts, from one of the largest engineering firms in Canada to smaller private initiatives.

Ronald Denom (President, SNC-Lavalin International Inc.)

The Local Resource Development Initiative (LRDI) of the Ambatovy project represents our new approach to project sustainability, operating at both the macro and micro level. SNC-Lavalin is a very large company, over one hundred years old, and does a lot of work in international trade and development. We bid on projects tendered by international financial institutions and development agencies. Our aim is to add value to larger projects, such as the reconstruction efforts in post-tsunami Indonesia. As such, we work mostly on unusual projects. Our project in Madagascar is the largest nickel project in the world. It is in this context that we developed our LRDI, which tries to influence the execution of the project in order to bring ideas from the field of development into the trade side, by maximising the benefits of the project for the local, regional and national economy.

This very large project has many components and is environmentally tricky. In order for it to be successful, the idea we try to put across to our clients that they have to make friends with the local communities, get them involved and benefitting from the project. We have developed a series of objectives and targets to develop local labour, procure goods and services from local contractors and suppliers, and this helps develop small, medium and micro enterprises. These often lack capital and/or know-how, so we have also put in place a programme to develop entrepreneurship, as well as providing training for local workers in construction, and making sure that these trainees are hired by the local contractors. As a result, 84% of the project's workforce is Malagasy. We also provide technical and management mentorship and training, as well as leadership training. In addition, we have put in place a number of special projects in the local community, focusing on gender equality and agricultural development.

The benefits to the community are tangible economic benefits, a more equitable distribution of wealth in the community, a strengthened private sector, increased competencies and skills, and better local availability of goods and services. For the sponsors of the project, there are also benefits, most notably cost reductions in labour and procurement and the establishment of a social contract with the local community.

Based on the experiences of this project, we think there is evidence for the applicability of this approach for other projects, and so we are proposing it to all our clients, as we think it would be good in any large project. We are trying to create an explicit programme that will be adaptable to varying conditions. In addition, because the outcomes are generally attractive to local governments, it could constitute an important competitive advantage.

David Tennant, Sr. (Executive Director, Canadian Economic Development Assistance for Southern Sudan)

Our organisation is run 100% by volunteers, and our mission statement is to try to provide humanitarian aid where it counts. I would like to present today what we see as our vision, as well as an assessment of what we think we do well or poorly.

It all started with a trip to Sudan after the signing of the peace agreements following the North-South civil war. In 2005, we wanted to bring our business experience to South Sudan to try to get something started there. We were not sure what we expected, as it is a very remote part of South Sudan. We even wondered if there was anything at all we could actually do, as there was no infrastructure, no roads, no electricity. So we had to alter our plan quickly. As it turns out, gum Arabic is indigenous to the area, and this has a number of industrial uses. We had no business plan at the time, but we hired a local buyer of gum Arabic, without a clear idea of what to do with it after we purchased it. After a year or so, we were exporting 50 million tons of gum Arabic, although it had to be transported through Kenya. We deconstructed the project to figure out the pluses and minuses, and in the end we decided to involve an established international buyer who is the world's second largest processor of gum Arabic.

This first phase was a partial success, as it is owned and operated by South Sudanese. We did notice that there was a lot of arable land that was not in use, since as a result of the long war there was very little mechanisation and very low yields. We then came up with the idea of mechanising farming. We brought in experts to develop a realistic plan for the region, while working with local government representatives to build a training plant. We were granted the use of a thousand acres of land near Juba, along the Nile. The crops were chosen on the basis of soil analysis and on the availability of simple mechanical farming equipment. This year, we have sent agricultural teams, in the hope of planting 200 acres of land to provide economic viability for the project, followed by a thousand acres next year. Our ultimate goal is to cultivate 20,000 acres of land that will be owned and worked by Sudanese with our help in putting together a credit union to finance the purchase of machinery.

If this project is replicable, it would mean that food security in South Sudan can be achieved. The key to success is to have a good business plan, and to make sure that the South Sudanese are in charge, as we believe that the creation of wealth is an important source of the solution to the problems of the developing world.

Discussant:

Robb McCue (Specialist in Education Project Management, Agriteam)

Partnership is always an important concept in development. In Canada, key partnerships with CIDA are very important, and this reflects our responsibility to give CIDA the best information we can. Although there is a five-year project approach, this is not hard and fast and there is tremendous openness, as long as we can demonstrate that we are in fact achieving something. CIDA has also introduced important innovations to its partners, such as results based management (RBM), so that we can determine a chain of results that we're looking for. For example, we started a little project for building capacity in education in Peru. Since we were able to demonstrate success to CIDA in concrete learning outcomes for children, we were able to extend it to four more regions. So our responsibility to demonstrate the results of our activities is very important.

Q&A

In response to a query, it was noted that business circles are not universally adopting the types of projects described by the panellists. However, the fact is that increasing local capacity is also beneficial for investors. The current fashion for corporate social responsibility is a tremendous opportunity, and while many businesses would like to take advantage of it, they don't necessarily have the required know-how, so this needs to be developed.

Another issue raised was the feasibility of establishing direct ties between world class universities and developing countries, and it was noted that the University of Calgary, for one, is in the process of establishing a programme with the University of Juba in Sudan.

The issue of long-term sustainability of projects like the Ambatovy mine was raised, in so far as extractive activities such as mining have a built-in expiration date when the resource is no longer profitable or available. In the case of this particular project, the life-span is currently calculated to be about 25 years, during which time the process of local capacity building should equip the local population with the necessary tools to create wealth through a variety of other activities.

In response to a question regarding the extent to which the South Sudan project altered patterns of land ownership in the area, the project considers the land to be communally owned, although land ownership is not always clearly established in that region.

Another important issue raised was the fact that large international companies could be taking the place of national institutions. While this is problematic, the establishment and adherence to a strict code of ethics as well as oversight from partner organisations and international aid donors can be an important check on unethical behaviour.

LUNCHTIME KEYNOTE ADDRESS

David Morley, President and CEO, Save the Children Canada

“Tilting at Windmills? The Quixotic Quest of the NGOs”

I have been lucky enough to volunteer and work with Canadian-based international NGOs. Yesterday our keynote speaker said that development work was like Sisyphus; I prefer to think it's a bit more quixotic

than sisyphian, the work we're doing, and I want to share with you just a few of the lessons I've learned in three decades as a professional beggar and idealistic and unrealistic do-gooder.

I want to look at business ratios; government money; something on NGO private sector cooperation, and our relationship with the governments and suggest a couple of opportunities that we have here in Canada over the next 18 months to perhaps make a difference.

At best, NGOs are creative places filled with passionate people who believe strongly that there is more than enough wealth in the world and that it's shocking that we still have a billion people living in absolute poverty, that more than 70 million children are out of school today and that this year another nine million children will die from preventable causes. At our best, we're filled with a passion that comes from the fact that we're linking people together; people here in Canada who give voluntarily of their time and money and people around the world who are doing something to change their community, who see that there is a way to change the way we do things. And I think it's this passion and commitment that is why polls show that 91 % of Canadians have confidence in the ability of NGOs to make a difference and that last year four out of ten claimed to have given money to us to work internationally.

But the term NGO covers a vast array of organisations; they range in size from a few people gathered in somebody's garage to an organisation the size of the aid program of a small OECD country. The first international NGO where I worked was housed in a small derelict building that we could use for free, and I would spend most of my days looking for another place we could use for free. Today I work for Save the Children, and if we were a member of the OECD our total budget would place us 20th for assistance. World Vision would rank 12th in the world. The word NGO covers an awful lot of ground; we're both civil society volunteers and billion-dollar global businesses.

One thing we all have in common at least in Canada is that we have to worry about ratios. In all our websites you will see a picture of a "loonie" showing how much is spent on administration and how much is spent on programming. And I can guarantee you, no matter what people are doing, they're spending less than 20 cents on administration and fundraising. Here is what happens in the life cycle of an NGO as it starts to grow. You start your agency, usually you have a connection with one or two projects in the South and you run on energy and volunteers, and 100% of all the money will go overseas. And then you realise you can't keep committing so much time, you have to live, and since you have been able to raise some money, you might be getting a small salary; you need to start spending some energy in raising funds. Administration costs become part of what you do, because you need to be in it for the long haul. But it costs a lot and you start to get nervous, so you start doing different things, you report on costs net of fundraising; you start not counting project management costs as administration.

Administration ratios drive NGOs a great deal more than we would like to say. What we hear from Canadians is that what they want is 100% of the money going overseas with no administrative costs, and they want that money administered perfectly, but instead of talking about the virtues of wise admin, we'd rather pretend it doesn't exist. But if you're going to grow to any size, if you're going to have sustainable impact you have to have good administration. In my assessment, you have three options. You can run a child sponsorship program, you can send doctors overseas or you can get government money. And aside from the issue that it's our tax dollars, it's a business imperative, because it is so cheap. It's almost impossible to raise money from the public for less than 25 cents on the dollar. We're making 75 cents for

every 25 we invest, but from the government it costs about 2 or 3 cents. But in doing that, all too often, we have allowed our voices as civil society to be silent. We are often afraid to engage in public or private debate with the government about important issues around official development assistance. Here in Canada there is a chill today among the NGO community, we are fearful for our funding and we're not sure how to engage in constructive criticism of CIDA, and frankly we're not sure how to take constructive criticism from CIDA either. Both sides are as defensive and self righteous as each other, but we love the money because it is so great for our ratios.

Meanwhile, we soon discover on the programming side that where those first few projects were really doing well and where the people we meet are organising communities in places where the state is weak, absent or oppressive, that this is where our advocacy starts too. I think it's excellent where advocacy is tied to programming; it keeps you grounded in the needs of the people with whom you're working. Sometimes it makes you more conservative because there are things you won't say because you don't want to hurt people or the programming. I think our best advocacy often comes from that passion for justice and change.

I would like to talk a bit about governments, and I do this with some trepidation. I mentioned earlier that there is a chill between NGOs and CIDA. We are dependent on CIDA, and this money means we can do some incredible programmes for child survival. Nevertheless this chill is existing. I remember when CIDA and Canada were at the forefront of the relationship between governments and NGOs. But one of the things I've also learned is that it's not only us in Canada, there are issues with many different governments. Here are some of our issues; I saw them most clearly when I came to Save the Children which is about 25% private and 75% institutional money. In the name of accountability and transparency I see really intelligent people who are very committed to development and have that passion, who are spending way too much time on time sheets so that they can justify to CIDA that they're spending the money well. It is ludicrous when we talk about results based management that we find ourselves falling into this discussion about implementation. Many people in the NGO community feel that the words accountability and transparency are a new way of saying "we just don't trust you". For all of us who have different sources of funding, we often find that we have to prepare a different report per day, with similar information in different formats. Just as CIDA has asked us as NGOs to make our reports the same, we would ask that governments try to do the same.

We've talked a lot about the long time horizon of development. A colleague mentioned many years ago that you ask for 5 year strategic plan to develop a 3 year project with annual business plan that is paid quarterly based on results, all of this for problems that are more than 500 years old.

I also think we were hearing this morning that our official development assistance is often governed by short term national political agendas, and I think this is one of the places where we have a chance to maybe try and change this right now, the place of official development assistance in our foreign policy and what we want to do as Canadians. There is a long-term and a short-term opportunity. In the long term, there's the ODA accountability act, a private member's bill passed with all party approval in the house, which talks about putting poverty reduction in a human rights framework with annual reports to parliament. It is making our ODA accountable to parliament in a new way. This gives us a chance to get to the heart of the matter, a discussion on the relationship between our development policy and our foreign policy.

I believe that investing in education and health is the precursor to creating the economic dynamism which will in turn sustain those social programs, and I believe we should invest in social programming and capacity building in the South first, to build that foundation of human capital from which an economy can grow. I know some will disagree, but we need to have these discussions.

I believe a place like this institute could be a place where people involved in development policy could be coming together and talk about these issues. We need to talk about ratios, we need to talk about administration, we need to talk about audits, but we can find a way to separate out some of these discussions from the policy discussions.

In the shorter term, I think we have an incredible opportunity as Canadians coming up next July when the G8 comes to Huntsville, Ontario. This is an important G8 summit as 2010 is one of the markers for the Millennium Development Goals. We have a chance when the review happens and the government wants to do something nice, no matter who is in power. Here is something some of the child-based international NGOs have been talking about, that we wait until 2-4% of children in a community are severely malnourished before we intervene. How is this possible? We know how to save 6 million of the 9 million children who are going to die this year from preventable causes. Why don't we do it? Because clearly we have the means to act; we've made reference to the response to the financial crisis, mobilising 36 times what we gave in foreign aid last year. When we choose to act, clearly we can. I do believe this is the opportunity that the G8 in Canada next year offers us, to address Canadians on that level of passion and commitment; we can ask them to join in this quest, which is not sysiphean, to make a change in societal attitudes that can make a change in how our government will respond in the world. I believe in those words of Margaret Mead's: "Never doubt that a small group of thoughtful, committed citizens can change the world; indeed, it is the only thing that ever has."

Q&A

To a question as to whether NGOs often act as if they can ignore politics, the response was that Canadian and international NGOs know they cannot ignore politics or economics, but they don't tell that to the public. One of the things they don't do well enough in Canada, is that in order to raise money they will sometimes gloss over some of the political realities and sometimes make people believe that giving them 30 dollars a month will change the world, and by doing that they depoliticise some of these issues.

Panel Three: Perspectives from Today's Youth

Chair: *Professor Eliane Ubalijoro, ISID, McGill University*

The panel decided to start by posing the general questions: Why is this generation different? And how can we harness that energy?

George Roter (Engineers Without Borders)

Engineers Without Borders is an organisation whose goal is to change the system around aid delivery and relations between Canada/the West on one side and developing regions on the other. We also decided not

to have a mission statement, as it is in constant change. We have over forty thousand members, mostly engineers, although we do have some student chapters. Our work, primarily in African countries, does not focus on building things but on understanding what skills are needed.

I want to tell you the story of Cuthbert, a field worker in a government-led project in northern Ghana. Cuthbert came to Canada recently and gave a speech at our national conference about participatory processes for the definition of priorities for infrastructure. He also said that he spends more time doing log-frame analysis paper work and donor reports than in the field. He said he saw the project as being for the government and people of Canada, rather than for Ghanaians. The idea of a participatory project is that it can change “in the field”, but in reality the project is very inflexible. So we have a situation where excellent field workers like Cuthbert cannot do their real job because the system of aid delivery is fundamentally broken, and we haven’t fixed it.

Delivery is ineffective because there are often too many rules. More than ten percent of the budgets from overseas development assistance are used to pay the hundred thousand westerners who go to give technical assistance to Africa each year, and the relationship between donors and recipients is unbalanced. In the case of Benin, for example, Canada sends six million dollars in aid each year. In contrast, it imports just over two thousand five hundred dollars in products from Benin. Canada’ biggest export to Benin is used clothing; and Benin’s biggest export product is cotton. This is a clear case for change.

There is a sense of marginalisation among youth, and the international development industry does a bad job of encouraging innovation and change. Change is clearly needed here too. Of the top fifty most innovative companies in the world, the average age of their CEOs is 32. So why is youth not popping up in development? Because people feel threatened, and there are no natural mechanisms to get rid of organisations that are not changing quickly enough; major aid organisations don’t “fail” or disappear.

As an organisation, Engineers Without Borders’ innovation is not to be rules-based, but rather principle-based. We need to be humble and realise that we don’t know everything. We have learned that our behaviour on the ground really matters. The key for getting youth involved in development is to allow them to be at the centre of the process, rather than keeping them on the periphery.

Catherine Awad (MBAs Without Borders)

Our organisation empowers local entrepreneurs to alleviate poverty through business creation and improving efficiency, and so we need a lot of flexibility and creativity in the field. For instance, one of our colleagues in Nigeria realised the scale of the problem of spreading malaria. To address it, he thought of product placement and of tapping into the popularity of Nollywood¹, to feature malaria nets in local soap operas. But we further realised that these nets lacked appeal because they were white and sterile-looking, so we suggested changing their colour. And we started selling them, very successfully.

Our magazine came from the idea of finding a way to communicate what we can do and what we can offer in international development, as well as building a network to create awareness. Our stakeholders

¹ Editor’s Note: Nollywood is the popular term for the Nigerian film industry.

are the same as those of other development organisations, but we approach the process from a different angle.

Erin Nesbitt (Youth Challenge International)

Our organisation focuses on young people in developing countries, which we believe is an untapped demographic. The term “youth” is highly problematic, as it assumes a somewhat universal experience. Youth is often presented as a homogenous group, and there is some disagreement as to the age group it is supposed to represent. Having said that, the young are key and underserved not only internationally but domestically. Youth Challenge International engages youth volunteers in the developing world, with youth specific programming.

The 1.3 billion people between the ages of 12 and 24 today are the largest such cohort in history. This represents a significant opportunity to combat poverty, but also a potential threat if their energy is not used positively. Their employment prospects are limited, especially in the developing world. They are failing to gain entry into the workforce, and women receive less pay. HIV/AIDS is also a critical issue. Yet civic engagement gives little opportunity to youth in decision-making spaces. Today’s youth is not apathetic.

Current environmental changes impact vulnerable communities the most, and youth are especially well positioned to help come up with innovative responses. Over the next decade, we need to ensure that this youth cohort is engaged. Our key approach is skills development for addressing these key challenges. But we also need to recognise that youth already has some of those skills.

Programmes can be implemented in many ways, such as workshops, but also through the arts, internships and vocational training. We are committed to youth-developed analysis and action on the systemic barriers of gender, race and self-esteem. The young need to be co-owners of programming, and increase collaboration with a common vision. The model of volunteerism and public engagement is critical, but we need also a political commitment to put youth issues on the agenda and include them in decision-making processes.

Lazar Konforti (Equiterre)

Equiterre is not a youth-focused organisation. One thing that sets this organisation apart is that it doesn’t ever speak of “aid”. We are primarily a development organisation focused on the analysis of underdevelopment as a systemic problem that cannot be fixed by handouts. This generation is a bit more aware of some issues, such as the effects of global warming, which will not affect the older generations directly. We see “aid” as patching up, and therefore not satisfactory. Equiterre’s analysis is more systemic, seeing underdevelopment as an economic problem that is mostly rural and based in part on natural resource extraction, which is a fundamentally unfair industry. We see development as a commodity problem with fundamental value-added injustice and resulting from a political process of liberalisation, taking control from the locality and passing it to global corporations. Equiterre leads the fair trade movement in Quebec and is civil society-driven. But we realise that fair trade is not enough.

Canada is very active in policy spaces that create conditions of unfairness in the global economic system. There is also a growing bad reputation for Canadian mining companies, whose policies have a negative

effect of corruption and oppression in many places. The biggest generational difference is that we are not satisfied with the separation of politics and economics from development.

Discussant: Natasha Sawh, Manager, Global Citizenship Program, Walter and Duncan Gordon Foundation

The potential of youth to contribute to international development can be seen in the growth of international development studies programmes, but also in a world poll that shows that 60% of young people between the ages of 15 and 24 responded they would be very interested to live in a foreign country to learn about its culture and people for a period of three months, whereas only 30% of those aged sixty and over responded in the same way. At the same time, only 20% of those youth feel very confident in the effectiveness of government. So there is a real interest in learning about the world, and there is also a shift in the kinds of institutions that are trusted to make it happen. Is there a tension between on the one hand the entrepreneurial drive of youth-driven NGOs to start their own organisation, which increases the number of NGOs, and on the other hand the need for institutional capacity in the South and the need for coordination? How do we harness this generation while building and learning from the experiences of our elders? What are the long term implications of opting out of the traditional institutions of government and of the political process?

Q&A

There was some debate as to the possibility that new organisations might be dismissing previous experiences, such as the Peace Corps, unfairly and thus not learning from the activities of those organisations. Conversely, frustration was also expressed with the development industry's tolerance of failure or at least of the limitations of previous models of overseas development assistance.

It was noted that many university students, especially at McGill, are very interested in volunteering or participating in development assistance, and thus the question was raised as to how to respond to the critiques of existing channels for involvement, and how to persuade youth to participate in development in this context, perhaps by highlighting the interactions with youth from developing countries. In response, intergenerational dialogue was recommended, along with a respectful interaction with developing countries. While dialogue between middle class urban youth from different countries is relatively easy, this is not the case in other settings. It is also important to manage the expectations of youth getting involved in development.

CLOSING KEYNOTE ADDRESS

The Rt. Honourable Joe Clark

“Renewing Canada’s Commitment to Development”

An inaugural conference suggests that there will be more to come, and the discussions in this conference have indicated a long list of issues to pursue profitably that will help ISID achieve its great potential.

I want to draw your attention to a Canadian statement on international development regarding the improvement of administrative arrangements: “...*The new approach now contemplated is aimed at*

bringing responsibility for the administration and operation of aid programmes under one head. It recognizes that these programmes are an integral part of Canada's foreign policy... There is ... an urgent need for improved administrative arrangements if Canada's aid programmes are to achieve their maximum effect... .” What is interesting here is that it was made by Diefenbaker in 1960. This underlies that there is a not unimportant historic bipartisan commitment to international aid in Canada.

Government programmes change as times and needs change. What are the major international needs now, and what are the most effective instruments to meet those needs? After the end of the Cold War, the dynamics of foreign policy in the West shifted, with trade and the expansion of the international market becoming a priority. However, the twin failures of Iraq and the collapse of the financial system are showing us the limits of that faith. The industrialised countries have found trillions of dollars at short notice, as compared to the one hundred million spent each year in development aid, which is less than was received by a single company in the United States.

Overseas development assistance is even more important in this crisis. In April 2008 there were food riots all over the world. The point is to note the difference between the speed of the response to the financial crisis versus the response to the food crisis that has existed for the past fifteen years. The sharp inequality of this response cannot continue, because power in the world is changing away from the West and toward “the rest”. This process had begun even before 9/11. As noted by Fareed Zacaria, this process is not about any one country's decline, but about the rise of new forces. As a result of these changes, the issues of the developing world are much harder to dismiss than in the past.

When we consider the spending of the Canadian Federal Government, three departments have an explicit international vocation, and these, according to published spending reports, rank as follows in spending priorities: the Department of National Defence (DND) receives 8.2% of the budget, the Canadian International Development Agency (CIDA) receives 1.3% and the Department of Foreign and International Trade (DFAIT) 0.9%. In terms of spending trends, spending on the DND is increasing by 8.2%, for CIDA by 0.8% and for DFAIT there is a decrease of 17.96%. According to some estimates, these trends will continue at least for the next two years, which will mean a loss of 700 million dollars [for DFAIT] in just over three years. This is unacceptable, when Canada's capacity for productive involvement in international development is so well placed. Our critical international skills are in management of diversity and in the generation of trust. The bonus for Canada, at this moment, is that these natural strengths are very close to the priorities of the Obama administration. Indeed, Secretary Clinton has made it very clear that diplomacy and development are essential tools for the pursuit of the United States' international objectives. The new question, for Canada, is whether it will be as committed to diplomacy and development as the United States.

According to the Centre for Global Development, in 2008 Canada ranked 11th among 22 high-income countries in terms of its commitment to development, with the United States at 17th, Sweden at 2nd and Holland in 1st place. Canada's worst ranking is on the environment, at 21st.

It is to the Harper government's credit that spending on defence has increased, with the stated purpose of reducing the decline caused by previous cuts. But that is precisely what is happening now for diplomacy and development, as the erosion of this capacity caused by spending cuts may cost us for years to come. Why is there a double standard? Why does Canada accept its share of the military burden but not of the

diplomacy and development burden? The development community has not mounted an effective defence nor has it adequately redefined development structures. The voices of advocates are fracturing, which means that the debate is dominated by the sceptics. We need to invite and involve the whole development community (experts, NGOs, faith organisations...), to build as big a tent as possible around what we can do together. We shouldn't focus on the specifics of the past except to learn. Our focus should now be to ask: how would we, as Canadians, shape a development programme today? What principles guided the decision, in the 1960s, to create an external aid office? Which of those principles apply today? How would they be expressed today?

CIDA is a world class agency that responded to the needs of that time; the incentives that led to that result then could apply again today; we can learn from and build on those experiences. Canada is not the first country facing the challenge of renewal, and many countries from the South are now becoming major players in South-South development assistance and trade. There are concerns over the commitments of some of those countries to human rights and economic development, but we should still ask ourselves: what can we learn from them? How can we work with them? Japan is putting in place some interesting initiatives; why not Canada?

International development is experiencing new phenomena: powerful foundations, a growing role for NGOs, an increasing commitment to corporate responsibility, the booming remittances sent home by 200 million migrants. There are both private and non-government public initiatives; but we still live in an institutional world where sovereign states still make critical decisions. The challenge, and the opportunity, is to marry mandate and imagination, to combine creativity with the capacity to act. Who better, for this task, than Canada, with its experience of having played a leading role in the international fight against Apartheid, and in the Kimberley Process, among many other important initiatives? If we consider Goldman Sachs' projection of Canada's economic size dropping us to 16th in the world by 2050, we need to ask ourselves how much longer Canada will have a place among the G8 or G20, and the answer is not long if we focus narrowly on trade, economic policy and military presence.

The odds are that we could remain an influential country were we to renew our trusted, activist and diplomatic and development credentials... The principal immediate impact will be upon life in other countries; the principle benefit to Canadians will be as citizens of a world that is more stable and just.

The domestic case for international development aid being in our national interest is not about commercial opportunity, but rather about security broadly defined and about our national purpose. The Canadian national interest lies not narrowly in border or sovereign control, but in a world that works, as demonstrated by the crisis brought on by SARS, refugees, pollutants and terrorists. Relatives of Canadians die in every conflict in the world. For most of our own history, we have been rather isolated from world catastrophes; that is no longer the case. While there is no single cause for international conflicts, there is a clear understanding that poverty and desperation are the principal causes, and so dealing with those would make Canadians more secure.

Regarding our national purpose, as former Minister of Constitutional Affairs I know well that Canada has always been an act of will, composed through the creation of Confederation, Medicare, equalisation, the Charter of Rights and Freedoms... We need to keep proving our own worth to ourselves. It is easy to take our good fortune for granted, but we need to reach across the lines. International development is the kind

of issue that can unite Canadians; there is a sense of an international vocation that defines Canadian identity since at least the First World War. We should treat that vocation as an asset, like we do our energy resources. It is a resonant instrument of Canadian identity and a standard to guide our national priorities. Part of the reason why our development budget has remained static and the defence budget has increased, is that the advocates of the former underestimate the importance of building a broad Canadian constituency. We need to mobilise them, or the budget lines will continue to decrease. ISID's next initiatives will prepare some lead ideas on building such a constituency.

Q&A

Regarding the issue of Canada's native peoples, there has been a lot of interest in how Canada has addressed its aboriginal realities, especially concerning the constitutional right to self-government. Canada has not only a history but a tradition of diversity from its beginnings, which is recognised internationally. This places Canada in a unique position.

While recognising that not everything that Canada or Canadians do in the international arena is positive, it is also important to recognise that we do have real strengths upon which we can and should build. One of these strengths is the presence of large cultural communities that are interested in participating in the development endeavour. These Diasporas can play multiple positive roles.

LIST OF PARTICIPANTS

Catherine Awad

Catherine is Editor-in-Chief for MBAs without Borders' magazine Managing & Developing (M&D). Currently pursuing the MBA at McGill University, Catherine holds an undergraduate degree in electrical engineering and her professional background is in B2B marketing in the telecommunications industry. At a start-up high-tech firm, Catherine held the roles of product manager and marketing communications specialist where she focused on branding, public relations and creating customer co-marketing programs. A passionate traveler, Catherine is fluent in English, French, Arabic and Spanish. She took part in McGill's Canada-Brazil exchange program and also volunteered with the NGO Coptic Orphans in a high-poverty area of Egypt.

Charles Bassett

Charles Bassett was formerly Canadian Executive Director of the Inter-American Development Bank. As a member of the Executive Board, Mr Bassett was involved in overseeing the policy and programming of the Bank. He also represented a broad spectrum of Canada's interests: coordinating foreign policy issues, overseeing international development objectives, and providing support and information to the Canadian private sector. Prior to his appointment to IDB in 2003, Mr. Bassett had an illustrious 27 year career at the Canadian International Development Agency (CIDA) where he occupied many strategic positions including that of Senior Vice-President. Among his other responsibilities, Mr Bassett was President, United Nations Convention to Combat Desertification.

Margaret Biggs

Margaret Biggs is president of the Canadian International Development Agency and has a MA in International Affairs from Carleton University. Before coming to CIDA she worked with the Privy Council Office and Human Resources Development Canada.

Right Honourable Joe Clark

The Right Honourable Joe Clark was elected eight times to the House of Commons of Canada, and served in Parliament for 25 years, retiring in June 2004. He was Prime Minister of Canada in 1979-80, Secretary of State for External Affairs (Foreign Minister) from 1984-1991, Minister of Constitutional Affairs from 1991-1993, and Acting Minister of both National Defence and Justice. He served twice as Leader of Her Majesty's Loyal Opposition, and as National Leader of the Progressive Conservative Party of Canada. Mr. Clark is president of Joe Clark and Associates, an international consulting firm based in Canada, and Executive Chairman of Clark Sustainable Resource Developments Ltd, a Canadian company operating in Ghana. He is also Professor of Practice for Private-Public Sector Partnerships at the Institute for the Study of International Development at McGill University.

Kevin Colgan

Kevin Colgan is a Senior Development Specialist in the Policy Planning and Effectiveness section of Irish Aid, leading in the areas of Research, Knowledge Management and Local Development. In his role he regularly travels to Irish Aid program countries in a support capacity. He has worked with Irish Aid since 1993 in Zambia, Uganda, and Mozambique and has been at headquarters since 2004.

Ronald Denom

Ronald Denom has leadership responsibilities for the development of SNC-Lavalin's global business in engineering-construction, professional services, infrastructure investment and concessions, operations and maintenance and mergers and acquisitions. SNC-Lavalin is one of the leading groups of engineering and construction companies in the world, a key player in facilities and operations management and a global leader in the ownership, operation and maintenance of infrastructure. The SNC-Lavalin companies employ over 21,000 people in offices in 36 countries around the world and currently have active projects in some 100 countries. Born in Thunder Bay, Ontario, Mr. Denom was raised in Montréal and graduated from McGill University with a Bachelor's degree in Metallurgical Engineering and a Master's degree in International Business Management. Over the last thirty years, he has worked around the world on engineering-construction projects of all types. For the seven years leading up to his appointment as President of SNC-Lavalin International in 2006, Mr Denom was responsible for the development of SNC-Lavalin's business in Eurasia, which included Western, Central and South East Europe, Russian, Central Asia, the Caucasus and Turkey.

Franque Grimard

Franque Grimard is an Associate Professor of the Department of Economics at McGill University. His specialties are Development, Health and Environment Economics. His research covers developing countries where he is interested in the application of statistical analysis and data collection to applied policy issues such as aid effectiveness, health programs, sustainable development and cost-benefit analysis. He has worked on the role of NGOs in improving health standards of poor individuals in Pakistan, on analyzing new tuberculosis control programs and their consequences in Haiti, the Dominican Republic and Mexico, on health and education among women in Peru, on the effects of socio-economic conditions on health among elderly in Mexico, on microcredit and health of women in Bangladesh, on sustainable agricultural practices and avoiding deforestation in Panama and has done some cost-benefit analyses of fiscal reforms of the government of Pakistan. His research in developed countries examines physician remuneration methods, smoking and low-income households in Canada as well as exploring the causal links between health and education looking at the smoking behavior of Canadian and American individuals.

Lazar Konforti

Lazar Konforti is currently an assistant researcher in the agriculture and commerce department at Équiterre. Équiterre is a Montreal-based non-governmental organization dedicated to building a broad-based social movement urging citizens, organizations, and governments to make ecological and equitable choices based on solidarity. Lazar has an MA in Development Studies and has been a long-time campaigner with local grassroots organization STAC-Montreal (Students Taking Action in Chiapas) doing solidarity work with autonomous peasant organizations based in southern Mexico. He has also worked with the Forest Stewardship Council (FSC) in Panama, researching the FSC's credentials as a market-driven social development mechanism.

David M. Malone

David Malone is President of Canada's International Development Research Centre, one of the world's leading institutions in the generation and application of new knowledge to meet the challenges facing developing countries, on 1 July 2008. Previously, he served as Canada's High Commissioner to India and non-resident Ambassador to Bhutan and Nepal from 2006 to mid-2008. Prior to his nomination to India, from 2004 to 2006, he was Assistant Deputy Minister in Canada's department of Foreign Affairs and International Trade responsible initially for Africa and the Middle East and subsequently for Global

Issues, in which portfolio he oversaw Canada's multilateral and economic diplomacy. From 1998 to 2004, he was President of the International Peace Academy, an independent research and policy development institution in New York. From 1994 to 1998 he served within Canada's Department of Foreign Affairs and International Trade as Director General of its Policy, International Organizations and Global Issues Bureaus. During this period he also acquired a D.Phil. from Oxford University with a thesis on decision making in the UN Security Council. He is a graduate of l'Université de Montréal, of the American University in Cairo, and of Harvard and Oxford Universities. He has published extensively on peace and security issues in a variety of journals. His books include *Decision Making in the UN Security Council: The Case of Haiti* (Oxford: Oxford University Press, 1999) and, with Mats Berdal (eds.), *Greed and Grievance: Economic Agendas in Civil Wars* (Boulder, CO: Lynne Rienner, 2000). His widely reviewed book *The International Struggle for Iraq: Politics in the UN Security Council, 1980-2005*, was published in 2006 by Oxford University Press.

Robb McCue

Robb has 20 years of management experience in all elements of the project cycle, from design to evaluation. He has been a teacher, teacher trainer, adult educator, curriculum developer, and intercultural manager at all levels of the education system in Canada and abroad. In addition to his extensive work in international education, he has been a project director in landmine awareness, environmental management, water and sanitation, technical vocational training, performance measurement, scholarship management, refugee resettlement, transfer of technology, RBM and gender equality. He has had long-term overseas assignments in Micronesia, Iran, Indonesia, Thailand and Pakistan and short-term assignments in 15 countries in Asia, the Middle East, Africa and Latin America. Robb has degrees in Political Science (BA), Education (MAT) and International Administration and Training (MA).

Pratap Bhanu Mehta

Pratap Bhanu Mehta is President of the Center for Policy Research in New Delhi, one of India's most distinguished think tanks. He is also a been appointed to NYU Law School's Global Faculty. He was previously Visiting Professor of Government at Harvard University; Associate Professor of Government and of Social Studies at Harvard, and for a brief period, Professor of Philosophy and of Law and Governance at Jawaharlal Nehru University. Mehta has also done extensive public policy work. He was Member-Convenor of the Prime Minister of India's National Knowledge Commission; Member of the Supreme Court appointed Lyngdoh Committee on Indian Universities and has authored a number of reports for leading Government of India and International Agencies. He is on the Board of Governors of IDRC, and other distinguished academic institutions. He is member of the World Economic Forum's Council on Global Governance. He is also on the Editorial Board of numerous journals including the American Political Science Review and Journal of Democracy. Mehta has published widely in the fields of political theory, intellectual history, constitutional law, politics and society in India and international politics. His scholarly articles have appeared in leading international referred journals in the field, as well as numerous edited volumes. His most recent publications include, *The Burden of Democracy* and an edited volume India's Public Institutions. His forthcoming work includes a book a *Constitutionalism in Modern India* and a book on *India's Great Transformation*. He is also co editor (with Niraja Jayal) of the *Oxford Companion to Politics in India*. Mehta is a prolific participant in public debates in India and abroad and has written columns for leading national and international dailies, including the Indian Express, Hindu, Financial Times. Mehta has a Ph.D in Politics from Princeton University.

David Morley

David Morley is President and CEO of Save the Children Canada. His extensive experience in international cooperation began when he volunteered to work with street children in Central America in

the 1970s Since then he has worked in community development and humanitarian projects in Congo, Zambia, Mozambique, Sierra Leone, Mexico, Dominican Republic, El Salvador and Brazil. From 1998-2005 Mr. Morley was Executive Director of the Canadian section of Medecins Sans Frontieres/Doctors without Borders and under his guidance the organization grew from an annual budget of \$5 million to \$20 million and the number of overseas volunteers tripled. In 2005 he was chosen by the Right Hon. Adrienne Clarkson and John Ralston Saul to serve as the founding Executive Director of the Institute for Canadian Citizenship. He has served on the Board of Directors of the Canadian Council for International Cooperation, as President of the Ontario Council for International Cooperation, and is currently a member of the Board of Directors of the Stephen Lewis Foundation and a Mentor with the Trudeau Foundation. David Morley's writing on international issues has appeared in the International Herald Tribune, the Globe and Mail, the National Post, La Presse and the Toronto Star, and he is a frequent commentator on radio and television. He co-authored the Canadian bestseller *Under the Tree: Creative Alternatives to a Consumer Christmas*, a book about environmental and global issues. His 2007 book *Healing Our World: Inside Doctors without Borders* has been released in Canada, South Korea, and the United States, where it has been the recipient of a number of awards.

Erin Nesbitt

As Canadian Programs Director with Youth Challenge International, Erin oversees the international volunteer sending and domestic youth engagement programs. With a BA in International Development and a Masters in Adult Education with a focus on International, Comparative and Development Education as a foundation, Erin has developed over 8 years of program development experience in the non-profit sector with a special focus on youth engagement and volunteer management. Erin also sits as a member of the Ontario Council for International Cooperation's Board of Directors.

Aristide Nononsi

Dr. Aristide Nononsi is Associate Director of the Centre for Developing Area Studies in the Faculty of Arts and Senior Boulton Fellow in International Development and the Law. He served as Executive Secretary of the Staff Appeals Committee and Head of the Appeals Committee Unit in the African Development Bank (AfDB) in Cote d'Ivoire and Tunisia. He has worked for the International Labour Office (ILO) on Child Labour and Children's Rights, International Labour Standards, and Maritime Labour Law in Switzerland, Côte d'Ivoire and Algeria. He completed his doctoral studies at the Université Montesquieu in Bordeaux⁴, France, specializing in public international law and labour law.

Berit Elli Martens Olsson

Berit Olsson recently retired from 10 years as Director of SAREC, the Department for Research Cooperation at Sida, Sweden. She has been responsible for the formulation of Swedish policies for research cooperation and University Support, implying a shift from merely project funding to comprehensive institutional support for research in Low-income countries. She has participated in numerous international fora and debates arguing for investments in research in Low-and mid-income countries based on the conviction that all countries need a viable research community in order to ascertain their "ownership" in development. She was awarded honorary doctorates 2006 in Nicaragua and 2008 in Mozambique in recognition of her contributions to research in development . Her first career as specialist in Endodontics (root canal treatment) at Lund University Sweden brought her to University of Connecticut as a visiting professor, her interest in public oral health as a researcher to Ethiopia, Mozambique and Sudan. Her PhD thesis 1978 is on Studies in Oral Health Health in Ethiopia.

Philip Oxhorn

Philip Oxhorn is the Director of the Institute for the Study of International Development and Editor-in-Chief of the international journal *Latin American Research Review*. His research focuses on civil society and its role in both democratic transitions and the consolidation of new democracies, particularly in Latin America. Professor Oxhorn's publications include *Organizing Civil Society: The Popular Sectors and the Struggle for Democracy in Chile* (Penn State University Press, 1995), as well as numerous articles and three co-edited volumes: *What Kind of Democracy? What Kind of Market? Latin America in the Age of Neoliberalism* (with Graciela Ducatzenzeiler, Penn State University Press, 1998), *The Market and Democracy In Latin America: Convergence or Divergence?* (with Pamela Starr, Lynne Rienner Publishers, 1999) and *Decentralization, Civil Society, and Democratic Governance: Comparative Perspectives from Latin America, Africa, and Asia* (with Joseph Tulchin and Andrew Selee Woodrow Wilson Center Press/the Johns Hopkins University Press, 2004). He is currently completing a book-length manuscript titled *Sustaining Civil Society: Economic Change, Democracy and the Social Construction of Citizenship in Latin America* (Penn State University Press, forthcoming). Professor Oxhorn has lectured extensively in North and South America, Western Europe and Australia. He has a PhD in Political Science from Harvard University.

George Roter

George Roter has been recognized as one of Canada's emerging leaders in the non-profit sector. He strongly believes that Canadians are passionate about driving social change both within our country's borders and abroad. He has dedicated the past 8 years of his life to building organizations that engage a broad cross-section of Canadians, and specifically foster the involvement of our country's next generation of leaders. Most of that dedication and effort has been focused on building Engineers Without Borders, an organization that, together with Parker Mitchell, he co-founded and where he continues to serve as Co-CEO. While completing his Bachelor's degree in mechanical engineering at the University of Waterloo, George became aware of the complex challenges facing three billion people around the world who live in poverty. He also saw an opportunity to mobilize engineers and their unique problem-solving approach as agents for social change. And so he co-founded Engineers Without Borders. He has since learned that the challenges of poverty will not be solved overnight, nor with handouts. Since its inception in January 2000, EWB has taken the approach of building capacity of individuals and organizations in developing countries to be able to create sustainable change locally. To this end, EWB has sent over 200 volunteers on projects in 25 countries around the world.

Natasha Sawh

Natasha manages the Global Citizenship programme at the Walter and Duncan Gordon Foundation, which provides grants to youth and diaspora organizations as well as fellowships to individuals through the Gordon Global Fellowships (formerly the Global Youth Fellowships). Natasha has worked in both the not-for-profit and public sectors, including positions at the Policy Research Initiative of the Privy Council Office, the research department of the Canada Millennium Scholarship Foundation and most recently as Director of Programs and Operations at the Canadian Merit Scholarship Foundation. An alumna of McGill (where she completed a minor in international development studies), Natasha holds an M.A. in Globalization Studies from McMaster University.

David Tennant Senior

David was born in Scotland and immigrated to Canada in 1966. His first career was with the London Police Service and was a founding member of the London Drug Squad. After leaving the Police Service in 1972 he worked with this late brother then entered the Real Estate Industry first as a Commercial Real

Estate Agent specializing in land. In 1982 he founded the Hampton Group Inc. a Land Development Company which develops mainly residential land in South Western Ontario. David has been active in Local Provincial and Federal Politics for some 30 years and served, for a short time as The Chief of Staff to the Honorable Tom Hockin when he was Federal Minister for International Trade in 1993 when N.F.T.A. was finalized. David has been and remains active in Community work and his Church and is serves on many committees and boards. He presently serves as voluntary Executive Director for Canadian Economic Assistance for South Sudan (CEDASS).

Eliane Ubalijoro

Dr. Eliane Ubalijoro is an Adjunct Professor of Practice for Public-Private Sector Partnerships at McGill University's Institute for the Study of International Development. Prior to joining ISID, Eliane was an Assistant Professor in McGill's Faculty of Agricultural and Environmental Sciences. She is a member of the Presidential Advisory Council for H.E. President Paul Kagame. She led a capacity building workshop for bio-based products in November 2006, at the Kigali Institute of Science and Technology which brought together scientists from institutions in East Africa, South Africa, India and McGill to develop an action plan for building sustainable bio-based economies for the region. Eliane is involved in various capacity building initiatives to harness the bioeconomy for Africa and is a co-inventor on 6 patent pending technologies related to molecular diagnostics of food borne pathogens. She was a Scientific Research and Development Director for 5 years in a Montreal-based biotechnology company. Eliane is currently working on establishing innovative research linking gender, sustainable development, biodiversity management and peace building in Rwanda.