



**Focus on International Development
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**Address to Group of 78
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It might be useful, for comparison sake, to reflect back briefly to the time of the founding of the Group of 78 and to consider, in terms of international development, the state of the art and the political context in which we found ourselves. The founders were concerned about the stagnation of our country's - particularly our government's - development efforts.

In 1981, we faced a low growth budget of ODA and not much energy for new ventures and initiatives. This was a time when the height of imagination in government about international development was the creation of the Futures Secretariat, announced without a plan before the General Assembly of the United Nations, no less. More importantly, human rights and development were seen as separate, non-intersecting sets of issues. Social development occupied a small arc of the development spectrum. The progressive policy community was trying to build a new international economic order, gender equality (or “women in development” as it was then) had just been “discovered”, and – more constructively – the world community had concluded in the 1970s its first round of global conferences on development issues, such as health, food, environment, water, shelter, and population.

Much has changed since then, and much has stayed the same.

We did get our new international economic order, but it went by the name of Reaganomics or Thatcherism, a supposedly free market framework but where the powerful still call the shots.

Let us however note some positive advances, and I'll identify only a few in interests of time.

- On aid: we moved to an all-grant program in the 1980s (under Mulroney!).
- We also gradually moved up the ladder toward 0.7% of GNP for ODA, reaching a high of 0.52% in the early 90s.
- On trade: we have opened our markets to the least developed countries as of 2003 (except for dairy and poultry products)
- On debt: Canada has been a leader in giving relief to poor countries, providing \$312 million to the HIPC initiative for relief on World Bank and IMF debt and

has provided relief on bilateral debt owned to Canada by 80 debtor countries; Canada also converted nearly \$400 million of debt to Government of Pakistan budget support just two weeks ago.

- On planning to reduce/eradicate poverty, the world community – with Canada a positive participant - has established goals and plans in a wide range of fields that constitute in a sense global legislation for development, culminating in the Millennium Development Goals. The global community has fixed an agenda, set goals and benchmarks and defined strategies. To eradicate poverty in the world, we know what needs to be done and, for the most part, know how to do it.
- We have recognized that human development is an integrated process, encompassing not just the data on economic and social indicators but the status of human rights, of governance, of gender equality, of peace and security and the condition of the environment. These elements are taken for granted today; they were outside official public policy 25 years ago.

But there have been failures:

- On aid, our ODA/GNI ratio fell from about 0.50 percent under Mulroney to 0.25 percent under Chretien and Martin.
- On trade: Canada 's position at the WTO is geared primarily to Canadian exporting interests and does not seriously take the interests or fates of developing countries into account. We as a country have limited tolerance for special and differential treatment for developing countries.
- The government has marginalized its relations with Canadian civil society, an area where Canada was a pioneer in the late 60s and early 70s. The disinterest stemming from events in 1995, even the discordant notes coming from government, has soured a particularly creative and productive component of Canada 's overall development effort.
- The government has created what it terms a “whole of government” approach to foreign policy, an idea good in theory and on paper, but it has made the international development component of this approach a poor relation to its political, economic and security interests.
- The whole of government approach is generally welcomed but what are the dominant factors within it? Does development assistance serve to support supposedly higher political and security goals? When will development take its rightful place as a leading component of our foreign policy to which at least some of our other features – trade policy, for instance – bend to the service of human development?

A reflection of our position in the world of international development comes from Carolyn MacAskie, a Canadian with more than 30 years at CIDA, some of it at the Vice Presidential level, and who has just returned from United Nations service in Burundi, where she was the Secretary General's representative. Last week she was presented with the UNIFEM Canada award for her outstanding service to gender work over her career. In receiving this award, she said: “I have been out there in the world, involved in front

line work for peace and development, and I ask where is Canada ? Canada has lost its way.”

Is this all doom and gloom, a totally dark picture? Not at all, and most definitely it does have to be.

Thanks to valiant efforts by a mobilized citizenry, under the banner of the campaign, Make Poverty History, we have seen development assistance actually get on the election agenda, two elections ago. The corner on the level of ODA has been turned and we are in a growth period once again. More importantly, the political environment has shifted and we could enter a “magic moment” in the near future when Canada 's efforts for international development are re-energized.

With the usual string of caveats and qualifications, we can identify three possible actions immediately ahead of us that could frame a new start to Canada 's contribution to human development, the first new framework since CIDA was created in 1968.

First is the idea of a legislated mandate for Canada 's development work, to put into law of the land that development assistance should be used for poverty reduction, that human rights should frame the application of assistance, and that programs take into account the perspective of the poor, of those being helped.

This idea is being actively worked on as we meet tonight; some here are directly engaged. The idea has the support of all four political parties and it remains for the practical pieces to be put together to bring legislation to Parliament. Such a law would set the course for countless decisions on how aid is to be applied for years to come and it would provide a sound basis for accountability of that aid.

Second, there is now a real prospect of making substantial progress toward the elusive, distant, sometimes imaginary 0.7%. The new government has already made some promising moves (we await the budget tomorrow) and appears to be committed to get to 0.42% - the OECD average currently – by 2010. This sets the stage for the final push to the summit in the following five years to ring the ODA bell. More can be said on this issue but time tonight does not allow it. We should observe, however, that if substantially more resources were available, some if not all of the other struggles and pressures around ODA – such as where to focus, what sectors to pursue – would be eased.

The third action is more internal but, to Canadian NGOs, critical. That is the creation by Ministerial stamp of a policy framework for government's relations with civil society on international development. Such a framework, now being addressed quietly inside CIDA and with some consultation, could release a new burst of energy and creativity in Canada 's contribution to human development.

I urge you to watch these developments over the coming weeks and months. More than that, I urge you to engage with them in whatever way you can, as a member of an organization or as a private citizen. If all come to fruition, we could be rebuilding

Canada's overall effort for development for many years to come. If it fails, we shall, sadly, tragically, remain in the doldrums and fall further back on our aspirations as a progressive country in the world community. If our pride is a motivator, now is the time for it to kick in.

These, friends, are some of the building blocks for Canada 's future development cooperation program. What should be done with them; how do they get applied?

Time prevents unveiling a long shopping list so let's mention a couple of areas.

Focus. Canada 's official program through CIDA has been driven, if not by tentativeness and fear in recent years, by the quest for focus, to concentrate Canada 's aid in a few countries where, as goes the rhetoric, we can make a difference. There hasn't been a strong public argument about doing this, but the consequences have been disturbing for some. For instance, we put hundreds of millions of dollars into Afghanistan because it aligns with our political and security agenda but we pull back from countries like Nepal because the only reason to be there is poverty. We are focusing on countries, not on regions, and not so much on sectors across the board.

What about focusing on governance, both as a sine qua non for development and a foremost impediment when it does not work well?

What about focusing on gender equality, toward liberating exactly half the world's intellectual and productive capacity that has historically been held in check?

In each of these areas, Canada has expertise and imagination and, if we added sufficient resources, could move into a leadership position in the global development community. The benefits could be truly impressive.

As an aside, think of what could be realized by combining the two and leading a major worldwide initiative for women and governance, or women in government. Raising women's voices loudly in governing circles – national and local – could approach the revolutionary.

Another area that begs new thinking and initiative is the connection between human development and the environment, notably the trend to global warming. How can we turn ourselves around and move toward a green planet while still pushing hard for economic and social conditions that ensure dignity and justice for all human beings? A major challenge for us all.

As mentioned earlier, Canada could as well regain its creative edge in the field of government-civil society cooperation, both in terms of how it should work for development and in what it could accomplish. This is also an element of good governance. The energy for positive change in the South that lies within the citizenry is more potential than kinetic, and is striving to be tapped. Canada could do the world a great service by helping to tap it.

Beyond the building blocks of a renewed program and possible new interventions, we need some of the intangible human spirit. This includes imagination, creativity, and above all, leadership. We have had too few leaders for development in the halls of power in the last generation. And we never know where they will come from. But they will not emerge, particularly in the Canadian context, without the enabling environment of an active citizenry, of organizations pushing a progressive public discourse, of the gentle coercion of public advocacy.

Canadians want to be engaged, to feel they are making a significant contribution, to make a difference. Look how people mobilized for the original Miles for Millions in the 60s and early 70s, how they responded to various crises over the years, most notably to the Indian Ocean tsunami of December 2004, and how they have consistently stated (through opinion polls) that they want Canada's financial contribution maintained or increased. At the sharp point of such engagement needs to be an activism that is well researched, organized and articulate.

It is what started the Group of 78 25 years ago and it is what will be its hallmark as we accept the renewed challenge of promoting a progressive foreign policy for Canada.