

Notes for a Presentation by
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Check Against Delivery

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Introduction

President Biggs,

Mesdames et Messieurs,

Ladies and Gentlemen,

I am honoured to be asked to speak at this important conference,

the more so because,

unlike my fellow panelists,

I am not an expert in international development assistance.

I am tempted just to yield my place to Huguette Labelle or Keith Besancon whose insider perspectives resonated with so many yesterday.

I can, nevertheless, add some value on international relations,

And so I will speak about the broader international context,

how the world is changing,

and what that change might mean for Canada,

and for CIDA.

And as I do, I will, also, touch on the two questions the organizers have posed to this panel:

- 1. Are there clear (or emerging) priorities for Canada to focus on?**
- 2. Are there areas where Canada should take the lead?**

Given that I have 8-10 minutes or so, what follows is going to be pretty broad brush, and assertive.

The Context

Clearly, to paraphrase the recent Oldsmobile commercial, this is not our grandfathers' world or, even, our fathers' world

Times are changing,

dramatically,

before our eyes,

and much of that change is being driven by Asia.

Consider this insight in a recent book by Kishore Mahbubani,

a former colleague of mine in New York

and a member of the International Advisory Board of Governors of CIGI:

The Industrial Revolution in Europe was called a “revolution” because,

for the first time in all of human history,

standards of living rose at a rate where there were noticeable changes within a single human life span–

changes of as much as 50 percent.

At current growth rates in certain parts of Asia, standards of living may rise 100 fold

or 10,000 percent

within a single human life span.

We in the West forget all too easily,

if we ever really knew,

that China and India not being major powers is the exception in world history, not the rule.

Now, the Asians are again producing, not just consuming, history as they did for eighteen centuries before the rise of the West.

In that sense it is more accurate to speak not of the “rise” of Asia, but of the “return” of Asia, back to the future in both regional and world affairs.

I will cite just two telling statistics among many.

China, Japan and India currently rank 2nd, 3rd and 4th in the world in terms of Gross Domestic Product at Purchasing Power Parity.

Japan and China rank first and second, respectively, as major foreign holders of US Treasuries.

At the same time, India and China may have successful space and nuclear weapons programs, and Beijing may have spent \$40 billion on the Olympics, but both are still avowedly developing countries.

All of which illustrates a growing conceptual problem for Canada, and others—

What to do vis-à-vis countries that are no longer statistically poor but still have wide swathes of impoverished people who need help?

or whose governments need assistance and advice in developing modern, effective governance

and in building the corresponding institutions and regulatory frameworks?

In any case, it is evident that Asia is not just emerging;

it has already emerged

A glance at this week's G20 summit line-up indicates that nearly half of the membership is Asian

But, Asia is not the whole story of global change, of course.

The European Union, with a combined GDP of almost \$17 trillion, continues to consolidate into an effective entity

and has become a huge spender on engineering and technological innovation,

and a leader in environmental research and development.

The EU,

which counts two nuclear weapons powers, and 10 other countries that have the money and the technology to give themselves nuclear weapons if they ever decide to,

accounts for \$256 billion of military spending,

and 75% of the total aid transferred to poorer countries (Source: OECD).

Europe's next door neighbour Russia is "back", thanks to a good run on commodity prices, 14,000 nuclear warheads, and "attitude".

As events in Georgia confirm, Russia intends neither to be taken for granted nor to be dominated.

Latin America is no longer a continent apart in political-economic terms,

It is demanding and getting a prominent place at the top tables, such as the Doha Round, the Climate Change negotiations, and, increasingly, the UN Security Council, and now the G20 summit.

Some of the more heartening change is coming from Africa

The trend in infant mortality rates is downwards,

deaths from measles are down spectacularly,

deaths from malaria are down appreciably, although treatment lags prevention

**polio is rare,
literacy and primary school enrolment is rising
and more girls are attending school than ever,**

The GDP of Africa in 2007 was 5.7% (OECD estimate) and in 2008 has been forecast to be 5.9%, although the latter number must be regarded, now, with caution.

Finally, and no less encouraging for many of us, the United States is changing, too.

It is hard to exaggerate the international significance of the election of Barack Obama.

the first Black American to win the Oval Office,

a US leader with a cosmopolitan world-view,

an instinct for multilateral cooperation

and an immediate family connection with Africa.

Regrettably, and as if President-elect Obama did not face enough problems after eight years of frequently catastrophic leadership by the Bush Administration,

the US sub-prime mortgage fiasco and the international financial contagion has further undermined the international standing of the US.

Nevertheless, in sheer hard and soft power terms, the US will remain *primes inter pares* for a very long time to come,

with leadership now that much of the world admires,

and will possibly consent to follow.

The financial crisis, does, though, seem likely to trigger reforms in international economic institutions, and possibly political institutions, by force of example.

The fundamental point is that the world is changing faster and further than we can sometimes intellectually process,

and that this changing world will not be dominated by anyone.

It will be—in fact, it is already, largely—a multipower world, facing global challenges

--from poverty to terrorism to climate change to security --

that will only respond to cooperative solutions.

Governance of this world will be multilateral, not unilateral,

and diplomacy will be the preferred tool of governments, even of big governments.

These changing, indeed changed, circumstances, do raise some issues for the Government of Canada as a whole and for CIDA (and DFAIT and DND, too).

First, because the new world is increasingly going to be multi-power in nature,

it will be very much in Canada's interests to be, and be seen to be, an effective member of the G 20, especially as the G8's days seem numbered.

That will require an effective foreign policy, including especially the diplomacy and aid program components.

The G 20 will by definition lack the legal legitimacy that universality of membership delivers,

And, legally, can only be a complement of the UN, not a substitute for it.

It is not likely to include any representative of the world's least developed countries, although one seat does remain unallocated.

The G 20's actual legitimacy will derive from its effectiveness, (presuming it is effective, as seems likely)

And from its coverage.

it will comprise 19 of the world's 25 largest national economies, plus the EU,

90% of global gross national product,

80% of world trade

and two-thirds of the world's population.

Second, in a multipower world, it seems likely that "connecting" with a wide range of countries will become even more important for Canada than it is now,

and that just at a time when the development assistance dimension of our relationships with many countries is, happily or not, disappearing.

I agree with a comment made yesterday by Huguette Labelle that we should think twice about shrinking the circle of developing countries with whom we work any smaller than it already is.

Foreign aid is an expression of solidarity by Canadians with less fortunate global counterparts but it is, also, a major instrument of foreign policy, along with diplomacy and the military.

Canadian influence in international bodies, including the UN, is affected when member states feel less connection with Canada.

Some are feeling less connection already as a result of our Middle East and terrorism policies,

our position on acid rain,

our approach to China,

our aid performance

and our decision to stress relations with Latin America over other regions.

If the government believes it must focus development assistance on even fewer countries,

it needs to consider creating a new separate, window or fund

that would help to underwrite Canadian cooperation with countries that are no longer poor but still need help,

and who are important to Canada for broader political and economic reasons.

Third, circumstances are likely to warrant continued and, probably, considerably increased, funding in countries of current concentration and possibly beyond.

And that just at a time when the pressure seems likely to increase around the cabinet table to gear back on “discretionary” spending.

Far-sight and circumspection will be in equal demand.

One unexpected issue seems likely to be how to help poorer countries cope with the financial crisis and its aftermath.

Given our new-found standing as stewards of one of the world’s best financial systems,

perhaps we should make capacity-building in the financial sector a new area of program concentration.

Fourth, the new circumstances put a premium on internal policy coherence in foreign policy, especially for states, like Canada, that will have to make their ways among much larger competitors.

Fifth, emerging from the experience in Afghanistan, I think the government, and possibly NGO’s too, will need to develop the capacity to work effectively together in a whole-of-government fashion.

As an outsider, I had the impression that the Canadian effort in Afghanistan came together very slowly, for a series of mandate, cultural and operational reasons.

It was not obvious that what quickly became the top priority for the Government of Canada equally quickly became the top priority for the constituent parts of the Afghanistan Task Force, CIDA included.

Given the vulnerability of humanitarian workers in complex conflicts,

and the risks that there will be further such conflicts,

one priority perhaps ought to be to reach a common view among different government and non-government stake-holders, respectively, on how to operate in war zones.

Finally, a word about leadership, in response to the question where Canada can lead.

Canada can and should lead by example on climate change, and should assist mitigation action in poorer countries and in the transfer of green technology for, inter alia, coal-fired power systems.

Canada should lead on the promotion of the rule of law,

On the advancement of arms control and disarmament

On implementation of the human security agenda, especially the Responsibility to Protect and international humanitarian law

And on development innovation,

all fields in which we have led in the past.

Eighty percent of success in life, as Woody Allen observed, is just showing up.

But leadership is considerably more demanding but still possible, as Keith Besancon recounted yesterday.

Canada has the assets; we have never been richer.

It is up to this generation to show that it has the ideas and the desire.

