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**Myths and Realities**  
CCIC, May 2006

Poor and unstable areas of the world are viewed increasingly as security threats to the developed world. In response, some donor governments are mobilizing aid resources to fund projects linked to the war on terrorism and the protection of donor security. There is talk of expanding the criteria for ODA to include more security-related expenditures, and orienting aid dollars to protect donor security.

Recently, funds from the European Commission (EC) development aid budget were allocated for capacity-building for intelligence services, border control, and counter-terrorism in the Philippines and Pakistan. In response, claiming these expenditures violate the EC legislation for aid, the European Parliament has initiated legal proceedings against the EC.

In this context, we are calling on the Canadian government to introduce legislation that would make poverty reduction the exclusive goal of our development assistance, in a manner consistent with our human rights obligations and taking into account the needs of poor and vulnerable people. This legislation cannot be used to open the door to a stronger security focus for aid. The following is intended to clarify these debates.

**MYTH: Since 9-11, there are new threats, and our aid budget should be mobilized to respond.**

**REALITY:** The world changed very little for the poor. Poverty reduction remains a central priority. The growing gap between rich and poor cuts through all global issues, and must be tackled head on.

**MYTH: Poverty breeds terrorism, and “failed” states are breeding grounds for terrorists. We need to address these threats overseas before they reach our shores.**

**REALITY:** There is no evidence that poverty breeds terrorism, nor that “fragile states” inherently produce spill-over security threats. Quite the opposite, the evidence suggests that “any connection between poverty, education, and terrorism is at best indirect, complicated and probably quite weak<sup>1</sup>.” Global poverty and the complex conflicts raging outside Canada are primarily human catastrophes - not threats to Canada’s security.

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<sup>1</sup> Alan B. Krueger and Jitka Maleckova, “Seeking the Root Causes of Terrorism”, Chronicle of Higher Education, June 7, 2003.

**MYTH: Some of the most urgent security threats come from “fragile states”, and they should be the priority for our development assistance.**

**REALITY:** The protection of people and their rights to live free of fear, is a priority and a commitment made by all nations under international human rights law. States need to improve and increase their investment in both peace and security, *and* development, not finance one at the expense of the other. Official Development Assistance (ODA) is a key resource for meeting Canada’s international human rights obligations to people living in poverty.

**MYTH: Canada is criticized for not contributing 0.7% of our GNI to aid. Yet we contribute to development by funding peace and security operations overseas. We should get credit for this in our ODA calculation.**

**REALITY:** The inclusion of military expenditures in ODA would inflate formal ODA levels without strengthening poverty reduction activities in developing countries. Canada and other countries should document their contributions to international peace and security, and the rationale for these expenditures, but keep it separate from their reporting on ODA expenditures.

Canadians overwhelmingly support a poverty focus for our aid budget. Adding new objectives to development assistance will only divert aid resources from poverty eradication, and muddy the accounting. Each donor must dedicate 0.7% of its GNI to poverty eradication if our commitments to human rights and the Millennium Development Goals (MDGs) are to be met.

**MYTH: Poverty eradication and human rights promotion are linked to peace. You can’t have one without the other, so we shouldn’t separate them in budgetary terms.**

**REALITY:** Many government priorities in Canada are linked – public housing and policing for example - but they have separate budgets to maintain transparency for each priority.

The current criteria for Official Development Assistance (ODA) make room for specific peace and security related activities which are aimed at *promoting human rights and enabling sustainable livelihoods for the poor*. While there may be other legitimate means of addressing violent conflict, including military aspects of peace operations, these must be funded from appropriate non-ODA budgets.

**MYTH: Foreign aid will simply be wasted in conflict zones in poor countries if richer countries do not provide security for local people and aid workers.**

**REALITY:** Peace support operations are shamefully under-funded, reflecting a willful neglect of the international community’s responsibility to protect vulnerable citizens. Preventable deaths occur daily and conflicts persist needlessly. There is a need for action.

The financing of international initiatives in situations of violent conflict should reflect the mandates of the various institutions involved, and their distinct roles. Governments must find the necessary resources from appropriate non-ODA budget lines to respond to conflict and security demands in a manner that is proportional and coherent with commitments to development and human rights. Canada's new Global Peace and Security Fund (GPSF) should fund Canada's contributions to selected United Nations-sanctioned peace operations.

***MYTH:* Canada and other OECD countries need flexibility to respond to complex modern wars and crises. Restrictions on ODA are outdated and inflexible.**

***REALITY:*** We need clear and consistent criteria for ODA to ensure transparency and accountability. Changing the criteria for ODA to include military expenses blurs the lines between poverty-focused interventions and other dimensions of foreign and defence policies. Ensuring effective linkages between short-term crisis management and longer-term conflict resolution strategies does not require the blurring of defense and development financing.