

Canadian “Aid” Designed to Maintain Western Capitalist Dominance of the Global South

By [Yves Engler](#)

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The Canadian International Development Agency is no longer. In its recent budget the Conservative government collapsed CIDA into Foreign Affairs, creating the Department of Foreign Affairs, Trade and Development.

While there was plenty of commentary on the Tories’ move, no one — from the mainstream right to the development NGO left — pointed out that Canadian aid has primarily been about maintaining and/or extending the grip the world’s richest one percent holds over the entire globe.

Canada began its first significant (non-European) allocation of foreign aid through the Colombo Plan. With Mao’s triumph in China in 1949, the 1950 Colombo Plan’s primary aim was to keep the former British Asian colonies, especially India, within the Western capitalist fold.

To justify an initial \$25 million (\$250 million in today’s dollars) in Colombo Plan aid External Affairs Minister Lester Pearson told the House of Commons: “Communist expansionism may now spill over into South East Asia as well as into the Middle East ... it seemed to all of us at the [Colombo] conference that if the tide of totalitarian expansionism should flow over this general area, ... the Free World will have been driven off all but a relatively small bit of the great Eurasian landmass. ... We agreed at Colombo that the forces of totalitarian expansionism could not be stopped in South Asia and South East Asia by military force alone.”

Two years later Prime Minister Louis St. Laurent was even more explicit about the carrot and stick approach to defeating left wing nationalism (“communism”). In September 1952 St. Laurent explained “in South East Asia through the establishment of the Colombo plan not only are we trying to provide wider commercial relations but we are also fighting another Asiatic war against Communism in the interests of peace, this time with economic rather than military weapons. We Canadians know that in the struggle against Communism there are two useful weapons, the economic and the military. While we much prefer to use the economic weapons as we are in the Colombo plan, we know that we may have no choice but to use the military weapons as we have been forced to do in Korea [27 000 Canadian troops participated in this war that left 3 million dead].”

In other words, if some of India’s post-colonial population had not set their sights on a socialistic solution to their troubles — with the possibility of Soviet or Chinese assistance — Canada probably would not have provided aid. Five years into the Colombo Plan, Pearson admitted “Canada would not have started giving aid if not for the perceived communist

threat.”

The broad rationale for extending foreign aid was laid out at a 1968 seminar for the newly established Canadian International Development Agency. This day-long event was devoted to discussing a paper titled “Canada’s Purpose in Extending Foreign Assistance” written by Professor Steven Triantas of the University of Toronto. Foreign aid, Triantas argued, “may be used to induce the underdeveloped countries to accept the international status quo or change it in our favour.” Aid provided an opportunity “to lead them to rational political and economic developments and a better understanding of our interests and problems of mutual concern.” Triantis discussed the appeal of a “‘Sunday School mentality’ which ‘appears’ noble and unselfish and can serve in pushing into the background other motives ... [that] might be difficult to discuss publicly.”

A 1969 CIDA background paper, expanding on Triantas views, summarized the rationale for Canadian aid: “To establish within recipient countries those political attitudes or commitments, military alliances or military bases that would assist Canada or Canada’s western allies to maintain a reasonably stable and secure international political system. Through this objective, Canada’s aid programs would serve not only to help increase Canada’s influence within the developing world, but also within the western alliance.”

This type of thinking continues to drive aid policy. Largely ignored in recent commentary, there are innumerable documented instances of Canadian aid advancing highly politicized geopolitical objectives over the past 25 years.

As an early advocate of International Monetary Fund/World Bank structural adjustment programs, since the early 1980s Canada has channeled hundreds of millions in “aid” dollars to supporting privatization and economic liberalization efforts in the Global South. At the start of the 2000s Ottawa plowed millions of dollars into supporting the Western-backed “coloured revolutions” in Eastern Europe and opposition to Jean Bertrand Aristide’s elected government in Haiti. More recently, the Conservatives have ramped up aid spending in Latin America to combat independent-minded, socialist-oriented governments. Barely discussed in the media, the Harper government’s shift of aid from Africa to Latin America was largely designed to stunt Latin America’s recent rejection of neoliberalism and U.S. dependence by supporting the region’s right-wing governments and movements.

An entirely unacknowledged, though increasingly obvious, principle of Canadian aid is that where the USA wields its big stick, Canada carries its police baton and offers a carrot. Or to put it more bluntly, where U.S. and Canadian troops kill Ottawa provides aid.

During the 1950-53 Korean War the south of that country became a major recipient of Canadian aid and so was Vietnam during the U.S. war there. The leading recipient of Canadian aid in 1999/2000 was the war-ravaged former Yugoslavia and Iraq and Afghanistan were top two recipients in 2003/2004. Since that time Afghanistan and Haiti (where Canadian and U.S. troops helped overthrow the elected government in February 2004) have been the leading recipients. Tens of millions in Canadian “aid” dollars have been spent to reestablish foreign and elite control over Haiti’s security forces.

There are a number of reasons for the lack of discussion about aid being used as a tool to maintain/extend Western capitalist dominance. NGO critics of aid policy are generally unwilling to point out the geopolitical underpinnings of Canadian aid because their jobs

depend on keeping quiet. They stick to criticizing the ways in which foreign assistance is used to benefit specific corporate interests. This stakeholder criticism generally amounts to no more than NGOs saying: "Give the aid money to us not the corporations, because we'll do a better job of whatever it is you want to accomplish."

If you tell truth to power by saying Canadian aid is largely designed to maintain Western capitalist dominance of the Global South you're not likely to have your grant renewed.

The funny thing is, with the Conservatives in power, if you're doing anything remotely useful to ordinary people, you're not likely to anyway.

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