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CIIA / ICAI



**ANNUAL REPORT
2005-2006**

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Canadian Institute of International Affairs / Institut canadien des affaires internationales
Annual Report 2005-2006

CIIA's MISSION

The mandate of the Canadian Institute of International Affairs is to promote a deeper understanding of international affairs and of Canada's role in a changing world by providing members with a non-partisan, nation-wide forum for informed discussion, analysis and debate. By bringing together all interested parties—private sector, government, academia, NGO representatives, as well as the concerned public—to examine global issues through a distinctively Canadian lens, CIIA contributes a unique perspective on Canada's place in the world.

FROM THE CHAIRMAN

The CIIA had another busy and productive year in 2005-2006. Given that our staff is small and our budget modest, the range and number of programs and publications is remarkable, as is their quality. Congratulations to our hardworking President and his dedicated staff for a job well done. Congratulations also to the dedicated volunteers in our branches who conceive and organize CIIA activities for members in cities across Canada.

Notwithstanding a year that was successful in many dimensions the CIIA continued to struggle financially. A loss was incurred for the sixth consecutive fiscal year. From an analysis of the Statements of Financial Position and Operations it is clear that our primary challenge is revenue generation, not cost containment. Like many other venerable Canadian NGOs the CIIA faced increasing competition for both financial support and members. Most organizations, whether corporations, governments and their agencies, religious and educational institutions or NGOs, must continually reinvent themselves in order to stay relevant to their existing and target audiences, and their donors.

Knowing this we were delighted by the opportunity to form an association with the Centre for International Governance Innovation (CIGI) of Waterloo. The Institute and CIGI, after extensive discussion and negotiation, entered into an agreement that is one of the most important advances

in our recent history. The agreement was enthusiastically endorsed by our national Board of Directors, after consultation with our branches.

The agreement is extremely good news for the CIIA and all of its members. It provides the Institute with an exciting, innovative and well-funded partner for some of our events and publications. It delivers clear benefits to the branches, and provides substantial financial support to the CIIA for specified activities.

The agreement arose out of a recognition that we need to build on our almost 80 years of distinguished history to meet the challenges and changing circumstances of the early 21st century. It also recognized the complementary mandates and capabilities of the CIIA and CIGI. The agreement resulted in the creation of the Canadian International Council/Conseil International du Canada (CIC). Both CIGI and the CIC are described more fully in the President's report below.

The relationship has been launched successfully and by all accounts is off to an excellent start. It bodes well for the future.

FROM THE PRESIDENT

The fiscal year, which ended on June 30, 2006, was a landmark year for the Canadian Institute of International Affairs. On March 1, 2006, the CIIA concluded an agreement

with the Centre for International Governance Innovation (CIGI) of Waterloo, Ontario. The agreement calls for the creation of the Canadian International Council/Conseil International du Canada (CIC) to coordinate some joint activities and publications. These include the annual Foreign Policy Conference and the National Speakers' Program, which will benefit from high-level speakers made available through CIGI. Joint activities undertaken by the Council will be branded with the name and logo of the Council, the CIIA and CIGI. By combining the resources and strengths of two important not-for-profit, non-partisan organizations, we believe we can better promote public interest and debate on international relations and Canada's role in the world.

CIGI was established in 2001 with generous funding from the federal government and Research in Motion (the maker of the Blackberry) to study international governance issues from a Canadian perspective. It has already proven to be a wonderful partner. Many of its key figures are well known to the CIIA: Executive Director John English used to be our national president, while director Ken Cork is a long time friend and supporter of the Institute. Many members know CIGI Distinguished Fellow Paul Heinbecker, Canada's former Ambassador to the United Nations, who has spoken to a number of our branches. CIGI recently attracted UN Deputy Secretary-General Louise Fréchette as a Distinguished Fellow.

As you can see from their website (www.cigionline.org), the Centre has a very impressive International Advisory Board, which includes Jagdish Bhagwati of Columbia University, Anne-Marie Slaughter, the Dean of the Woodrow Wilson School at Princeton, and Angel Gurria, incoming Secretary-General of the OECD. CIGI's conferences are extremely well-run, and are on subjects of interest to the CIIA, such as a recent conference entitled "Canada in Haiti: Considering the 3-D Approach".

The CIIA and its members now have access to CIGI's innovative IGLOO (International Governance Leaders and Organizations Online) international governance research portal, which was recently launched with the support of \$7 million from the government of Ontario (www.theigloo.org). The portal, one of the world's most sophisticated, was created to facilitate the exchange of information, ideas and research papers on international governance. There are "communities" on the site devoted to topics such as UN Reform and Afghanistan.

Behind the Headlines has become a Council publication. Bob Johnstone at our National Office has remained Editor, and has been joined, as Associate Editor, by Dr. Patricia Goff, a CIGI Fellow and president of the CIIA's vibrant Waterloo Region branch. Contributions for publications have come through both organizations. The great news for members is that they will receive more BTH issues each year. Our flagship publication, the *International Journal*, is not affected in any way by this agreement.

As some of you know, the CIIA gave away a portion of the John Holmes Library a number of years ago. Now that we have moved away from a university campus, the remainder is seldom used; we are lucky if the Library has half a dozen visitors a month. It is also costly to maintain. With the enthusiastic agreement of the Library Trustees, the CIIA/CIGI partnership will result in the transfer of the Library to CIGI's premises in Waterloo, where it will be open to the public and more fully utilized. Subject to any copyright restrictions, we plan to put the collection in digital format, so it will be readily accessible online to our members across the country. The library will still be called the John Holmes Library and administered by the Trust.

In short, branches and members will benefit from easy access to resources of the Library; a much stronger, better-funded National Office; a revitalized National Speakers Program; and access to the IGLOO portal. The CIIA has become an "IGLOO Community Partner," which allows it to become a participant in high-level discussions and debates.

Our status has not changed. The CIIA retains its separate status, and the branches continue to operate within the CIIA framework and in accordance with the CIIA's bylaws and administrative practices. The branches can design programs for approval for funding as a Council activity; the National Capital Branch was first off the mark and received funding for its June 2006 conference entitled *Polycentric Governance? Subnational Governments and Foreign Policy in an Age of Globalization*.

As you can read below, we also had a good year for National Office and branch events – we held more than 70 across the country during the year. The Foreign Policy Conference in Vancouver in March attracted 225 delegates. We had 250 applications from all parts of Canada for 75 places at the Youth Symposium, which was held at the same time. We got good corporate support from a city, which had previously been difficult for CIIA and other similarly placed organizations. Speakers came from as far away as Afghanistan and China.

Our third annual lecture series became the BMO Financial Group/CIIA Distinguished Lecture Series thanks to very generous, multi-year support from BMO Financial Group. We successfully engaged younger Canadians – a goal of virtually all organizations these days – through the Youth Symposium, the High School Conference, and Visions & Voices, as described below.

I would like to thank our dedicated, overworked National Office staff. Equally deserving of praise are our volunteer board members and our volunteer branch executives, who take time out of their busy lives to realize our collective mandate. We wouldn't be here if it wasn't for the generosity of our sponsors. And without our loyal membership, we would not be the member-led, national organization that we are. I would particularly like to welcome John MacNaughton as Chairman and Gerry Wright of the National Capital branch to the board.

NATIONAL PROGRAMS

In 2006, the CIIA received a major financial contribution from BMO Financial Group for its annual lecture series. Together with the continued financial contribution of Avana

Capital Corporation, BMO Financial Group's generous commitment as a multi-year title sponsor secured the series' financial stability. Entitled *Wielding Power in a World without Borders: Exploring Visions of a Fairer World*, the BMO Financial Group/CIIA Distinguished Lecture Series 2005 consisted of four lectures, which explored power dynamics between members of the international community, and asked how, why, and for what ends power is used. Again, each lecture was free of charge to the public and included a question-and-answer session and a reception. The lectures in Montréal, Vancouver, Toronto, and Halifax drew a combined total of nearly 900 people.

George Perkovich, Vice President for Studies at the Carnegie Endowment for International Peace, launched the series at the McCord Museum of Canadian History in Montréal on September 13 with a talk entitled *Borders, Bombs, and Injustice: Security Through Fairness*. Dr. Perkovich linked the structure of the current nuclear non-proliferation regime to perceptions of injustice surrounding territorial borders using the themes of inclusion and exclusion. In doing so he argued that successful non-proliferation regimes must be constructed within a context that promotes fairness and justice on a global scale on terms that are acceptable to both the rich and the poor.

The second lecture in the series was given in Vancouver on October 27 by Gregory Treverton, Director of the Intelligence Policy Center at the RAND Corporation. His talk, entitled *Reshaping U.S. Intelligence Power for an Age of Terrorism* focused on structural changes within intelligence services post-9/11. He argued that a reorientation of analysis towards issue-based, information-sharing between agencies such as the CIA and the National Security Agency is an improvement on the pre-9/11 structure of analytical 'stovepipes' whereby agencies shared information and analyses only very rarely.

Mahmood Mamdani, Herbert Lehman Professor of Anthropology and Director, Institute of African Studies at Columbia University, delivered the series' third lecture in Toronto on the topic *Good Muslim Bad Muslim: Culture and Politics in the Post-9/11 World*.

The lecture took place at the Design Exchange - the former location of the Toronto Stock Exchange - with a crowd of well over 250 in attendance. Mamdani's three major points challenged the assumption that the contemporary 'war on terror' adheres to a 'clash of civilizations' understanding of politics and history. First, he explained that political violence has always had contextually-specific political goals and should not be explained in terms of the culture of the aggressor. Second, he argued that Islamic political philosophy boasted primarily secular roots in which the dominant idea had for centuries been to spread peaceful religious ideals so as to create pressure to reform the central state - a bottom-up phenomenon. Third, he located the roots of contemporary Islamic terrorism in the political dissatisfaction of groups formerly supported by the U.S. following the end of the Cold War.

The series' final lecture - held at the University of King's College in Halifax - was given by John Ralston Saul and attracted well over 300 attendees. Entitled *Globalization, Conflict, and the Crimean War Syndrome*; his talk wove a narrative to explain the contemporary fracturing of long-standing alliances that existed in the second half of the last century. Saul argued that a globalist ideology, which emerged in the 1970s in the middle of a crisis in Keynesianism, largely removed 'the economic' from a country's public policy toolbox. Globalization required that all countries convert to the same economic rationale without considering social, cultural, or political differences between or within countries and societies. For Saul, contemporary international conflict—whether understood in military, political or economic terms—largely grew out of the contradictions of the economic structure of globalization; globalization brings prosperity for some and not for others and it often brings conflict in places where it does not bring prosperity. In turn, traditional alliances become strained and fractured in response to new conflicts.

CIIA is grateful for the generous support of the series' sponsors, which allowed all lectures to remain free and open to the public. In addition to the series' title sponsor, BMO Financial Group, we would like to thank Avana Capital Corporation, Power

Corporation of Canada, Kruger Inc., plus two anonymous contributors for their financial support. Thanks are due also to the National Post, the series' media partner.

Over the 2004-05 and 2005-06 programming years, CIIA undertook a series of six internationally-themed forums in cooperation with Canada25, an organization that promotes the voices of young Canadians in the country's public policy discourse. The series, called *Visions & Voices*, aimed to connect Canadians (especially younger Canadians) with decision-makers and encourage them to develop creative ideas about aspects of Canada's international policy. The first three forums were held in Toronto in November 2004 (*Canada's Military Contribution*), in Ottawa in February 2005 (*Broadening Canada's Foreign Policy Constituency*), and in Halifax in March 2005 (*Security and Terrorism*), while the remaining three forums took place between July 2005 and March 2006. The fourth forum of the *Visions & Voices* series, *Interrogating the G8: Process, Goals, Capabilities*, was held on July 28 at the Liu Institute for Global Issues at the University of British Columbia in Vancouver. The forum consisted of presentations followed by a question-and-answer period, breakout discussion groups and a closing plenary. The 2005 G8 summit, held in Gleneagles, Scotland, focused on two primary issues: climate change and Africa. John Kirton (University of Toronto) opened the forum with an overview of the evolution of the G7/G8 and suggested that the 2005 summit was the most successful in history. Taking rather more pessimistic stances, Heather Smith (University of Northern BC) and James Busumtwi-Sam (Simon Fraser University) examined G8 outcomes in relation to climate change and Africa respectively. Questions from the floor brought forth an animated, but good-natured exchange between Professors Kirton and Busumtwi-Sam over the G8's (and Canada's) refusal to commit to meeting the 0.7% of GDP target on overseas development assistance spending. The 60 participants then moved to concurrent facilitated discussion groups and concluded with reports from the discussion groups at the closing plenary.

The fifth forum in the series took place at the Omni Hotel in Montréal on January 17, 2006.

The bilingual event, which asked panelists and audience members alike to participate in their official language of choice, explored the theme of *Développement international: priorités canadiennes / International Development: Canadian Priorities*. The panel of three speakers included: Philip Oxborn, Director, Centre for Developing Area Studies, McGill University; Dominique Caouette, Associate Professor, Department of Political Science, University of Montréal; and David Comerford, Director of External Relations, CUSO. The session was expertly moderated by Toby Gilsig, President of CIIA's Montréal branch. With the concentration of Canadian overseas development assistance dollars to fewer recipients and a narrowing of the sectors to which Canadian aid could be applied following the release of the then-Liberal government's International Policy Statement in April 2005, the forum focused on the following two questions: (a) Do we have the right strategic priorities?; and (b) Are we using the right criteria to determine the countries receiving aid? The event, which took place less than a week before the federal election, allowed participants to discuss a policy area conspicuous in its absence from the media's election coverage.

The final *Visions & Voices* forum took place at the Fairmont Palliser Hotel in Calgary on March 23 2006, and explored *Energy Policy: Implications for Canadian Sovereignty*. It brought together four panelists and an audience of 50 for a discussion on two related issues: (a) foreign ownership of Canadian energy resources; and (b) the influence of international agreements, such as the Kyoto Protocol, on Canadian actions in both the domestic and international spheres. Panelists were: David MacInnis, President and CEO, Canadian Energy Pipeline Association; Roger Gibbins, President, Canada West Foundation; Annette Hester, Special Research Associate, Centre for International Governance Innovation and Senior Associate, Center for Strategic and International Studies; and Alastair Lucas, Chair of Natural Resources Law, Institute for Sustainable Energy, Environment, and Economy, University of Calgary. This final forum facilitated a dialogue on the international implications of a traditionally domestic policy issue.

CIIA and Canada25 are grateful to the Walter and Duncan Gordon Foundation for making this series possible through its generous financial commitment. Additional thanks to BMO Financial Group, the Department of National Defence, and the Liu Institute for Global Issues for their financial or in-kind contributions to individual forums. The Visions & Voices series was also made possible by the dedicated participation of CIIA and Canada25 volunteers across the country, the inputs of whom were invaluable at all stages.

CIIA's annual conference for high school students in the Toronto-area—a collaboration with Father Bressani Catholic High School (Vaughan, Ontario)—took place on May 2 at York University. The conference theme, *Addressing Global Inequality*, allowed the 450 students in attendance to explore a number of human rights and development issues in an intellectual and physical environment unlike the typical high school classroom.

The conference opened with an address by Lucas Robinson of the Canadian Coalition on HIV/AIDS and Youth in Africa, and AIDS: Picture Change. Using a theme-driven photographic narrative, Mr. Robinson explored some of the many ways in which AIDS affects communities and societies in the developing world. Following the opening address, students moved into one of thirteen concurrent workshops that examined issues as varied as: human rights in Sudan, pop culture and international politics, child soldiers in Africa, and practical choices for water purification in developing countries. Workshops were led by representatives of: Canada World Youth, CIDA, Engineers Without Borders, Kairos Canada, Project Ploughshares, Save the Children Canada, TakingITGlobal, UNICEF Canada, World Vision Canada, and York University. Thank you to everybody who led sessions for making the day a thoroughly engaging and successful event. Special thanks are due to Wayne Garthson and the staff at Father Bressani whose dedication ensured such a large number of students was able to attend. We would also like to thank TD Bank for its ongoing support of the conference, which allows young people interested in the world beyond Canada to gain unique insight into a range of international issues.

CIIA was again pleased to co-promote a number of high-profile events. Among these was the second annual C. Warren Goldring Lecture convened by the Canada Institute at the Woodrow Wilson International Center for Scholars and the Canada Institute on North American Issues, featuring Lee Hamilton, president of the Woodrow Wilson International Center for Scholars and vice-chair of the 9/11 Commission. He spoke on the topic of *Global Realities: American Power in an Uncertain World* in Toronto on September 12, 2005. CIIA also collaborated with York University's Glendon College in promoting the 2006 John W. Holmes lecture, an annual lecture held at York University's Glendon College campus to commemorate the life and writings of John W. Holmes, Canadian diplomat, academic, writer, and former Executive Director of CIIA. The 2006 lecture was given on March 7, 2006, by former Canadian Supreme Court Justice, current Chancellor of York University and distinguished international jurist, Peter deCarteret Cory whose lecture addressed the topic: *The trouble with troubles: Reflections on Northern Ireland*.

This year, CIIA National Office hosted an increased number of timely roundtables. On October 20 2005, Paul Evans, Co-CEO and Vice-Chair, Board of Directors, Asia-Pacific Foundation of Canada, spoke on the topic: *Canada and China: The Meaning of a Strategic Partnership*. His Excellency Euripides L. Evriviades, Ambassador of Cyprus to the USA and High Commissioner of Cyprus to Canada, addressed *Cyprus in the European Union: Prospects for Reunification, Peace with Turkey and Regional Stability on November 4*.

In the new year, Mackenzie Clugston, Minister and Deputy Head of Mission in Tokyo, Embassy of Canada in Japan, looked at: *A Changing Japan and Implications for Canada* on January 17. Larry Herman, member of the CIIA National Board of Directors, moderated a session on the Hong Kong meeting of the WTO trade ministers which featured John Gero, ADM, International Trade Canada and Chief Negotiator for the World Trade Organization and The Hon. Perrin Beatty, President and CEO of Canadian Manufacturers and Exporters. Later in the month, CIIA collaborated with the Petro Jacyk Program for the Study of Ukraine at the University of

Toronto, and the Institute of European Studies on a conference entitled: *The Slavic Triangle: Between the EU and Eurasia*. Speakers included: Arkadiy Moshes, Finnish Institute of International Affairs; Vladimir Popov, Carleton University; Paul d'Anieri, University of Kansas; Margarita Balmaceda, Seton Hall University and Harvard Ukrainian Research Institute; Oleksandr Sushko, Centre for Peace, Conversion and Foreign Policy of Ukraine, Institute for Euro-Atlantic Cooperation; Sergei Plekhanov, York University; Kataryna Wolczuk, University of Birmingham; and Oleh Havrylyshyn, International Monetary Fund.

On February 7, CIIA National Office hosted David Collins, Canada's High Commissioner to Pakistan, who addressed issues related to bilateral relations and geopolitical situation in the region, Canada's deployment of the DART following the Pakistan earthquake, non-proliferation issues, and Canadian efforts to engage Pakistan in the stabilization and reconstruction of Afghanistan. A week later, on February 14, Philip MacKinnon, Canadian Ambassador to Egypt, spoke on: *The domestic situation in Egypt, and its regional and international ramifications*.

April was a particularly busy month as the CIIA National Office presented Roy Rempel, author of *Dreamland: How Canada's Pretend Foreign Policy Has Undermined Sovereignty* on April 6. Four days later, the National Office hosted a panel discussion on: *The Greater Middle East: Strategic Assessment of Risks and Opportunities* at the University Club, University of Toronto. Panelists were: Shira Herzog, columnist with The Globe and Mail; Mohamad Tavakoli, Professor of History & Near Eastern Civilizations, University of Toronto and Chair of the Department of Historical Studies at U of T's Mississauga campus; and Michael Bell, Paul Martin Sr. Scholar in International Diplomacy at the University of Windsor and Chair of the Donor Committee, International Reconstruction Fund Facility for Iraq. On April 26, the National Office welcomed His Excellency Otto Ditz, Austrian Ambassador to Canada and Jeremy Kinsman, Canadian Ambassador to the EU for a discussion on: *The State of the European Union*.

FOREIGN POLICY CONFERENCE

CIIA's annual foreign policy conference brings together a distinguished audience of Canadian and international thinkers—academics, policymakers, Canadian Forces members, NGO representatives, members of the private sector, and students—to discuss how and where Canada might better exercise its influence in the global community.

The 2006 foreign policy conference, held at the Hyatt Regency in Vancouver on March 9-10, attracted over 220 participants and engaged a complex nexus of development, diplomacy, and defence issues under the title: *Building Global Prosperity: Canada's Engagement with the Developing World*. The conference began by considering how we conceptualize development in both policy and theoretical terms and moved through a series of issue-specific panels, including global trade, third world governance issues relating to natural resources and civil conflict, the role of the private sector in developing economies, and Canada's role in promoting trade through the Pacific gateway strategy. Specific panel titles were: Thinking about global prosperity and global inequality; Trade liberalization: Towards fair or unfair?; Conflict, natural resources, and governance; Millennium Development Goals: Are the targets achievable, and how?; Development: Facilitating the private sector?; Emerging international opportunities: Canada's gateway to Asia-Pacific; and Canada's engagement with the developing world: Priorities for the next ten years.

Conference speakers from diverse professional backgrounds and different ontological positions led the lively discussions, which have been summarized in the conference report available at the CIIA's website: www.ciia.org. The speakers were: **Chris Badger** (Vancouver Port Authority); **Sean Burges** (NPSIA); **Col. Mike Capstick** (DND); **Jennifer Clapp** (Centre for International Governance Innovation); **Roy Culpeper** (President, North-South Institute); **Radhika Desai** (University of Victoria); **Earl Drake** (Canada-China Business Council); **Paul Evans** (Asia Pacific Foundation); **Robert Fowler** (Ambassador and Personal Representative of the Prime Minister for Africa); **Randy Gossen** (Nexen Inc. and President, World Petroleum Council);

Philippe Le Billon (UBC); **Sandra MacLean** (Simon Fraser University); **John McArthur** (Deputy Director, UN Millennium Project); **Ted Menzies** (Parliamentary Secretary for the Minister of International Cooperation); **Jesse Moore** (CARE Canada); **Ananya Mukherjee-Reed** (York University); **Zoe Nielsen** (Human Security Project, UBC); **Maureen O'Neil** (President, IDRC); **Pitman Potter** (UBC); **James Riedel** (Hopkins-Nanjing Center); **John Ries** (UBC) and **Arthur Saper** (CIDA).

One of the conference's many highlights included a panel that focused on the role of the private sector in facilitating economic development in the developing world. The panelists were: Arthur Saper, Director General of the Private Sector Directorate, CIDA; James Riedel, Professor at the Hopkins-Nanjing Center in Nanjing, China; and Jesse Moore, Director of Private Sector Development, CARE Canada. Professor Riedel's analysis of Vietnam's economic development after international donors cut off the country in the mid- to late-1980s was particularly compelling. Presentation excerpts from the three panelists were synthesized into an issue of *Behind the Headlines*, which appeared in the months following the conference.

In order for the CIIA to contribute to policy development processes through informed public discussion of Canada's foreign policy priorities, we rely on the generous financial support of many organizations and companies. The CIIA thanks the conference's financial supporters: Foreign Affairs Canada (Platinum Sponsor); Nexen Inc., Barrick Gold Corporation (Gold Sponsors), Vancouver International Airport Authority, Teck Cominco Ltd. (Silver Sponsors), Asia Pacific Foundation of Canada (Bronze Sponsor), and the National Post (Media Partner). We would also like to thank the International Relations Students Association at UBC, which coordinated volunteers for the conference.

YOUTH SYMPOSIUM

In conjunction with the Foreign Policy Conference, CIIA also hosts a Youth Symposium each year. The Youth Symposium brings together students and young professionals from across the country and young Canadians studying abroad to present, discuss, and debate their research and ideas

in an environment of academic peers. The 2006 Youth Symposium brought together 75 young people from across the country and from as far away as the UK and Switzerland for a half-day, three-panel discussion on the topic: Development and Global Inequality. The Symposium's three panels focused on the following areas: "Poverty and security"; "Natural resources, conflict and governance"; and "Canadian development policy". Panelists were: Megan Bradley (University of Oxford, UK); Abraham Sewonet Abatneh (UNDP); Robyn Agoston (McMaster University); Jason Paiement (McGill University); Jordanka Tomkova (University of Pretoria, South Africa); Isabelle Beaulieu (Université de Montréal); Alroy Fonseca (Queen's University); Austina Reed (McMaster University); and Tanya Baker (The Youth Coalition). The papers presented are available on the CIIA website: www.ciia.org. CIIA's 2006 Youth Symposium was made possible with the generous support of Scotiabank (Title Sponsor), Paramount Resources Ltd. (Gold Sponsor), and Nexen Inc. (Bronze Sponsor).

AROUND THE BRANCHES

The Institute's 13 branches—12 across the country and one in Boston—are responsible for a broad range of programming covering many topics of international importance. Due to the dedication and commitment of many enthusiastic volunteer branch executives the CIIA continued to offer its members an engaging program of events throughout 2005-2006.

Overall, the year was characterized by an increasing emphasis on policy-relevant activities at the branch- and National-levels in the form of conferences, seminars, and panel sessions, with reports containing policy recommendations for the government. The transition in government from the Martin Liberals to the Harper Conservatives in February 2006 prompted greater attention to foreign policy issues and renewed debate on Canada's priorities abroad.

The National Capital branch, in addition to having hosted an excellent roster of speakers, organized three policy conferences throughout the year, including: *China Rising: Will China Join the World or Change It?* in October 2005; *Latin America and the Caribbean*

in cooperation with FOCAL in April 2006; and *Polycentric Governance? Subnational Governments and Foreign Policy in an Age of Globalization* in cooperation with NPSIA, Carleton University and the Royal Institute for International Relations (Belgium) in June 2006. All conferences were well attended and attracted media attention. Conference reports were sent to relevant policy-making officials and posted on the CIIA website.

The **Waterloo Region** branch, in conjunction with CIGI and the University of Waterloo, organized a full-day conference entitled: *Canada in Haiti: Considering the 3-D Approach*. The conference analyzed the overall situation in Haiti, the effectiveness of Canada's presence in Haiti, and the possibility of applying a coordinated "3-D" approach of defence, diplomacy, and development to stabilization and peace-building activities.

The **Toronto** branch organized several panel discussions including: *The Harper Government's Foreign Policy* with Peter Goodspeed (National Post), Tim Woolstencroft (The Strategic Counsel) and David Dewitt (York University); and *Afghanistan: Canada's Options and Stakes* with Haroon Siddiqui (Toronto Star), David Rudd (Canadian Institute of Strategic Studies), and Sergei Plekhanov (York University).

Continuing on the policy track, the **Vancouver, Calgary, Toronto and Montréal** branches took part in a series of discussions on the International Policy Statement (IPS) released by the federal government in April 2005. These sessions were organized by the National Office and sponsored by Foreign Affairs Canada. Highlights included an address on the government's Pacific Gateway Strategy by The Honourable Pierre Pettigrew, Minister of Foreign Affairs, in **Vancouver**.

Throughout the year, several branches hosted visits from senior foreign dignitaries and representatives in Canada, and Canadian Ambassadors abroad. In **Montréal**, The Honourable K. Natwar Singh, Indian Minister of External Affairs, discussed the importance of India to Canada and the world. The newly appointed US Ambassador to Canada, His Excellency David Wilkins, addressed CIIA members and guests in **Toronto** and **Victoria**,

discussing issues related to Canada-US relations.

Members in **Calgary, Toronto, and Montréal** branches met with David Collins, Canadian High Commissioner in Pakistan who spoke about "The Influence of Pakistan in the Muslim World and its Importance to the Outcome of Canada's Mission in Afghanistan" in February 2006. The **Calgary** branch also hosted Ambassador Pertti Salolainen, Former Minister of Foreign Trade, Ambassador and Deputy Prime Minister of Finland who discussed the role of the European Union on the international stage. The **Vancouver** branch hosted two Canadian representatives abroad: Jeremy Kinsman, who spoke about Canada and the EU; and, Claude Laverdure, who addressed Canada-France relations.

Canada's continued involvement in Afghanistan was on the minds of many across the country and became a popular topic of discussion across the branches. In **Toronto**, His Excellency Omar Samad, Afghanistan's Ambassador to Canada, offered analysis of the situation in Afghanistan drawn from his intimate knowledge of the region. In **Calgary**, a panel session was held with David Sproule, Canadian Ambassador to Afghanistan; Philip Baker, Director General, Afghanistan Branch, CIDA; and LtCol. John Wates, J4 Ops, Canadian Expeditionary Force Command, NDHQ and former Commanding Officer of the PRT Activation Team in Kandahar, Afghanistan. The **Thunder Bay** branch hosted The Honourable Flora Macdonald, former Canadian Minister of External Affairs, who visited Afghanistan on a number of occasions and addressed challenges facing the country.

The only non-Canadian branch of the CIIA, in **Boston**, organized a number of events related to business community interests. Of particular note was an annual presentation on the "The Global Economic Outlook" with Chris Probyn, Chief International Economist, State Street Corporation and David Bohigian, Assistant Secretary, U.S. Department of Commerce.

INTERNATIONAL JOURNAL

The first full year of the redesigned *International Journal* was published between July 2005 and the end of the CIIA's fiscal year in June 2006. These included; the second annual John Holmes issue on Canadian foreign policy, which featured articles on "Canada in the World", was guest-edited by Pierre Martin, and which sold out its print run; as well as issues devoted to Africa (in honour of Robert Matthews and guest-edited by Ian Spears and Hevina Dashwood); Turkey (guest-edited by Ben Lombardi); and China, with articles of superb quality garnered from a conference on "China Rising" put on by CIIA's National Capital branch in October 2005, and which also sold out its print run.

"Canada in the World" was received with particular interest in Ottawa and articles from this issue were used as university course texts.

The Marcel Cadieux Distinguished Writing Award was awarded to Adam Chapnick for his article "Peace, order, and good government: The 'conservative' tradition in Canadian foreign policy," published in the "Canada in the World" issue, vol. 60, no. 3, summer 2005.

The Gelber Prize for the best article by a young scholar was given to Sean Burges for "Auto-estima in Brazil: The logic of Lula's south-south foreign policy," our Coming Attractions article in the Africa issue, vol. 60, no. 4, fall 2005.

As a means of raising the profile of the redesigned journal, selected groups of academics and policymakers were sent copies of particular issues.

BEHIND THE HEADLINES AND INTERNATIONAL INSIGHTS

During the year ending June 2006 the following issues were released:

Behind the Headlines

Why treaties work or don't work, and what to do about them

by Trevor Findlay

The private sector's essential role in economic development

by James Riedel, Arthur Saper and Jesse Moore

Quagmire of convenience: The Chechen war and Putin's presidency

by Robert E Johnson

International Insights

The goring of Canadian soft power: thinking proactively in the media age

by Eric T Miller

After Iraq: is there a new Middle East

by Shira Herzog

Cyprus in the EU: Relations with Canada, prospects for reunification and Turkey's bid to join the EU

by The Hon Euripides L Evriviades

A changing Japan and implications for Canada

by Mackenzie Clugston

Strengthening the weak: the Canadian forces in Afghanistan

by Colonel M.D. Capstick

The two sides of the Canadian foreign policy coin, and Latin America and the Caribbean

by the Right Honourable Joe Clark

A fresh look at old friends

by Peter Boehm

Note: All of these publications are available in PDF format on the Institute's website: www.ciiia.org

CIIA WEBSITE

The face of the Canadian Institute of International Affairs' online presence will soon be changing dramatically. Stemming from the new partnership with the Centre for International Governance Innovation (CIGI), the CIIA will be creating an online community on IGLOO. IGLOO is an international governance network that provides a means for accessing, sharing and disseminating governance information and research from anywhere in the world. By linking into this portal, CIIA members are connected to a knowledge network and valuable research tools that amplify the global reach of the web by transcending borders, disciplines, and economic boundaries.

By moving to IGLOO, CIIA aims to improve the usability and organization of its website. Visitors will be able to view all upcoming events around the country through a centralized Calendar that will be searchable by location and event type. Also, full-text versions of the latest *Behind the Headlines*, *International Insights* and *Institute Affairs* will be available to download online in addition to an extensive collection of archived editions.

CIIA members will receive additional benefits from being part of the new website. Forums give members the opportunity to comment on the latest publications, guest contribution or branch activity. Members will also have access to a Membership Directory where they can interact with fellow members and find others with similar research interests.

To support this new website, Corinne Bordman will be joining the CIIA in September from the Centre for International Governance Innovation. Corinne is going to be responsible for maintaining the website and assisting members and branches with the transition.

The new website is expected to launch in September 2006.

MANAGEMENT FINANCIAL SUMMARY

The following Management Summary of the Financial Position and Statement of Operations of the Canadian Institute of International Affairs as of 30 June 2006 and for the year then ended are taken from the financial statements audited by the audit firm of Smith, Nixon & Co. LLP, Chartered Accountants, Toronto. The complete audited statement is available on request.

The Canadian Institute of International Affairs, a not-for-profit organization founded in 1928 and incorporated under the laws of Canada as a corporation without share capital, has as its mission the promotion of an understanding of international affairs by providing interested Canadians with a non-partisan, nation-wide forum for informed discussion, analysis and debate. The Institute is a registered charity within the meaning of the Income Tax Act (Canada) and accordingly is exempt from income taxes.

The Institute follows the restricted fund method of accounting for income. The Operating Fund (unrestricted) accounts for the Institute's program delivery and administrative activities. The Operating Fund (internally restricted) represents a bequest which the Institute received in 2000 and which the Board of Directors chose to set up as an endowment.

The Externally Restricted Funds include the John Holmes Library Fund and Funds for the *International Journal*.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2006

| ASSETS | 2006 | 2005 |
|--|---------------------|---------------------|
| Cash | \$ 37,987 | \$ 20,487 |
| Accounts Receivable | 26,769 | 17,043 |
| Deposits and prepaid expenses | 16,986 | 1,075,026 |
| Investments | 958,753 | 37,677 |
| Capital Assets | 20,705 | |
| | <u>\$ 1,061,200</u> | <u>\$ 1,150,233</u> |
| LIABILITIES | | |
| Bank Indebtedness* | \$ 33,084 | \$ 1,013 |
| Accounts Payable and accrued liabilities | 33,084 | 33,966 |
| Capital Lease | | 1,963 |
| | <u>33,084</u> | <u>36,942</u> |
| UNEARNED REVENUES AND GRANTS | 200,296 | 115,032 |
| FUND BALANCES | | |
| Net Assets invested in capital assets | 20,705 | 35,714 |
| Externally Restricted | 443,726 | 477,765 |
| Internally Restricted | 703,000 | 703,000 |
| Unrestricted | (339,611) | (218,220) |
| | <u>827,820</u> | <u>998,259</u> |
| | <u>\$ 1,061,200</u> | <u>\$ 1,150,233</u> |

STATEMENT OF OPERATIONS FOR THE YEAR ENDED 30 JUNE 2006

| INCOME | 2006 | 2005 |
|-----------------------------|-------------------|-------------------|
| Programmes | \$ 209,510 | \$ 164,258 |
| Corporate Members | 123,216 | 104,000 |
| Publications and Members | 159,538 | 172,582 |
| Donations | 51,418 | 54,164 |
| Grants | 100,090 | 94,743 |
| Investment | 95,516 | 82,121 |
| Other | 54,778 | 20,493 |
| | <u>\$ 794,066</u> | <u>\$ 692,361</u> |
| EXPENDITURE | | |
| Programmes | \$ 171,991 | \$ 104,140 |
| Publications and Membership | 154,157 | 185,353 |
| Library | 12,964 | 15,729 |
| Administration | 594,189 | 625,908 |
| Other | 2,000 | 2,000 |
| Amortization | 17,454 | 29,508 |
| Investment Management Fees | 11,750 | 15,633 |
| | <u>\$ 964,505</u> | <u>\$ 978,271</u> |
| NET INCOME FOR THE YEAR | \$ (170,439) | \$ (285,910) |

*Cheques outstanding at time of audit

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