

**Aid to Africa, Farm Aid, and Media Performance
CIBC/Chamber Weekly CEO/Business Leader Poll
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**COMPAS Inc.
Public Opinion and Customer Research**

Introduction

Addressing the Chretien government's agenda for the G8 summit in Kananaskis, Alberta, business leaders gave the general effectiveness of foreign aid to Africa a poor grade. They are particularly concerned about the financial and social consequences of a misappropriation of funds by corrupt recipient governments. Business leaders are nonetheless enthusiastic about foreign aid to the extent that it focuses on education, and they favour a strong role for NGOs and serious efforts to facilitate African exports to Canada.

Business leaders meanwhile seem to agree with the \$8 billion farm subsidy program, perceived as inevitable in light of American agricultural subsidies.

The Canadian CEOs and business leaders also concurred that there needs to be more media attention given to objective experts and less to radical street demonstrations.

These are the key findings from the current web-survey of CEOs and other business leaders conducted by COMPAS on behalf of the *National Post* under sponsorship of the Canadian Chamber of Commerce and CIBC.

The Effectiveness of Foreign Aid to Africa—Failing Grade

Canada's business leaders take a very practical view of foreign aid to Africa, exemplified by the principle that "give a person a fish and he has food for the day, but teach a person how to fish and he will feed himself for a lifetime."

Canadian CEOs and business leaders are sceptical of the effectiveness of foreign aid to Africa, especially in the form of government-to-government assistance. Their scepticism focuses on two issues—the risk that foreign aid transfers can sometimes harm rather than help local producers by undercutting the demand for locally produced goods, and the danger that government-to-government foreign aid may breed local corruption as well as antagonism to donor countries. It is perhaps for these reasons that business leaders give a failing grade to foreign aid to Africa, as shown in table 1. Concern about the perceived ineffectiveness of aid to Africa may also account for why only about a third of respondents believe that "it's a moral imperative to give money to poor nations," as shown in table 2.

Table 1: "On a 100-point report card scale, how would you rate the general effectiveness of foreign aid to Africa?"

	Mean	DNK
General effectiveness of foreign aid to Africa	32	5



Table 2: “On a 7-point scale where 7 means agree strongly and 1, the opposite, how do you feel about the following opinions regarding foreign aid to Africa?” [ROTATE]

	Mean	7	6	5	4	3	2	1	DNK
The best government-to-government foreign aid would be in education to enable their societies to learn valuable skills and democratic values	5.8	38	29	14	8	4	1	3	3
Giving foreign aid in the form of free or cheap goods can actually harm the local economies that produce such goods	5.2	22	27	17	11	6	7	3	8
Giving foreign aid to African governments encourages dependency and corruption, thereby reducing productivity	4.8	18	24	16	13	15	6	4	6
The most effective foreign aid is people-to-people assistance through church and non-profit groups	4.6	11	19	25	16	11	8	5	6
The most effective foreign aid is above all for African economies to export their products to Canada	4.6	14	14	26	14	14	9	3	7
Giving foreign aid to African governments encourages dependency and corruption, thereby making their people resentful of us	4.2	14	10	16	18	18	14	5	6
It’s a moral imperative to give money to poor nations	3.7	9	11	15	14	14	15	18	5
Foreign aid is necessary to help insulate Africa from anti-Western and Islamist fanaticism	3.3	2	9	12	21	13	20	14	8

Business leaders are nonetheless not opposed to such aid and do not hold the Canadian government particularly responsible for the limitations of aid programs. They



believe that well-designed foreign aid can indeed be effective. As evidenced in table 2, well-designed foreign aid to Africa would

- Place singular emphasis on aid for education and aid through church and other NGOs and it would facilitate African exports to Canada, while
- Being careful not to harm local economies through the supply of free or low cost aid products that could harm local producers,
- And avoiding foreign aid practices that could inadvertently encourage corruption among recipient governments and hence antagonism to ourselves among their populaces.

Government aid for education elicited by far the greatest consensual support—backed by 81% and opposed by only 8%.

Additional comments from respondents regarding the effectiveness of foreign aid to Africa are as follows:

I doubt that there is a uniformly effective method for relieving chronic poverty in African nations but opening up markets to their products would be a useful and effective start. Measures such as this have proved effective in Europe and Asia after the Second World War. It is usually a more practical solution to build on success than to reinforce failure, the fate of most foreign aid programmes in this area to date.

Any aid should be geared to increasing the possibility of self-sufficiency. Some necessary infrastructure projects need a larger approach, but we don't want their governments getting in the act and taking the cash as they did some time ago in Grenada.

The level of corruption in Africa concerns me that any aid being offered will not reach those it is intended to benefit.

Foreign aid should only be granted to African countries that have implemented acceptable governance models and are truly democratic.

Helping set up businesses and giving repayable small loans in the countries would be better in encouraging people to help themselves and keep the capital pool moving forward for continuous investment.

Just handing out money to these nations is not the answer. These people just accept it as welfare and then begin to expect it all the time.

We should import products from the African economy, as long as that does not include anything obtained illegally, such as ivory.



Too much government -to-government aid ends up in the pockets of corrupt government officials, or is given so that the foreign country can purchase goods from us, regardless of where they are in the priority of the developing nation. Also, a lot of the aid is not suitable for their climates, cultures or diets.

Canadian Business Leaders in Support of the Farm Subsidy Program

Though Canadian CEOs and business leaders did not agree with the effectiveness of foreign aid to Africa, when asked to comment on the degree of generosity in the \$8 billion farm subsidy program, they felt that it was neither too generous, nor too ungenerous. Table 3 demonstrates that 62% of respondents agreed with the amount of money the Canadian government put into the farm subsidy program.

Table 3: “Canada recently put into place an \$8 billion farm subsidy program. How would you rate the magnitude of the program? Please use a 7 point scale where 7 means far too generous and 1, far too ungenerous.”

	Mean	7	6	5	4	3	2	1	DNK
The magnitude of the farm subsidy program	4.3	10	8	21	28	13	10	3	8

While the respondents were in favour of the farm subsidy program, Table 4 demonstrates that 77% agreed that it was driven by the launch of the U.S. farm subsidy program. With that in mind, only 3% of respondents think that there is a chance that the Canadian government could persuade the American government to backtrack from its immense farm subsidy commitment. Table 5 shows 87% of Canadian business leaders feel that there is no chance, and within that group, 50% believe that there is no serious chance.

Table 4: “To what extent is Canada’s farm subsidy program driven by the launch of a major U.S. farm subsidy program? Please use a 7 point scale where 7 means almost completely and 1, the opposite.”

	Mean	7	6	5	4	3	2	1	DNK
The extent to which Canada’s farm subsidy program is driven by the launch of a major U.S. farm subsidy program	5.8	31	32	14	3	4	2	1	13



Table 5: "What chance is there to persuade the U.S. government to backtrack from its immense farm subsidy commitment? Please use a 7 point scale where 7 means a serious chance of reversing U.S. policy and 1, the opposite."

	Mean	7	6	5	4	3	2	1	DNK
Chance of persuading the U.S. government to backtrack from its immense farm subsidy commitment	1.8	0	0	3	4	10	27	50	6

The Media's Emphasis on Radical Protestors

Finally, in the two days preceding, and the first day of the G8 summit, 83% of Canadian business leaders and CEOs agreed that there is too much media attention given to street demonstrations and to radicals hostile to international trade and globalization, while not enough to objective experts. If we compare these figures to a survey conducted among the general public earlier this year posing the same question, it is clear that business leaders, as a whole are particularly jaundiced about the media's attention to protestors (83% compared to 36%). A supplemental comment offered on the issue of protestors and the media follows:

At a protest in Vancouver against G8 activities in Alberta, there were 10 protestors, 30 armed police on horseback and bicycle, and a horde of media - probably 5 cameras. The media had very long faces as they recognized that they had been conned - the police looked very smug and satisfied with a job well done.



Table 6: "It's sometimes said that the media give far too much attention to street demonstrations and to radicals hostile to international trade and globalization and not enough attention to objective experts. How truthful is this statement? Please use a 7-point scale where 7 means very truthful and 1, not truthful at all."

	Mean	7	6	5	4	3	2	1	DNK
The media give far too much attention to street demonstrations and to radicals hostile to international trade and globalization and not enough attention to objective experts	5.9	40	29	14	8	1	3	2	3

Methodology

The *National Post*/COMPAS web-survey of CEOs and leaders of small, medium, and large corporations and among executives of the local and national Chambers of Commerce was conducted June 25-27, 2002.

Because medium and small companies are more numerous in the economy and hence among Chamber membership, actual respondents are drawn more from these strata than from the stratum of the largest companies. Because of the small population of CEOs and business leaders from which the sample was drawn, the study can be considered more accurate than comparably sized general public studies. In studies of the general public, surveys of n=147 are deemed accurate to within approximately 8 percentage points 19 times out of 20. The principal and co-investigators on this study are Conrad Winn Ph.D. and Jennifer McLeod.

