

**THE IMPLEMENTATION OF
CIDA'S CHINA PROGRAM:
RESOLVING THE DISJUNCTURE BETWEEN
STRUCTURE AND PROCESS**

Máire O'Brien

**Doctoral Disseratation
York University
February 2000**



National Library
of Canada

Acquisitions and
Bibliographic Services

395 Wellington Street
Ottawa ON K1A 0N4
Canada

Bibliothèque nationale
du Canada

Acquisitions et
services bibliographiques

395, rue Wellington
Ottawa ON K1A 0N4
Canada

Your file *Votre référence*

Our file *Notre référence*

The author has granted a non-exclusive licence allowing the National Library of Canada to reproduce, loan, distribute or sell copies of this thesis in microform, paper or electronic formats.

The author retains ownership of the copyright in this thesis. Neither the thesis nor substantial extracts from it may be printed or otherwise reproduced without the author's permission.

L'auteur a accordé une licence non exclusive permettant à la Bibliothèque nationale du Canada de reproduire, prêter, distribuer ou vendre des copies de cette thèse sous la forme de microfiche/film, de reproduction sur papier ou sur format électronique.

L'auteur conserve la propriété du droit d'auteur qui protège cette thèse. Ni la thèse ni des extraits substantiels de celle-ci ne doivent être imprimés ou autrement reproduits sans son autorisation.

0-612-56251-4

Canada

**The Flexible Implementation of CIDA's
China Program: Resolving the Tension between
Structure and Process**

by **Máire O'Brien**

a dissertation submitted to the Faculty of Graduate Studies of
York University in partial fulfillment of the requirements for the
degree of

DOCTOR OF PHILOSOPHY

©

Permission has been granted to the LIBRARY OF YORK
UNIVERSITY to lend or sell copies of this dissertation, to the
NATIONAL LIBRARY OF CANADA to microfilm this dissertation
and to lend or sell copies of the film, and to **UNIVERSITY
MICROFILMS** to publish an abstract of this dissertation.
The author reserves other publication rights, and neither the
dissertation nor extensive extracts from it may be printed or
otherwise reproduced without the author's written permission.

Abstract

From its relatively humble beginning in the early 1980s, the Canadian International Development Agency's (CIDA) China Program quickly began to set precedents in the delivery of Canadian ODA. To maximize a small budget and minimal administrative resources, CIDA's China Program introduced the mechanism of human resources development (HRD) to deliver Canadian ODA to China. This was the first significant departure in Canadian ODA which had been traditionally premised on large scale, capital intensive project funding. The unfamiliarity of China, the inexperience of Canadian executing agencies, together with this new model of development assistance were easily accommodated by the bureaucratic and administrative processes of CIDA. Though generally thought to be cumbersome and seemingly inflexible, CIDA's organizational processes were quite malleable, especially during the early stages of the China Program's implementation. The flexibility and experimentation of the early years of the program have given way, in the 1990s, to an institutionalization that has imposed greater restrictions on project development. The Chinese Enterprise Management Training Centre at Chengdu, the China Open Cities Project, and the the Canada-China Lean Swine Production Project are presented as examples of the various stages of this institutionalization; as a demonstration of the building of the institutional capacity of Canadian executing agencies (CEAs) to deliver international ODA and of the increasing interdependence of CIDA and its constituency of CEAs.

Acknowledgments

Without the unwavering support of my family, the research, writing, and completion of this dissertation would not have been possible. I have particularly to thank my mother for her constant encouragement and endless faith. She never doubted that it was possible. I looked to Papa John for approval and he was unfailingly kind and generous. Fred had never been through anything like this, but he was understanding, patient, and tolerant throughout the whole journey. Everett and Eugene, as always, are the joy and love of my life. They make life worth living.

Bernie Frolic is truly a mensch. I am deeply indebted to him for his commitment to excellence, his guidance through the difficult parts of the writing, for the endless comments that nearly made me tear my hair out, and his friendship. Paul Evan's insight and rigour were inspirational. Liisa North's careful editing and analytical comments helped to polish rough writing.

As a recipient of a scholarship under the Canada-China Scholarship Exchange Program, I have to thank the Department of Foreign Affairs and International Trade and the State Education Commission of the People's Republic of China for the opportunity to study Chinese language and conduct field research in China in 1994-95.

A very special thanks is owed to the many people I interviewed.

To my friends and colleagues at York University in the Department of Political Science and in the Joint Centre for Asia Pacific Studies, thanks for the memories.

Finally, without Silverbirch and the God of my understanding, it would not have happened at all!

List of Tables and Diagrams

Tables

Table 3.1	CEMTCC Phases I, II, III (1983 - 1997)	97
Table 4.1	COCP Phases I & II (1986 - 1998)	146
Table 4.2	Canada-China Twinning Arrangements	174
Table 5.1	CCLSP Phases I & II	192

Diagrams

Diagram 1.1	Organizational Chart Situating CIDA's China Program	4
Diagram 2.1	China Program Organizational Environment	30
Diagram 2.2	CIDA Project Management Cycle	46
Diagram 2.3	Basic Structure of Typical CIDA Project	58
Diagram 3.1	CEMTCC Decision Making Organizational Chart	82
Diagram 4.1	COCP Work Flow Chart	154
Diagram 5.2	CCLSP Project Decision Making/Organizational Chart	235

Table of Contents

Copyright	ii
Certificate	iii
Abstract	iv
Acknowledgements	v
List of Tables and Diagrams	vi
Table of Contents	vii
 Chapter 1	
Canadian ODA to China: An Interactive Project Implementation Process	
1.1 Introduction	1
1.2 Theoretical Assumptions	8
1.3 Research Methodology	21
 Chapter 2	
Creating CIDA's China Program: Experimentation, Maturity and Institutionalization	
2.1 Introduction	26
2.2 Formative Years: An Expanding Environment	32
2.3 Inception Period: Organizational Adaptation	36
2.4 Program Implementation: Phase I (1982-86) A Steep Learning Curve	44
2.5 Program Implementation: Phase II (1986-90) Expansion and Contraction	55
2.6 Into the 1990s: Institutionalization & Strategic Management	64
2.7 Conclusion	75
 Chapter 3	
The Chinese Enterprise Management Training Centre at Chengdu: Building Sustainable Partnerships	
3.1 Introduction	79
3.2 Decision to Establish a Management Programme in Sichuan	85
3.3 Implementation of the Programme and Institutional Adaptation	92
3.3.1 Human Resources Development	
- Canadian Faculty	98
- Chinese Staff & Faculty Training	106
- Training Programs	115
3.3.2 Institutional Development	
- Consulting Office	119

	- Management Development & Change	125
3.4	Conclusion	131
Chapter 4		
The China Open Cities Project: Integrating Commercial and HRD Objectives		
4.1	Introduction	135
4.2	Background and Inception	136
4.3	Implementation - The Precarious Balance Between Municipal Management Education Training and Commercial Opportunities	155
	- Study Tours	157
	- Training Programs	163
	- Twinning Program	173
	- Audio-Visual	176
4.4	Coordination and Control	178
4.5	Conclusion	184
Chapter 5		
The Canada-China Lean Swine Production Project: Adapting to Budgetary Constraints		
5.1	Introduction	191
5.2	Background and Inception	193
5.3	Implementation - Budgetary Limitations and Project Compromises	208
	- The Training Program	219
	- The Breeding Program	227
	- The Nutrition Program	230
	- Marketing and Economics	232
5.4	Coordination and Control	234
5.5	Conclusion	238
Conclusion		243
Bibliography		252
Interview Key		272
Acronyms		276
Appendix		
Table 1	China Program Projects (1982-1986)	280
Table 2	China Program Projects (1986 -1989)	281
Table 3	China Program Projects (1991-1996)	282
Table 4	China Program Projects By Sector	283
Table 5	Programs Taught at CEMTCC in Phases I-II	285

Chapter 1

Canadian ODA to China: An Interactive Project Implementation Process

1.1 Introduction

The clear, but very broadly articulated, goal of the Canadian International Development Agency's (CIDA) bilateral Official Development Assistance (ODA) program with China has been the "the multiplication of contacts at the thinking level."¹ This concept, attributed to Marcel Massé who was then President of CIDA, of developing maximum human and institutional contacts between Canadians and Chinese in key areas of the Chinese economy where there was potential for expanding relationships, was a policy innovation that dealt with the unfamiliarity of China and addressed the problem of limited Canadian resources. Implemented through the promotion and generation of a knowledge-based transfer of technology under the rubric of human resource development (HRD), this policy has been carried out with varying degrees of success.

Thousands of Chinese have received professional training, either in China or Canada, through a network of Canadian executing agencies with organizational mandates purposely expanded to accommodate this opportunity. Canadian

1. Canadian International Development Agency (CIDA), China Country Program Review, Confidential Document (Ottawa: CIDA, December 1984). p 17.

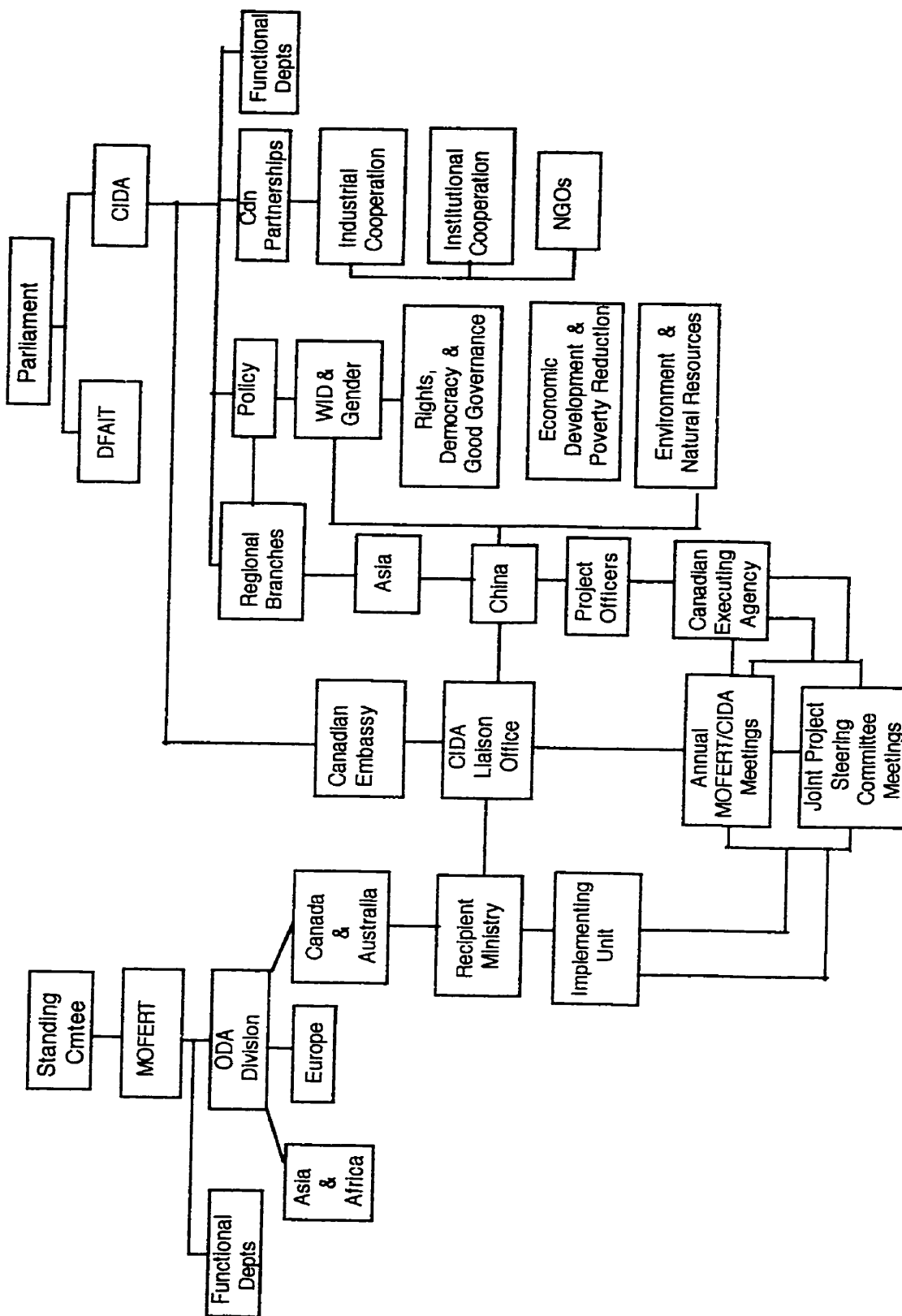
educational institutions and other organizations, like the Federation of Canadian Municipalities (FCM), significantly increased their financial resources and expanded their capacity to administer international development programs. The program has had an effect on the Canadian economy, but the impact made on Chinese institutions and organizations by the thousands of Canadian-trained Chinese is more difficult to assess because the Chinese data are not readily available. Though CIDA maintains a data bank of its trainees, much of the information is outdated soon after it is recorded because of the increasing mobility of China's professionally trained work force. Standard reporting mechanisms like evaluations and monitors' reports are a limited source for organizational or institutional impact analyses. Demonstrating changes in an institution's administrative capacity as a direct result of CIDA funding is more difficult and complex than reporting the number of students trained in the various technical, commercial and administrative professions. Differences in political and organizational cultures have also been an obstacle to gathering pertinent data. China's political and administrative structures are so complex and opaque that generally only tentative arguments can be made about the impact of a particular project.

These assessment limitations have not detracted from perceptions that the China Program has been relatively successful. In setting a very broad policy parameter like "the multiplication of contacts at the thinking level" CIDA

gave itself a great deal of flexibility in program development, implementation, and evaluation. The following study demonstrates this with three project cases - the Chinese Enterprise Management Training Centre in Chengdu (CEMTC), the China Open Cities Project (COCP), and the Canada-China Lean Swine Production Project (CCLSP).

The China Program is set both within the framework of the Canadian foreign policy establishment and a growing domestic constituency with development expertise. As such, there is bound to be disjuncture between stated project goals and objectives and the need to respond to CIDA's constantly shifting political and bureaucratic environment. This disjuncture is mediated by "flexibility" which will be defined here as the ability of organizations and organizational units, i.e. CIDA and the China Program, to act with varying degrees of autonomy despite the perception of tightly integrated and closely coordinated relationships portrayed by official organizational charts. Diagram 1.1 gives the perception that the China Program's relationships with other departments in CIDA are very direct and integrated when in actual fact the connections, for example between Women in Development (WID) and Gender, or Environment and Natural Resources, are not well integrated. With the connections between organizations and organizational units relatively loose and behavioural constraints fairly weak, there is ample opportunity to adapt to simultaneous and often conflicting demands without

Diagram 1.1 Organizational Chart Situating CIDA's China Program



Source: CIDA, Service Contracts and Lines of Credit, Spring 1996, (Hull: Corporate Management, 1996).

compromising operational integrity.²

ODA goals and objectives have traditionally been subordinate to those of Canadian foreign policy by virtue of CIDA's junior status within the portfolio of the Department of External Affairs (now the Department of Foreign Affairs and International Trade (DFAIT)). Despite this subordinate relationship, however, the Agency has been able to establish a substantial degree of autonomy in setting its own program objectives.³ These have often coincided with those of DFAIT, particularly with respect to integrating development and national commercial objectives, more familiarly known as tied aid. Domestic political and commercial objectives, such as maintaining a regional balance in the award of project contracts and increasing opportunities for Canadian business, compete with humanitarian and developmental objectives, such as poverty alleviation, the increased participation of women, food security, and environmentally sound development.⁴ The China Program's ability to respond to these simultaneous and conflicting objectives, along with satisfying the demands and expectations of the Agency's different constituencies (for example, government departments like DFAIT, Finance and

2. W. Richard Scott, Organizations: Rational, Natural, and Open Systems, 2nd ed. (Englewood Cliffs, NJ: Prentice-Hall, Inc., 1987). pp. 57, 77, 252-54.

3. See for example, Cranford Pratt, "DFAIT's Takeover Bid of CIDA: The Institutional Future of the Canadian International Development Agency," Canadian Foreign Policy, Vol. 5, No. 2, Winter 1998. pp. 1-13.

4. CIDA, To Benefit A Better World, Response of the Government of Canada to the Report of the Standing Committee on External Affairs and International Trade (For Whose Benefit? Canada's Official Development Assistance Policies and Programs). (Ottawa: Supply and Services, 1987). pp. 22-23.

Agriculture, the NGO community, and CEAs) while maintaining its operational integrity, has been precisely due to its relative operational autonomy.

The relatively new approach of human resource development (HRD) through the promotion and generation of technical, administrative, and professional knowledge was a significant departure from the conventional technology transfer, capital-intensive model of previous ODA programming. It was adopted by the China Program and required considerable experimentation because project designs were based on constantly shifting interaction between the policy objectives of the Canadian government, the modernization goals of the Chinese government, and the capacities and expectations of interested Canadian CEAs. The Agency was a newcomer to China and this inexperience extended to most of the China Program's executing agencies. The successful adoption of the HRD model earned the China Program a reputation for innovation in its design and implementation. The adoption of the model may have been the result of a deliberate strategy but how that was implemented emerged from a process of experimentation and responsiveness.

In the course of its implementation, the China Program's organizational environment rapidly expanded beyond the confines of government bureaucracy to include a complex array of domestic public and private organizations. Over the last twenty-five years, there has been a parallel shift in development rhetoric from a predominant focus on the primacy

of CIDA in the implementation of ODA to one that recognizes the interdependent relationship the Agency has with its executing agencies.⁵ The shift to the notion of the Agency in partnership with both the public and private sector connotes CIDA initiative, but much of the impetus for this proactive stance was thrust upon the Agency by fiscal restraint and by a changing global political economy that had a direct impact on the Canadian. In what has sometimes been described as "the sunset of the golden age of ODA,"⁶ the China Program exemplifies how the Agency has managed its complex organizational environment in a time of shrinking ODA resources and overall demands for greater fiscal responsibility.

The basic arguments of the analysis which follows are that:

- 1) CIDA policy goals and objectives are purposely broad to permit flexible program and project implementation;

5. The development of the NGO Branch in 1967 was a recognition of the need to "...harness the substantial resources which exist in the private sector." David Morrison, Aid and Ebb Tide: A History of CIDA and Canadian Development Assistance, (Waterloo: Wilfrid Laurier University Press, 1998). p.68; To Benefit A Better World notes that Canada's contribution to global development "require[s] closer collaboration of government, business, cooperatives, labor, educators, and non-governmental organizations." To Benefit A Better World. p. 10. In recent CIDA documents there is an increasing emphasis on executing agencies and stakeholders as partners with CIDA in contributing to global development. CIDA, Your Guide to Working with CIDA, (Ottawa: Supply and Services, February 1997). p. 1.

6. Mentioned in a presentation given by Mario Renaud, Director General, Strategic Planning and Policy, Asia Branch, CIDA on a panel entitled "Protecting Asia's Social Development Gains: What is Canada's Role," March 11, 1998, Toronto.

2) This flexibility has been a critical dimension of Canadian bilateral ODA to China;

Several related propositions are:

3) Because of their apparent incompatibility, the integration of commercial and developmental objectives has been accomplished with only qualified success by the China Program;

4) Fiscal constraints instituted in the early 1990s have decreased the China Program's autonomy in project design, implementation, and evaluation by imposing more stringent accountability measures;

5) An unforeseen outcome of the experimental and responsive nature of the China Program has been the development of a substantial network of internationally competitive Canadian executing agencies with development expertise.

1.2 Theoretical Assumptions

Rational approaches to organizational analysis have traditionally posited a model that minimizes the importance of the inner workings or black box of organizations so that one need only understand inputs and outputs. This radically understates the importance of how organizations manage their dependency on the inputs they receive as resources and the implications this process has on outputs. Organizations, whether public or private, buffer their operations from the

demands and expectations imposed by this resource dependency. The degree to which an organization is able to manage these pressures determines its legitimacy and survival. The connotation of legitimacy in this context is not about statutory validity. Rather it is more suggestive of the perceptions held about the competency of organizations to fulfill expectations about a particular institution, in this instance ODA. Organizational responses to these variously interpreted pressures contribute significantly to the form of an organization so that within the same environment⁷ organizations will often become not only structurally but also behaviourally similar as they respond to similar pressures.⁸ Form is an important variable (though it can often be subverted by informal processes) because it determines the reporting structure regardless of the degree of coordination and control, collaboration between organizational units, or independence and autonomy in the performance of duties.

In addition, though they may share similarities in the

7. In organizational behaviour parlance this level of analysis is referred to as the ecological level. Its focus is on organizations as collective actors functioning in a larger system of relations. Analyses may be conducted at this level by examining either the relations between a specific organization or a type of organization and the environment or by examining the relations among an interdependent system of organizations. See for example definitions and descriptions in W. Richard Scott, Organizations: Rational, Natural, and Open Systems, pp.13, 68-69, 98, 110-15.

8. DiMaggio and Powell Describe this as "...a constraining process that forces one unit in a population to resemble other units that face the same set of environmental conditions." Paul J. DiMaggio and Walter Powell, "The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organizational Fields," in Walter Powell and Paul DiMaggio, eds., The New Institutionalism Organizational Analysis, (Chicago & London: University of Chicago Press, 1991). p. 66.

competition for resources, political power, and institutional legitimacy, public agencies and organizations are distinguished from those in the private sector by the additional need to respond directly to political pressures. Private companies and organizations whose success depends on the efficient coordination of production activities, as in the assembly of computer components or automobiles, are more responsive to demands for technical efficiency than they are to sociopolitical pressures.⁹ Public organizations like CIDA obviously have to respond to technical demands for efficient operation, but they also function and operate under the additional pressure of balancing public expectations about their performance, primarily in the area of poverty alleviation. The correlation between structure and process is important to note because of the implications for the manner in which policy is developed and implemented.

Early studies of organizational behaviour assumed that in the process of achieving clearly identified objectives, organizations were able to coordinate and control their activities in an objective manner.¹⁰ These assumptions were based upon a conception of an organization operating in a closed environment where inputs and outputs could be tightly

9. Jitendra V. Singh, David J. Tucker and Agnes G. Meinhard, "Institutional Change and Ecological Dynamics" in Powell and DiMaggio, eds. The New Institutionalism, p. 390.

10. F. J. Roethlisberger and William J. Dickson, Management and the Worker, (Cambridge, Mass.: Harvard University Press, 1939); Elton Mayo, The Social Problems of an Industrial Civilization, (Boston: Graduate School of Business Administration, Harvard University, 1945); Chester Barnard, The Functions of the Executive, (Cambridge, Mass.: Harvard University Press, 1938). For contemporary commentary on Barnard's work see Oliver E. Williamson, ed. Organization Theory: From Chester Barnard to the Present and Beyond, (New York, NY: Oxford University Press, 1990).

controlled. This is only the expression of an ideal, however, for there are a host of environmental constraints that are not predictable, easily identifiable, or controllable. At a very basic level, for instance, individuals come to an organizational position with a complex set of personal characteristics that are not quantifiable; attributing objectivity to their actions within the organization is circumscribed by their particular situation. Within a unit like the China Program, in an organization like CIDA implementing ODA projects in developing countries, there is an even more complex array of constraints that defy 'rational' organizational structure and its assumed processes. Therefore, to assume that organizations can act objectively is to assume that an amalgamation of individuals in country programs and functional departments are able to amass, sort, implement, and analyze vast amounts of information with precision and efficiency. Nevertheless, assumptions of objectivity and rationality remain prevalent in the development of ODA policy.

In fact, however, most organizations muddle through daily procedures, processing that which is most immediate to the daily functions of their positions without significant reference to overall policy. If policies are broadly articulated, as they were with the China Program, then the illusion of rationality can be maintained as the autonomous units continue to go about their daily affairs.

If we consider organizations within the context of their immediate and broader environments, it is clear that they cannot and do not act in isolation from the environment in which they are embedded. They must be seen to embody the institutions, or values, of the society within which they operate and from which they receive their legitimation. This is particularly true of public agencies like CIDA. ODA is more than just funding, more than just assistance to developing countries. It is a modern institution which embodies altruistic principles of humane internationalism. It is an institution which has been legitimized domestically and internationally over the Cold War period and is the very *raison d'être* for bilateral organizations like CIDA, the multilateral development organizations of the United Nations system, and, to a much lesser extent, international financial institutions.

However, an ODA organization like CIDA cannot adequately meet the urgent needs of developing countries and also satisfy the objectively determined criteria of, say, results-based management or management by objective policies set by the Treasury Board, the Ministry of Finance, or the Auditor General of Canada. The tension between the principles of ODA and the 'rational objectivity' of these organizations is only reconcilable with a buffer, with a measure of autonomy in how an organization will respond.

For understanding the reconciliation of this tension, it is useful to draw from the seminal works found in the

organizational behaviour literature, particularly the open systems perspective, which conceptualizes organizations as interactive and interdependent with their environments.¹¹ Pfeffer and Salancik's resource dependency model posits that organizational reliance on resources directly affects organizational behaviour and ultimately shapes the environment within which an organization conducts its activities.¹² CIDA receives its financial resources from the Department of Finance and relies heavily on public and private organizations to implement its multilateral and bilateral programming. Though CIDA has a substantial degree of operational autonomy in implementing its programming, this programming must comply with Canadian foreign policy as set by DFAIT. These environmental constraints have a significant influence on the Agency's work processes. Similarly, executing agency reliance on CIDA for financial resources results in congruent structures and activities. CIDA and its organizational network, according to this perspective, are "coalitions of shifting interest groups that develop goals by negotiation; the structure of the coalition, its activities, and its outcomes are strongly influenced by environmental

11. This is in contrast with a closed system's perspective which conceptualizes organizations as independent from their environments, as self-contained, autonomous units. The rational actor model of decision-making emanates from this perspective.

12. Jeffrey Pfeffer and Gerald Salancik, The External Control of Organizations, (New York: Harper and Row Publishers, 1978).

factors."¹³ The evolution of the China Program and the development of a substantial network of internationally competitive Canadian executing agencies with development expertise is a clear demonstration of the program's interaction and interdependence with its organizational environment.

Phillip Rawkins, Blair Dimock, and Martin Rudner make a significant contribution to Canadian ODA policy analysis.¹⁴ Rudner and Dimock provide insight into the ODA policy development process but do not discuss the causal relationships between ODA as a foreign policy instrument, the policy implementation process, and policy outcomes. Rawkins uses an organizational analysis to discuss the emerging importance of human resource development in the ODA process. This analysis provides key insight into the organizational context of the implementation of ODA policy.

13. W. Richard Scott and John W. Meyer, Institutional Environments and Organizations: Structural Complexity and Individualism, (Thousand Oaks, CA: Sage Publications, 1994). p. 10. For example, the term *organization* can take on several different meanings depending on where the emphasis in analysis lies. A rational system perspective stresses the structural features of organizations defining them "as collectivities oriented to the pursuit of relatively specific goals and exhibiting relatively highly formalized social structures." W. Richard Scott, Organizations: Rational, Natural, Open Systems. p.21; Scott, Organizations: Rational, Natural, Open Systems, p. 23.

14. See Phillip Rawkins, Human Resource Development in the Aid Process: A Study in Organizational Learning and Change (Ottawa: The North-South Institute, 1993); Phillip Rawkins, "An Institutional Analysis of CIDA," in Cranford Pratt, ed., Canadian International Development Assistance Policies: An Appraisal, (Montreal & Kingston: McGill-Queen's University Press, 1994). pp. 156-185; W. Blair Dimock, "Canadian Foreign Policy," MA Thesis Carleton University, 1981; Martin Rudner, "Trade Cum Aid in Canada's Official Development Assistance Strategy," Canada Among Nations: 1986/Talking Trade, ed. Brian Tomlin and Maureen Appel Molot, (Toronto: James Lorimer & Co., 1987). pp. 127-146; "Canada's Official Development Assistance Strategy: Process, Goals and Priorities," Canadian Journal of Development Studies, Vol. 1, No. 1, 1991. pp. 9-37; Martin Rudner, "Canada's Official Development Assistance Strategy: Process, Goals, and Priorities," Canadian Journal of Development Studies Vol. 1, No. 1, 1991. 9-37.

Organizational analyses premised on a rational model consider organizations to be closed systems of activities performed by purposeful and coordinated actors and assume that organizations have the ability to isolate themselves from their environments.¹⁵ Rationality, according to this view, occurs within the limits of clearly defined inputs and outputs. This assumes that organizations are able to isolate themselves from their environment. Within the closed loop of the input-output cycle the primary task in the production of outputs is to define clearly goals and work towards their implementation. Though useful in providing an elaboration of formal structures of coordination and control, this view disregards, for the most part, the effects of the larger social, cultural, and technological contexts within which organizations are embedded.

Organizations are proactive in determining their own behaviour and direction; they are capable of changing, as well as responding to, the environment.¹⁶ For Pfeffer and Salancik, organizations are embedded in their environment of increasingly interdependent organizational networks, which both enrich and constrain their outcomes.¹⁷ The level of autonomy each organization has in its actions is directly proportional to the level of interdependence between them. For instance, CIDA's programming is governed by overall

15. W. Richard Scott, Organizations: Rational, Natural, and Open Systems, . p. 32.

16. Scott, p. 111 quotes Howard Aldrich and Jeffrey Pfeffer, "Environments of Organizations," Annual Review of Sociology, Vol. 2, 1976, p. 83.

17. Pfeffer and Salancik, p. 65.

policy direction from DFAIT, but within those parameters has a significant amount of operational autonomy. Canadian foreign policy in the Cold War period restrained CIDA from even considering extending development assistance to China. It was not until the late 1970s when China became a key player in Cold War dynamics that CIDA received clear directives from DFAIT that plans were to be put in place for bilateral ODA assistance to China.¹⁸ Planning the configuration and implementation of the China Program, however, was left almost exclusively for CIDA to determine. Similarly, the executing agencies to whom the China Program contracted projects had to comply with specific CIDA reporting requirements and overall Canadian foreign policy, but project conception, development, and implementation were left to the CEA's expertise.

There are obviously environmental pressures and constraints which organizations adapt to over time by recourse to a number of different strategies. Loose coupling is an important safety/survival device in managing these demands and is utilized so that environmental impacts are only imperfectly felt. It provides organizations with the ability to act across time horizons that are longer than the time it takes for the environment to change.¹⁹ For example, there has been a continuity in the objective that Canadian

18. Interview b14. Interview references are coded to assure the confidentiality of the interviewees and permit the author careful reference guides.

19. Pfeffer and Salancik, p. 13.

ODA pay more attention to commercial interests.²⁰ These interests run at cross purposes to the mandate of most CEAs which have been able to deal with this on the margins of project operations, i.e. Canadian sourcing of educational materials, technical equipment, livestock feed, and so on. However, as these CEAs have become more dependent on CIDA resources for their own survival, they have become less autonomous in their decision making and have had to integrate commercial considerations into their project planning. With the Canada-China Enterprise Management Training Centre in Chengdu (CEMTCC), for example, the Association of Canadian Community Colleges (ACCC) developed a consulting operation that served as a mechanism of applied learning. Over time, they were pressured by CIDA's increasing emphasis on commercial objectives to make the consulting operation also as a site where Canadian business opportunities could be developed.

Technical organizations like automobile manufacturers buffer their core technologies from the uncertainties of their environments by diversifying their production outputs, or by merging with some of their suppliers to decrease resource uncertainty. CIDA's mandate of administering development assistance does not allow for mergers and diversification, but there is a considerable amount of buffering or loose-coupling. In its most simplistic

20. CIDA, Strategy for International Development, (Ottawa: Information Canada, 1975); To Benefit a Better World. p.6; DFAIT, Canada and the World: Government Statement, (Ottawa: Public Works and Government Services, 1995). p. 40.

formulation, this means securing CIDA's core technology of administering and implementing ODA programming from the insecurity and instability of environmental influences like changes in government or unexpected and dramatic budget decreases. Although this strategy of buffering an organization's core technology from its environment is used by most types of organizations, it has an interesting manifestation in the institutionalized environment of ODA.

Broadly defined, this type of environment includes belief and relational systems that have arisen over time within a wider social context. Beliefs, in the context of Canadian ODA, are those which relate to the internationalist and humanitarian principles of fostering economic and social development in Third World countries. Relational systems, in the same context, are those which have developed over time in the implementation of these principles through Canadian ODA. For example, CIDA must conform to specified rules and requirements as laid out by Cabinet, the Treasury Board, the Auditor General, and the Department of Foreign Affairs for legitimacy and support. The Agency's outputs, however, are not evaluated in a competitive marketplace as are those in the private sector. ODA effectiveness is subject to flexible interpretation depending on the specific context. For instance, there are very specific rules and procedures for financial accountability to Finance, Treasury Board, and the Auditor General. There are different criteria for the preparation of monitor, evaluation, and end-of-project

reports. For example, with the China Open Cities Project (COCP) one of the key objectives was to realize trade and investment opportunities. Monitor and evaluation reports never actually weighed this objective against the number of commercial contracts signed or their specific dollar amounts. This is quite different from the private sector where profit margins are a constant in determinations of organizational effectiveness.

Buffering structure from activities is fairly commonplace in organizational behaviour. For example, public organizations like CIDA actively encourage professionalism, distancing activities from close supervision. Within the China Program, for example, projects are not closely managed for there is an inherent expectation that officers will conduct the Agency's affairs in a professional and responsible manner. Though some earlier projects were closely monitored by program officers, as CEAs became more experienced with CIDA's project implementation processes, only quarterly and annual reports had to be filed. Among the China Program's various projects, even within the same sector, there has been little integration or coordination, even though this might have contributed in some instances to an economy of scale or a sharing of lessons learned. The substantial difficulties of the CEMTCC in realizing commercial opportunities and the lessons learned from that, for example, were never integrated into the project development and implementation of a later project, the COCP.

Though not without some adverse consequences, minimizing inspection, evaluation, and control activities while allowing for adjustments based upon informal coordination is a critical structural and operational feature of organizational systems. It builds in a degree of flexibility and autonomous activity, thereby reducing dependence on and responsiveness to environmental directives.

Despite budget cuts and waves of public criticism, CIDA's China Program has been able to expand its scope and organizational network. From its nascent, experimental beginnings, the China Program has since been institutionalized within CIDA as one of the key bilateral programs in the Asia Branch. The program has been the central actor in creating a network of stakeholders, organizations, and institutions with a vested interest in CIDA's operations in China and elsewhere, such as the Federation of Canadian Municipalities (FCM), Agriteam, World University Service of Canada (WUSC), the Association of Universities and Colleges of Canada (AUCC), and the Association of Canadian Community Colleges (ACCC).

The following chapters on CIDA's China Program will develop the argument that the China Program has adapted to its organizational environment through the expansion of a network of stakeholders, a process which has been influential in shaping Canadian ODA policy toward China. The program has, partly by design and partly by default, ensured its legitimacy and survival in the expansion of this network.

How China projects were developed and configured was and continues to be dependent upon the entrenched interests of organizations and institutions within the program's network of stakeholders. Those institutions and organizations within the China Program's stakeholder network have shaped all or parts of their operations to be compatible with those of CIDA. In a sense, one can say that each has proactively co-opted the other.

The relationship between the China Program and its CEAs is one of dependence and interdependence. Each relies on the other for critical resources while the loosely-coupled nature of their relationship preserves an element of autonomy in the respective activities. The rapid expansion of Canadian organizations active in China and their increasing dependence upon CIDA for funding has further institutionalized this process of cooptation. As Canadian organizations and CIDA each enjoy some mutual advantage in this process, it is interesting to note that CIDA endures while CEAs come and go and even disappear. As the China Program moves into the twenty-first century, managing the expanding network of domestic and international organizations will be as important as the policy and planning process for the implementation of Canadian ODA to China.

1.3 Research Methodology

Three China Program projects are discussed in this

dissertation - the China Enterprise Management Training Centre at Chengdu (CEMTCC), the China Open Cities Project (COCP), and the Canada-China Lean Swine Project (Lean Swine). These were chosen because of access to data and interviews and because they could be used to illustrate a variety of arguments being made about the implementation of ODA in China. The COCP was also selected because of relatively easy access to project information. I was intrigued by the notion of extending development assistance to relatively prosperous urban centres because this seemed to indicate a tension between the project's goals and the principles of Canadian ODA. In 1996, having returned from a year of studying and conducting research on the three projects in China, I worked as a project officer on the COCP and gained first hand insight into the project implementation and evaluation process. I chose the CEMTCC because it appeared to be a clear example of the HRD model of development assistance, replete with the building of Chinese institutional capacity, and because it provides an interesting contrast to the COCP. Through attachment to the Joint Centre for Asia Pacific Studies at York University, I was introduced to the Canadian project manager at the CEMTCC who made himself available for interviews and arranged access to the project's documentation.

The Lean Swine project was selected because it was from the agricultural sector and would provide a contrast with the other two projects which were urban based. The choice of

this project was the result of a coincidental meeting in Beijing with one of the long term technical advisors (LTTA) of the Lean Swine project at one of its sites. At that time, this project was just in the beginning of the implementation process. The other two selected projects were already in the latter part of second phases and the information received essentially described what had been done over several years. The Lean Swine project was a unique opportunity to observe the implementation process as it unfolded. The project was being centrally managed from Beijing where I was then living and so I was able to conduct interviews and had access to project documents.

What I found was that these projects exemplified the China Program's ability to create sustainable partnerships with its CEAs. The CEMTCC study illustrates the flexible implementation of the competing policy objectives of the Canadian government as they were imposed upon the ODA agenda with China. Similar arguments emerge from the analysis of the COCP, but with a greater emphasis on commercial objectives. The Lean Swine project demonstrates how adaptation to budgetary constraints impacts effective project implementation. In all cases, what is clearly evident is that program implementation has been a gradual, incremental, interactive process critically dependent upon flexible organizational and professional relationships.

Assessing the effectiveness of the China Program against the broadly articulated policy objectives of "the

multiplication of the contacts at the thinking level" has proven to be a formidable task. My early research on Canadian foreign policy towards China focused on the 1980s. With the Tiananmen 'incident' of 1989, I found that the bureaucratic politics model of foreign policy decision-making provided a cogent and plausible way of explaining Canada's official response.²¹ Further research led to a specific interest in the China Program as a key instrument in Canada's relations with China. This required a broadened set of theoretical assumptions about how best to undertake an analysis of the program's development and evolution. While the foreign policy decision-making literature provided a basic framework for an analysis of policy development, it could not provide the basis of an analysis of the policy implementation process which has been the focus of my research. Organizational behaviour analyses provided further insights for a plausible explanation of the interactive and interdependent nature of the ODA project development, implementation, and evaluation process.

My analysis explains how the project implementation process becomes an integral part of the policy development process. The three projects examined provide examples of why CIDA policy goals and objectives with respect to China have been purposely broad. Their successful implementation was facilitated by the flexibility engendered by the vague policy of "the multiplication of contacts at the thinking level."

21. Máire O'Brien, "Canadian Foreign Policy Towards China in the Aftermath of Tiananmen: A Bureaucratic Politics Perspective," (York University, M.A. Thesis, 1991).

As the China Program has matured and become institutionalized within CIDA operations, this flexibility remains a critical dimension of its core operations. This is demonstrated by the limited integration of commercial and developmental objectives. The China Program's basic policy framework remains unchanged, thus, attempts to integrate commercial opportunities for Canadian business in grant-based ODA premised on human resource development will generally result in marginal returns for the business sector. The fiscal constraints of the 1990s imposed limitations on the program's autonomy by establishing more stringent accountability measures. The program has adapted to these constraints by imposing them on its network of CEA's and by coopting and applying the language of results-based management, though, for all intents and purposes, project planning and implementation processes remain virtually unchanged. Finally, the real success of the China Program has been the development of a substantial network of internationally competitive Canadian executing agencies that have expanded their operations to other countries in the developing world.

Chapter 2

Creating CIDA's China Program: Experimentation, Maturity, and Institutionalization

2.1 Introduction

Contrary to common understandings about the closed nature of the Canadian state, CIDA and the China Program have been quite sensitive and responsive to their organizational environment. In democratic forms of government one would assume this to be a given, but Canadian foreign policy, under which ODA is administered, is considered a fairly closed system.²² Administering ODA, particularly in the Chinese context, is unique, because although there must be compliance with overall foreign policy objectives, there must also be responsiveness to the broader domestic constituency of government departments and other institutions. These constraints have been compounded with one of the most significant challenges in implementing the China Program - the unpredictable nature of dealing with Chinese government departments and institutions. Flexible organizational relationships have been a key to the China Program's successful implementation both domestically and in the bilateral relationship.

22. See for example, Kim Richard Nossal, "The Democratization of Canadian Foreign Policy: The Elusive Ideal," in Maxwell Cameron & Maureen A. Molot, eds. Democracy and Foreign Policy: Canada Among Nations 1995, (Ottawa: Carleton University Press, 1995). pp. 29-43; Sandra Whitworth, "Women and Gender in the Foreign Policy Review Process," Ibid. pp. 59-98.

Coordinating intra-governmental positions on ODA began in the 1970s under the Liberals through a process of consultations between departments with an interest in ODA. These meetings became regularized in committees such as the Canadian International Development Board (CIDB) with representation at the deputy ministerial level, the Interdepartmental Committee on Development Assistance (ICDA) with junior departmental representatives, and the Interdepartmental Committee on External Relations with Developing Countries (ICERDC) containing many of the same members from the ICDA whose responsibility included foreign policy issues other than just aid.²³ With representation from the Department of External Affairs (EA), the Prime Minister's Office (PMO), the Privy Council Office (PCO), the Treasury Board, and the Departments of Finance, Agriculture, Industry, Trade and Commerce (ITC), and later Immigration, this committee system was intended to develop a wide-range of policy options on aid that could be presented to Cabinet. In practice it produced consensus positions that did not conflict with the objectives of other departments.²⁴ These initiatives were part of the complex Cabinet committee system of the Trudeau years which did not survive the transition to the Conservative government of the 1980s. Policy documents under the Liberals and Conservatives continued to articulate the

23. Peter Wyse, Canadian Foreign Aid in the 1970s: An Organizational Audit, (Montreal, PQ: Centre for Developing-Area Studies, McGill University, 1983). p.26-27.

24. Ibid.; CIDA, Canada and Development Cooperation: Annual Review 1975/76, (Ottawa: Supply and Services, 1976). p. 97; Paul Gerin-Lajoie, Development Administration, Thoughts on International Development, No. 4. (Ottawa: CIDA, Information Division, 1972). pp. 10-11.

primacy of Third World development in Canadian ODA, but program implementation reflected preferences for quick-disbursing, high-dollar infrastructure development.

This type of development assistance was widely disbursed in Africa, Latin America, and parts of Asia through government-to-government or bilateral assistance.²⁵ Decisions on the nature and extent of bilateral programs included the development of a Country Program Review (CPR) which highlighted the political, social, and economic conditions of recipient countries. Along with the CPR in the 1980s, CIDA developed an eligibility framework that distinguished core, middle-income developing countries, from non-core, poorer countries, i.e. those with per capita incomes above and below \$625 respectively.²⁶ The intent was to expand Canada's international economic and political relations while maintaining domestic credibility as a professional well-managed bureaucracy responsive to the broader Canadian ODA community.²⁷ That community interest was multi-dimensional, including non-governmental organizations (NGOs) such as the Canadian Council of Churches, the YM/YWCA, World Vision Canada; international

25. From 1949 through to the 1970s, the percentage of ODA being channeled to bilateral programming has been nearly twice that distributed to multilateral institutions. In the 1980s, there is an increasing parity in these two instruments. See Appendix A in David Morrison, Aid and Ebb Tide, p.453-4.

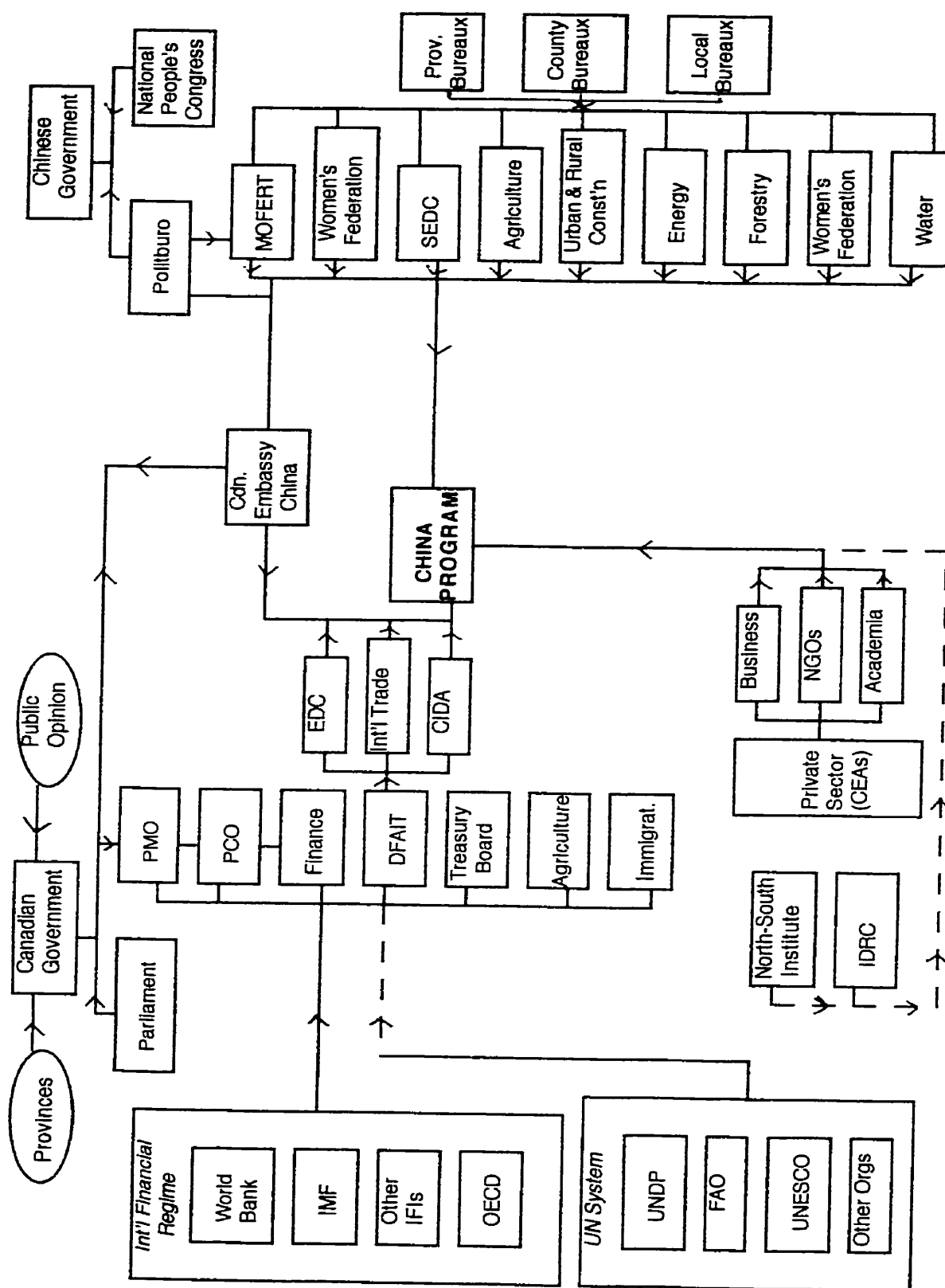
26. 1978-79 figures in US\$. Quoted from Canadian Council for International Cooperation, "Excerpts from a CIDA Paper on the 'Agency Programming Framework (APF),' December 1981," (Ottawa: CCIC, 1982). in David Morrison, Aid and Ebb Tide, p. 190.

27. Canadian interests, particularly commerce, have received strong emphasis in Canadian ODA and foreign policy documents. For example, see External Affairs Canada, Foreign Policy for Canadians, (Ottawa: Queen's Printer, 1970); CIDA, Strategy for International Development Cooperation, (Ottawa: Information Canada, 1975); CIDA, To Benefit a Better World.

non-governmental organizations (INGOs) such as Save the Children Canada, Feed the Children, Oxfam; non-governmental institutions (NGIs) such as the Association of Canadian Community Colleges (ACCC) and the Association of Universities and Community Colleges (AUCC); executing agencies like Agriteam and the Foundation for International Training (FIT); as well as federal and provincial departments, the business community, politicians and their various constituencies. The challenge for the Agency was to balance and be responsive to these competing interests while maintaining coherence in ODA programming.

Diagram 2.1 gives a visual depiction of the multi-dimensional nature of the ODA community by showing the China Program's position in its organizational environment. Though the seemingly clear and distinct lines of responsibility and coordination give an impression of tightly integrated relationships, in actuality these are relatively loose and provide the Agency with considerable flexibility in how it responds to what are often simultaneous and conflicting demands without compromising its operational integrity.

Diagram 2.1 : The China Program's Organizational Environment



The rapid expansion of ODA disbursements during the 1970s and into the 1980s outstripped CIDA's administrative capacities. Projects were increasingly contracted out to Canadian NGOs and NGIs. For example, NGOs receiving CIDA funding grew from twenty-five in 1960 to over two hundred and twenty in 1987.²⁸ NGIs in the form of post-secondary institutions and their associations also became an integral part of Agency programming, as did a whole network of international development consulting firms.²⁹ Within CIDA, an entire labyrinth of diffuse geographical and functional departments was built around this rapid growth and has been entrenched over the years in such a way that each has "...its own parochial culture and each [is] very resourceful in preserving its autonomy from central direction."³⁰ The enduring legacy of this has been that ODA policy in China is in effect developed and implemented by geographical branches like the Asia Branch, country programs like the China Program, and their expanded networks of CEAs.³¹

The development of a new bilateral program in China formalized a set of interests which had been developing informally over the course of almost ten years. This provided a

28. Tim Brodhead and Brent Herbert-Copley, Bridges of Hope? Canadian Voluntary Agencies and the Third World, (Ottawa: North-South Institute, 1988). pp. 12-17.

29. Karen Mundy cites Salasan Associates, Kanchar, Universalis, Lavalin/Eduplus as just few of these firms emerging in the 1980s. Karen Mundy, "Human Resource Development Assistance in Canada's Overseas Development Assistance Program: A Critical Analysis," Canadian Journal of Development Studies, Summer 1992. p. 398.

30. Cranford Pratt, "Towards A Neo-Conservative Transformation of Canadian International Development Assistance," International Journal, Vol. 47 Summer 1992. p. 605.

31. Glen Eyford, "Institution Capacity Building in Academic Settings," in Ann Bernard, Charles Lusthaus and Paul McGinnis, eds. A Review of Human Resource Development in China: Concept Papers on Various Aspects of HRD in China, Commissioned by CIDA, (Hull: CIDA. March 1992). p. 39-81

sense of national leadership in relations with China through the vehicle of a formal bilateral ODA program; it has been successful to the extent that there now exists an impressive set of domestic businesses and organizations with the capacity to implement CIDA's projects. Assessments and evaluations of the China Program have placed little emphasis on this dynamic and yet this is perhaps of greater significance than the impact which the program has made on China's overall development.

2.2 The Formative Years: An Expanding Environment

Canada's official recognition of China on October 13, 1970 began a ten-year process that culminated in CIDA's China Program. Though trade and cultural agreements were arranged in the 1970s there was no formal Canadian ODA policy until 1981. Canada and China had agreed to their first exchange of students in 1973, which continued rather smoothly over a period of five years; by February 1980, over one hundred and forty Chinese scholars had been placed in Canadian educational institutions.³² Also in 1980, Saskatchewan initiated a twinning arrangement between the cities of Regina and Jilin that became the basis for a project of training of agriculturalists in dryland farming technology.³³ Alberta had also begun negotiations for a similar

32. Maybee, p. 7; Flora MacDonald, "Canada/China Student Placement Programme," Department of External Affairs Communiqué, No.53, 17 July 1979; Department of External Affairs, Annual Review 1979, p. 65.

33. CIDA, A Canada-China Program for Human Resource Development, (Hull: CIDA, April 1982). pp. 107-108.

arrangement with Heilongjiang Province in northeastern China.³⁴ Progress on further initiatives by other provinces and institutions was hampered by the lack of policy direction and financial support from the federal government.³⁵

Parallel to these provincial activities were those undertaken by a business community which was anxious for the federal government to develop a formal program of development assistance. China's modernization presented Canadian business with an incredible opportunity they were unable to take full advantage of without assistance from the federal government. In May 1979, Export Development Corporation (EDC) Chairman John MacDonald visited China to negotiate an agreement with the Managing Director of the Bank of China for a CDN\$2 billion line of credit to cover purchases by China of capital goods and services from Canada.³⁶ The obvious complementarity between Canada's trade priorities and ODA in China made this line of credit a logical consideration and, to further this end, in November 1979, the Export Promotion Review Committee in the Department of External Affairs presented a policy recommendation that CIDA and the EDC play a more supportive role in helping Canadian business bid more effectively for development

34. Ibid. p. 98; Maybee, p.7; Scott Wade, "Scott Wade Report" (Hull: CIDA, January 1986), p.19.

35. Interview b14.

36. Maybee, p. 6; Interview b14.

contracts.³⁷ The objective effectively was to rectify weaknesses that had become manifest in Canada's past ODA relationships which had not led to increased commercial trade with developing countries. Thus, a conscious effort was made to utilize Canadian ODA to China to enhance opportunities for two-way trade expansion.³⁸

Educational exchanges, provincial twinnings, a generous EDC line of credit, assistance through the IDRC, and a network of informal relationships between Chinese and Canadian government officials brought increasing pressure upon the federal government to formalize an ODA program to China. There were as yet no formal efforts to promote closer cooperation and coordination among the various departments in their growing China activities, so there was very little integration of each department's efforts except via the Department of External Affairs.

Several CIDA officials had been making a case for a China Program. A Memorandum to CIDA from External Affairs

37. This has been part of a deliberate strategy on behalf of CIDA "...to seize the opportunities for complementarity of developmental and commercial goals and to elevate the traditional aid relationships to a more sophisticated form of cooperation Glen Shortliffe, "Canadian Development Policy and the Asia Pacific Region." p. 5; China was only one of two countries which the Canadian government extended concessional financing to in the 1980s. See Mayhurst Consulting Group, Final Report: Annual Meeting Between the China Program of the Canadian International Development Agency and the Canadian Executing Agencies, (Ottawa: Mayhurst Consulting Group, June 1990). p. 9; Maybee, p. 7; Strengthening Canada Abroad, Final Report of the Export Promotion Review Committee (Ottawa: Department of Industry Trade and Commerce, 1979).

38. This in fact became one of the explicit goals of the China Program. See CIDA, "China: Country Program Review, 1985-90," (Hull: CIDA, December 1984), p. i; Martin Rudner, "Trade Cum Aid in Canada's Official Development Assistance Strategy," in Brian Tomlin and Maureen A. Molot, eds. Canada Among Nations: 1986/Talking Trade, (Ottawa: James Lorimer & Company, 1987). pp. 128-29.

requesting the development of a China Program had been issued in 1979, but a considerable length of time lapsed before CIDA officials were able to act on this. One reason for this was that there was a great deal of uncertainty about where new program funds would come from.³⁹ During long deliberations External Affairs and CIDA officials were in frequent contact trying to formulate a possible course of action.

As a backdrop to these deliberations, other China related governmental and business activity continued throughout 1980. Vice-Premier Bo Yibo made an official visit to Canada in August of 1980 for meetings with the Minister for Industry, Trade and Commerce Herb Grey and Minister of State for International Trade Ed Lumley. The Vice-Premier traveled across Canada with industry leaders and government officials and discussed the line of credit that had been extended a year earlier though not utilized because the Chinese were only interested if this was offered at a concessional interest rate. The Minister of Agriculture, Eugene Whelan, had made an official visit to China in September 1980 and had signed a Memorandum of Understanding (MOU) with the Ministry of Agriculture and the Ministry of State Farm and Land Reclamation to promote the exchange of technical and scientific information and materials, as well as the exchange of technical personnel, managers, scientists, and trainees.⁴⁰ These arrangements gave priority to the transfer of technology related to prairie grassland and beef

39. Interview, b14; Interview, a10

40. Department of External Affairs, Annual Review 1980, p. 58

cattle production on which Saskatchewan had taken the initiative.⁴¹ The Minister of State for International Trade also visited China, and he and his Chinese counterpart opened the seventh meeting of the Canada-China Joint Trade Committee in Beijing.⁴² Finally in September 1980, External Affairs Minister Marc MacGuigan met with Foreign Minister Huang Hua at the United Nations where he accepted an invitation to go to China the following summer, ostensibly to sign an MOU for a new bilateral assistance program.⁴³ Drought and flooding in Hubei and Hunan in the spring of 1981 occasioned a Canadian donation of \$4 million in humanitarian relief. This was the signal for the actual beginning of CIDA's official aid program for China, though the MOU for the program was not officially announced by Marc MacGuigan until August 1981.⁴⁴

2.3 The Inception Period - Organizational Adaptation

The period leading up to the official announcement was one of protracted negotiations between senior government officials in the Departments of External Affairs, CIDA, Industry, Trade and Commerce, Finance, Agriculture, the Privy Council Office (PCO), and Canada's Ambassador in Beijing. The discussions centered around four key issues: 1) the source of what promised to be a sizable budget for an ODA program to China; 2) the public

41. Ibid; Maybee, p. 13.

42. Department of External Affairs, Annual Review 1980, p. 57.

43. Maybee, p. 13; Department of External Affairs, Annual Review 1981, p. 88.

44. CIDA, China Country Program Review, 1985-90, (Hull: CIDA, December 1984). p. 6.

perception about giving ODA to a communist country; 3) whether China had the institutional capacity to administer an aid program; and 4) the need for the Canadian government to consider concessional, as opposed to, consensus rates on the offered line of credit.⁴⁵ A great deal of debate also took place concerning the appropriate configuration for a bilateral program in China. At the senior level in the President's Committee of the Vice-Presidents of the Agency, it was at first conceptualized in very traditional terms, i. e. capital intensive infrastructure projects, lines of credit, technology transfers, etc.⁴⁶

Marcel Massé, who had taken on the Presidency of the Agency after several years with the World Bank and the United Nations, attempted to provide form and structure to the development of the China Program. He intervened in these early discussions and proposed another model which differed from those CIDA had with other developing countries. China was Communist, and, though poor, not destitute. It had no balance of payments problems and had a fairly well developed educational and industrial infrastructure. With China's foundations distinctly different from those of other developing countries, Masse considered human resource development (HRD) to be the best way to maximize Canadian expenditures; to develop mutual opportunities for individuals and organizations in both countries; and to apply

45. B. Michael Frolic, "Everybody Benefits: Canada's Decision to Establish a CIDA China Aid Program in 1981," Paper presented at the Canadian Political Science Association, Annual Meeting, Brock University, June 4, 1996. pp. 13-17.

46. Interview a13.

the Agency's cumulative knowledge in the delivery of ODA elsewhere in the developing world.

Though budgeted funds for the program were initially limited, these were to be maximized by the strategy of institutional twinning.⁴⁷ In broad terms, this meant supporting mutually cooperative efforts between institutions in Canada and China. Institutional cooperation agreements with CIDA required participating institutions to provide a certain percentage of their own funding or other resources for project implementation. These mutual contribution agreements were a useful delivery mechanism for the China Program because they were an efficient use of scarce financial resources and helped to expand already existing institutional relationships. This was a deliberate but flawed design because it was not well understood how these relationships could be sustainable beyond CIDA funding, nor was it clear how they would actually contribute to human resource development in China.⁴⁸ In short, there was no strategic focus or framework for institutional development.

Institutional twinning and development was a unique feature of the China Program, for it had not yet been used to any extent in other CIDA programming.⁴⁹ The urgency of getting the China Program operational created a situation in which various delivery mechanisms had to be explored creatively and quickly. In the process, adherence to existing procedures was not

47. CIDA, China Country Program Review, 1985-1990. p. 9.

48. David Gray, "Institutional Linkages in China," in A Review of Human Resource Development in China. pp. 15-38; Glen Eyford, "Institution Capacity Building...", A Review of Human Resource Development in China. pp. 39-81.

49. CIDA, China Country Program Review, 1985-1990. p.9.

rigorous. For instance, the only real Agency experience on the China Desk at that time came from a staff member seconded from the Special Programs Branch. This Branch responded to requests from NGOs. It was responsive, not proactive, in its programming approach. Yet, having a sense of the institutional capacity of Canadian NGOs in general and eager to operationalize the program, the first team of Desk officers (two in the fall of 1981) approached NGOs and other institutions which they thought were capable of carrying out the type of projects the Chinese had requested and which the Agency was willing to fund. Eagerness to operationalize the program and knowledge of the presence of China specialists at some of these institutions influenced some of the early choices.⁵⁰

Planning proceeded with a small preplanning mission to Beijing in December 1981. This mission's ability to make successful use of the personal relationships that had been developed during the period of establishing Canada's official recognition of China provided a confirmation of the Agency's new strategy of implementing a people-to-people approach which maximized and built upon established linkages.⁵¹ Negotiations on choosing the appropriate Chinese partner agency were initiated during Minister MacGuigan's 1981 trip and decided upon

50. Professor Mary Sun at St. Mary's University in Halifax was asked to develop the Canada-China Culture and Language Training Centre which was a significant component of the overall China Program for almost twenty years. China specialists at the University of Toronto were part of the initial medical exchanges. Institutional twinning projects were initially located at the University of Toronto, York University, and later University of British Columbia where Sinologists such as Bernie Frolic, Victor Falkenheim, Diana Lary, Jerome Chen and Bill Saywell were located. See CIDA, A Canada-China Program for Human Resource Development, pp. 14-15 and 104-110.

51. Interview a16.

by the Chinese with very little Canadian input.⁵² The Ministry of Foreign Economic Relations and Trade (MOFERT) was chosen to be CIDA's bilateral partner over the State Import and Export Commission (SIECO) because of MOFERT's broader scope. Though MOFERT's inexperience with ODA management was evident in their presentation of a lengthy but disparate list of projects, their focus on agriculture, energy, forestry, and management was very clear. With these clearly identified areas and the project list as a guide, the mission went back to Canada, developed an interim strategy for the program, and planned the first inception mission.

Ordinarily, strategy documents for a new bilateral program are developed after a lengthy period of time in which a great deal of research and analysis is conducted. The process usually takes several years and can cost several million dollars. Such was not the case with the China Program Interim Strategy document which emerged within months of that first pre-planning mission.⁵³ With its emphasis on people-to-people exchanges, institutional twinning, and human resource development, the strategy was a fairly significant departure from the traditional capital-intensive infrastructure approach and in this sense quite innovative. In March 1982, this interim

52. B. M. Frolic. "Everybody Benefits," p. 18-22; In a study of the limits of overseas development assistance in China, David Zweig points out some of the dynamics about the manner in which Chinese government departments become partner institutions for ODA donors like CIDA. See David Zweig, "Controlling the Opening: Enmeshment, Organizational Capacity and the Limits of Overseas Development Assistance in China," Paper prepared for the Annual Meeting of the American Political Science Association, September 2-5, 1993.

53. The author of the Interim Strategy Document claims that it was written in less than a month. Interview a16; Interview a10.

strategy was defended in the President's Committee by the China Program Director and praised by Massé as being 'heretical,'⁵⁴ in that the proposals made were radically different from any previous programming of the Agency. They were labour-intensive whereas other bilateral programs were capital intensive.⁵⁵ With CIDA's limited human and financial resources, Canadians were to be involved in a manner that had not been evidenced before in CIDA's programming. There was some initial resistance to this approach in the President's Committee, given the traditional backgrounds of the members, but during an important mission to China a month later they became more amenable.⁵⁶

The strategy broadly laid out the basic parameters within which the program would develop projects. In the areas of forestry, agriculture, and energy, the development of China's human resources and institutions was to be the primary objective. HRD was identified as an area similar to forestry, agriculture, and energy, though this is somewhat misleading because it was the primary thrust of the entire program. This translated into a term attributed to Massé as "the multiplication of contacts at the thinking level."⁵⁷ Masse was deeply impressed by international currents and was able to bring what some have called a sense of the visionary to the

54. Though the transcripts of the meeting were not available for the author's perusal, at least two CIDA officials corroborate this observation. Interview a16; Interview a13; B.M. Frolic, "Everybody Benefits," p. 23.

55. CIDA, China Country Program Review, 1985-90, p. 6.

56. Interview a16; Interview a13; Interview a4; CIDA, A Canada-China Program for Human Resource Development describes the results of that mission.

57. See Chapter 1, p.1.

development of this concept.⁵⁸ Massé addressed the obstacle presented by a generation of CIDA officials accustomed to, or acculturated in, traditional programming by initiating a series of management retreats in which international ODA specialists gave seminars on emergent trends in development, with particular emphasis on the increasing importance of the transfer of knowledge.⁵⁹ Though Massé had made it very clear that the China Program's primary thrust was to be institutional linkages, traditionalists had a difficult time conceptualizing how that was to be operationalized. So it was with great care that Massé chose the members of the first mission. There were several with considerable Asian development experience, some with experience in China, and a few junior executives who were well convinced about the new approach of "multiplication of contacts at the thinking level".⁶⁰

Having barely laid the institutional framework for the program the first inception mission went to Beijing in April 1982 to meet with officials at the relevant ministries and to go into the field to conduct site visits for the project proposals submitted earlier the previous year. The time period from the execution of this mission to the completion of Agency

58. The anecdotes with respect to the innovative vision of this concept are seemingly endless. One example is that of Deng Xiaoping's son who received treatment for a spinal disorder in an Ottawa hospital. The Chinese were so impressed with the procedure that they requested funding to train a few doctors in the procedure. Funding was granted and over a period of two years an impressive number of doctors were trained in China by those doctors trained in Canada. Essentially this meant finding solutions for problems by sharing knowledge, in other words achieving a maximum return for a minimum investment. Interview a13; Interview a16. B.M. Frolic, "Everybody Benefits," p. 21-23.

59. Interview a4.

60. Interview a13.

documentation and the selection of the CEAs covered a time period of at most six months. Almost without exception, Agency personnel, CEA directors and staff, and evaluators have said that this was the most exciting and fruitful period of the program's existence. The energy and enthusiasm of those few involved in the early days lent a strong sense of commitment to the implementation of what they considered quality projects.

As the program became more institutionalized over the next several years within CIDA, as well as within the network of organizations and institutions administering its projects, and with a large infusion of funds, the its processes became more standardized. Broadly articulated goals ensured the requisite degree of flexibility needed to implement these early projects. Evaluations were rarely critical in a manner which might have compromised project viability. Everything was largely experimental except for the program's core functional activities such as financial reporting, adherence to process and procedure, and the like. Substantive issues concerning the actual accomplishments of the projects were left for the most part to those to whom responsibility was delegated - the CEAs. The absence of sectoral integration or cooperation and coordination between projects, and little policy direction beyond "the multiplication of contacts at the thinking level" ensured widely disparate, largely unfocused ODA programming that would eventually come under closer scrutiny in the 1990s environment of increasingly scarce financial resources and government downsizing. An

enduring characteristic of the program, however, has been its ability to meet these challenges, to accommodate changes without seriously compromising its integrity.

2.4 Program Implementation-Phase I (1982-1986):

A Steep Learning Curve

Project Inception Mission documents (PIMs), Project Approval Memoranda (PAMs), and Project Operation Memoranda (POPs) on accepted project proposals were processed quickly and smoothly. One officer prided herself on being able to process over ten sets of these documents within a ten week time frame!⁶¹ It is a particular distinction of this period that so many projects were implemented within such a short period of time, generally taking less than one year from the idea to the implementation. As the program became institutionalized within CIDA and the novelty wore off, this short time frame changed so that it may now take several years for a project to be processed from inception to implementation. It is standard operating procedure in other CIDA bilateral programs that when a project reaches the Project Definition Mission (PDM) stage, rigorous country analyses and sectoral studies have already been conducted so that when the PDM returns from the field it will be with a sound project design.⁶² In the early days of the China Program, however, there just was no time for lengthy procedures. Lessons learned

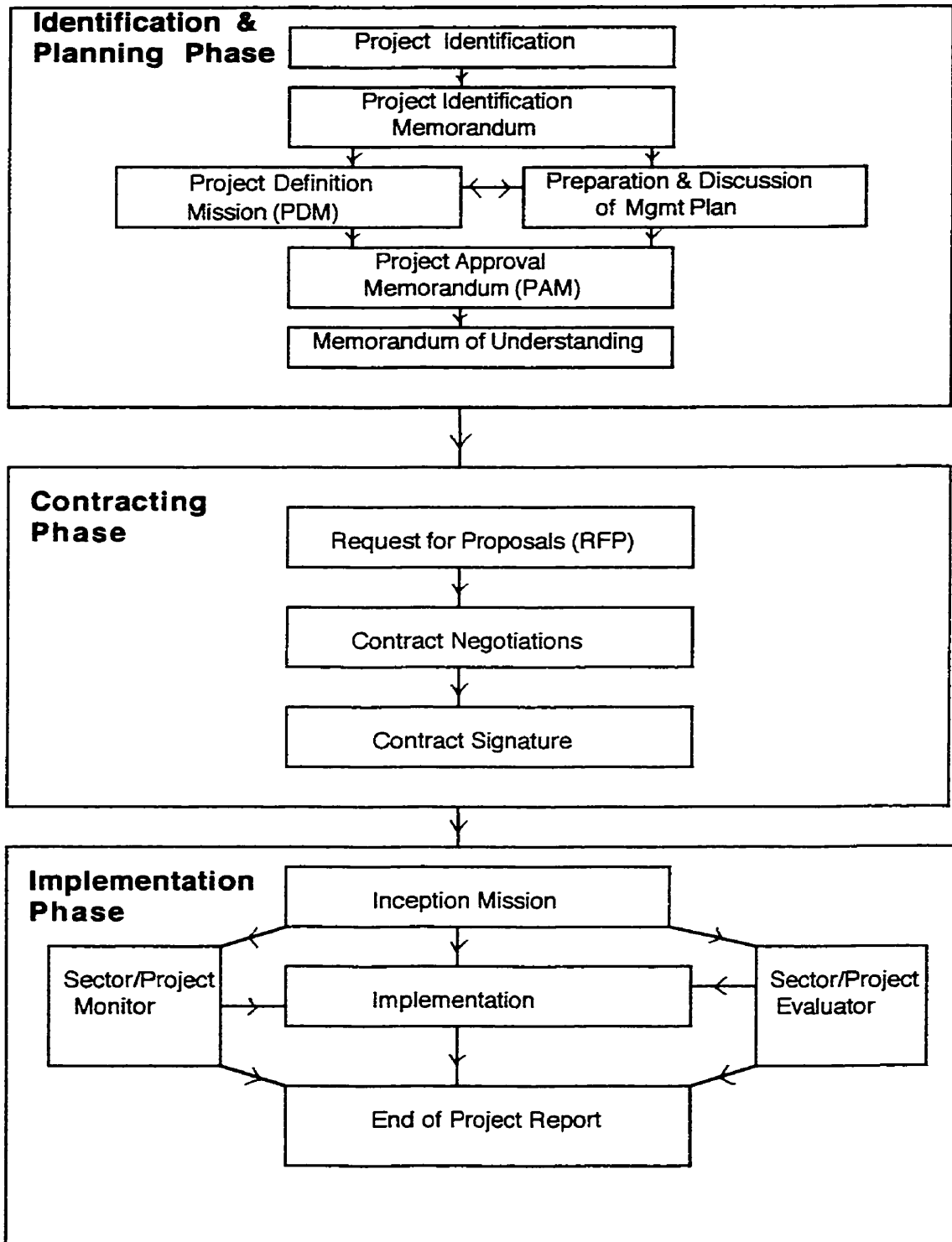
61. Interview a16.

62. Interview a5.

from the implementation of other bilateral programs such as those in Indonesia were of a very general and limited nature. Given the generally limited interaction between bilateral programs in CIDA, it is unlikely that these lessons would have had much bearing on project planning and implementation processes. So, the learning curve for desk officers and CEAs alike remained steep for several years as everyone familiarized themselves with this new terrain.⁶³ Diagram 2.2 lays out the typical project management cycle in the China Program.

63. CIDA, Implementing HRD Projects in China and Indonesia: Some Emerging Lessons of CIDA Experience, (Hull: CIDA, April 1987).

Diagram 2.2 : CIDA Project Management Cycle



Though the above diagram neatly lays out the project management cycle, in the early implementation stages of the China Program this was only a loose formality. For example, early agricultural projects like the Tanggu Quarantine Centre in Tianjin, the Harbin Cattle Breeding Centre, the Keshan Potato Farm, and the Dryland Grassland project had already been planned and decided upon through provincial initiatives. The executing agencies were sole-sourced, i.e. there was no request for proposals (RFP). In the case of the Chinese Enterprise Management Training Centre at Chengdu (CEMTCC), ACCC was sole-sourced and had been involved in the project definition mission, the preparation and discussion of the management plan, and the project approval memorandum. Though several other CEAs were considered for the China Open Cities Project (COCP), FCM was also sole-sourced and was part of the whole project planning process from the very beginning.

Another example of this flexible and questionable development and implementation process was the Canada-China Language and Cultural Training Centre (CCLC). The CCLC was established in 1982 to integrate pre-preparation and language training for Chinese trainees in Canada with orientation for Canadian project staff. English language training was a priority because not many Chinese spoke English. Officers at the China Desk arbitrarily decided that, rather than contract Teaching English (or French) as a Foreign Language (TEFL) to professionals who would, in their words, 'hog it all,'⁶⁴ they

64. Interview a4.

would offer the opportunity to organize the CCLC to a well-known Canadian sinologist, Canada's former cultural attache to China, Dr. Mary Sun at St. Mary's University in Halifax. The Ministry of Foreign Economic Relations and Trade (MOFERT) decided that the Centre in China would be located at Beijing Normal University.

Rather than use standardized TEFL processes and tests, the CCLC preferred to develop its own.⁶⁵ The Centre developed the CANTEST for assessing language proficiency, but though the test is useful in the Canadian context, most trainees would have preferred a more internationally accepted assessment like the Michigan test. The political need to maintain the CCLC overrode more cost effective and accessible language training for Chinese trainees. The Centre in Beijing was expensive and most work units could not afford to have their valuable employees be away for lengthy periods of time. Yet, because CIDA had invested so much in it, the CCLC remained a central component for all the China Program's projects until 1993. Overall ODA budget cuts, however brought the entire project's funding to an end in 1995.

The ten-year process of developing and institutionalizing the language training centres at Beijing Normal and St. Mary's would not have been possible without CIDA funding. The utility of the CANTEST remains questionable; however, both Centres are operational on a fee-based service to the private sector. They are still involved in processing some CIDA project trainees, especially those in transportation and

65. Interview a4.

oil and gas projects.⁶⁶

Other projects like the Chinese Enterprise Management Training Center at Chengdu (CEMTCC), the Canada-China University Linkage Program (CCULP), the Canada-China Management Education Program (CCMEP), the Human Development Training Project (HDTP), and the Harbin Cattle Breeding Project provide similar examples of the flexibility built into the planning process to accommodate the experimental nature of the institutional twinning and human resource development model. With very little consultation among departments, decisions were made that had a lasting impact on future programming and project formation. Desk officers decided, without any internal consultation with their own Professional Resource Officers (PROs) that in the field of education, because community colleges were involved in applied management training, the Association of Canadian Community Colleges (ACCC) would be the logical choice to conduct the management training in their enterprise management training centers.⁶⁷ This choice was made even though ACCC had very little demonstrated international experience or institutional capacity to implement ODA projects. Similarly with the CCMEP and the CCULP, "CIDA waved all this money in front of the universities and they went crazy."⁶⁸ Evaluations have indicated that though an enormous amount of activity has taken place in these projects over the years, i.e. the multiplication of

66. Saint Mary's University, Canada/China Language and Culture Program: 1991/92 Annual Workplan, (Halifax: St. Mary's University, 1991). p. 11.

67. Interview a4.

68. Interview a4;

contacts, there has not been a parallel institutional development that could sustain this activity beyond CIDA funding.⁶⁹

The pretense has existed that CIDA developed the proposals for these projects and tendered them for contract, but in actuality they were sole-sourced and developed by the universities and colleges.⁷⁰ In the case of the Harbin Cattle Breeding Project, SEMEX was sole-sourced as the only Canadian organization capable of managing a project of this nature. China Desk officers proved capable in choosing the appropriate CEA upon whom they could depend for reliable project planning and implementation. It was only as the program became more institutionalized within the broader CIDA framework that the China Desk was required to take a more active role in the planning and implementation process.

Such ease in allocating institutions and organizations was clearly to the advantage of the program in getting projects operational within a short period of time. As might be expected, it led to mixed results with regard to effectiveness, the achievement of goals, and satisfaction among the intended beneficiaries, the Chinese, on the one hand and Canadian constituencies on the other. With limited planning, compromises were made and some of them had nothing to do with development in China but with the Canadian domestic context. Canadian

69. Association of Universities and Colleges in Canada, "University Consultation on Human Resources Development in China: Summary of Consultation," (Ottawa: AUCC, May 1992).

70. According to one source, "The old boys essentially cut up the pie amongst themselves and then decided that the Chinese needed to know what they had bought into." Interview a4.

linguistic politics made it mandatory for a percentage of project trainees to be streamed into French language training when this was not something in which the Chinese were interested. Canadian regional politics influenced the allocation of linkages between Canadian and Chinese universities in the CCMEP by attempting to evenly distribute institutional linkages across all the provinces. The Chinese were not interested in any of the management schools in Quebec, but this was disregarded in favour of federal-provincial political considerations.⁷¹ A consortium of four Quebec universities, McGill, École des Hautes Études Commerciales, Université du Québec à Montréal, and Concordia were designated by the AUCC and the Federation of Deans of Management Schools and Colleges to be affiliated with People's University and Tianjin University.⁷² Only after firm decisions had been made were the Chinese informed about the fait accompli regarding those choices. Though CIDA made the "final determination of which Canadian universities would participate and arranged the initial linkages with the corresponding Chinese universities," this was based almost exclusively on the recommendations of the AUCC and Canadian deans.⁷³

In the process of contracting out the responsibility for project implementation, the China Program, in essence, delegated a degree of decisional autonomy to the CEAs. It was incumbent

71. Interview a4; a10.

72. Interview a4; Doris W. Ryan and Thomas Fleming, Evaluation of the Canada-China Management Education Program (CCMEP), (Toronto: Ontario Institute for Studies in Education, March 1986). pp. 16-18.

73. Ryan and Fleming, Evaluation of the CCMEP, pp. 16-18.

upon the program officers to rely upon the professional recommendations of their project partners. This informal emergence of mutual interdependence of CEAs and CIDA, one for financial resources and the other for effective project implementation and sound advice, has since been structured and formalized through the Partnership Branch and entrenched in Bilateral Programs.

The Chinese were unfamiliar with this kind of mutually cooperative approach to development and in some cases they were not entirely convinced about the HRD approach. For instance, in the case of the Jiagedaqi Forest Fire Management Project, the Chinese had assumed that equipment would be the primary contribution of the project and were disgruntled to find otherwise. The Canadian team had determined that the problem with effective fire control was not lack of equipment but the confusion generated by three centres of fire control. The team told the Chinese that no number of water bombers could improve their effectiveness as a fire fighting company if they were not able to centralize the management of the company. The Canadian team was able to overcome its partners' skepticism enough to have them agree to train several of their key people and get them to disseminate this information to the fire fighting company as a whole.⁷⁴ This strategy built personal relationships between the professionals on both teams and also helped strengthen the institutional capacity of the Jiagedaqi Forest Fire Management team while maximizing upon the limited financial

74. Interview a16.

and human resources available to the China Program. In this case, the project was highly focused, did not generate institutional dependence on CIDA, and was apparently successful despite initial Chinese objections or disappointment.

In other instances, CIDA projects had an expansionary effect on the CEAs. There is the example of the Chinese surgeon who became aware of a sophisticated medical technique that relieved paralysis caused by spinal injuries, a technique pioneered by Canadian surgeons in Ottawa. As a result, a small team of Chinese surgeons came to Canada, were trained in the technique, and returned to China, transferring the knowledge learned to their colleagues and students.⁷⁵ This small successful exchange became the Ottawa Civic Hospital Cooperative Medical Project and was emulated in several other instances, e.g. the Assistance to Paediatric Hospital Project and the Sichuan Health Sciences Project. In this case, experimentation and emulation led to results in which the Chinese benefited as much or more than the Canadians. After 1984, projects like these were designed and implemented under the umbrella of national organizations such as ACCC and AUCCC in order to ease the administrative burden of so many small projects on the China Desk. CCULP, for instance, became the umbrella arrangement under which thirty-one university hospital linkage projects were administered by the AUCC from 1987 to 1996 (even though health was not a sector for the program).

75. This project began as the Cooperative Medical project with a modest budget of C\$96,000 and then became more formalized in the China Rehabilitation Centre Project (1986-90) at the Ottawa Civic Hospital with a fairly substantial budget of C\$1.5 million.

The institutional environment of the program expanded rapidly with the involvement of Canadian universities and colleges. Since most projects involved the upgrading of Chinese educational institutions across all sectors, it was assumed that parallel Canadian institutions would be involved. At the time, however, educational institutions in Canada had limited international experience so that a great deal had to be learned. Canadian universities and colleges had been fairly marginal in the ODA network of organizations and institutions in the late 1970s, though during the 1980s their share of the China bilateral budget was at least 80 to 90% of an estimated \$128 million.

The program's growth was a manifestation of the rapid expansion of a development model that was in the process of being defined as it was being implemented. Evaluations focused on the numbers of individuals trained with limited attention to the actual impacts. This was certainly difficult to assess in the first place because of the dynamic changes occurring in China. Measured against broadly articulated objectives like the multiplication of contacts through human resource development and the creation of commercial opportunities for Canadian business, effectiveness was assured. Involving increasing numbers of institutions and individuals multiplied the contacts made between China and Canada, but these efforts were not linked to creating sustainable relationships. Sustainability was assumed, not planned for. It was only after years of experimentation with institutional linkages and human resource

development projects that the lessons learned actually began to inform future project planning. The program's most immediate objective from 1981-1985 was to operationalize projects and generate as much activity as possible. Sustainability was an implicit assumption. Without a clear strategy for building institutional capacity, much of the strength of this human resource development approach was diluted.

2.5. Program Implementation - Phase II (1986-1990):
Expansion and Contraction

With the modest budget of approximately CDN.\$160 million⁷⁶ in the first five years of the bilateral program, administrators were forced to be innovative about project development. Between 1982 and 1984 there were no less than forty-one projects, the majority of which had budgets of less than \$100,000 and time frames of up to only two years.⁷⁷ Arguments for an increase in the budget were made because of the rising level of demand from the Chinese and the CEAs. Program officers were unable to respond effectively to requests for funding without a major increase in the budget. Although the program had been operational for only two years, all of its budget had been expended.⁷⁸ Reports from MOFERT, the CEAs, and staff at the

76. The government-to-government disbursement profile for 1984/85 was \$8.37 million; \$15.46 million in 1985/86; \$26.90 million in 1986/87; \$35.10 million in 1987/88; \$38.71 million in 1988/89; and \$35.02 million in 1989/90. "Canadian Development Cooperation in Asia: China," (Hull: CIDA, Asia Branch, 1989). p. 4; "CIDA Programs in Asia: China," p.8.

77. See Table 1 in Appendix.

78. CIDA, "China: Country Program Review, 1985-1990," pp. i & 15; Scott Wade, "Scott Wade Report," (Hull: CIDA, January 1986), p. 15.

Embassy in Beijing about the demonstrated success of the projects and the likely commercial benefits that were to materialize for Canadian business helped build a persuasive argument for a substantial boost in the program's funding. Increased domestic awareness of the explosive potential that China offered Canadian business was a strong influence in federal government initiatives. Though these primarily focused on trade and "acknowledged the need to expand Canada's trans-Pacific economic, political, security, and cultural links,"⁷⁹ a strong correlation was made between development and economic opportunity. Prime Minister Brian Mulroney met with President Li Xiannian in July 1985 and reiterated Canada's commitment to intensified relations with China.⁸⁰ Speeches about Canada's China strategy, announcements of successful business arrangements, and Mulroney's announcement in 1986 of an annual \$26 million ODA increase to China followed these discussions.⁸¹

Almost immediately upon this announcement, project budget figures expanded into the millions and project cycles were planned for several phases of upwards to ten years or more.⁸² Earlier projects were reconfigured into umbrella type projects like the CCULP, the CCMEP, and the College Linkages Program.

79. Ronald Keith, "China and Canada's 'Pacific 2000 Strategy'," Pacific Affairs, Vol. 65, No. 3 (Fall 1992). pp. 331.

80. Appendix A, "Scott Wade Report," p. 16.

81. For a few examples see, Communique 87/63 "A Canadian Strategy for China," (Ottawa: Department of External Affairs, April 9, 1987); Communique 86/53, "Canadian Firm Wins Major Contract in China," (Ottawa: Department of External Affairs, February, 26, 1986). Communique 86/202, "Financing Facility for China," (Ottawa: Department of External Affairs, November 26, 1986).

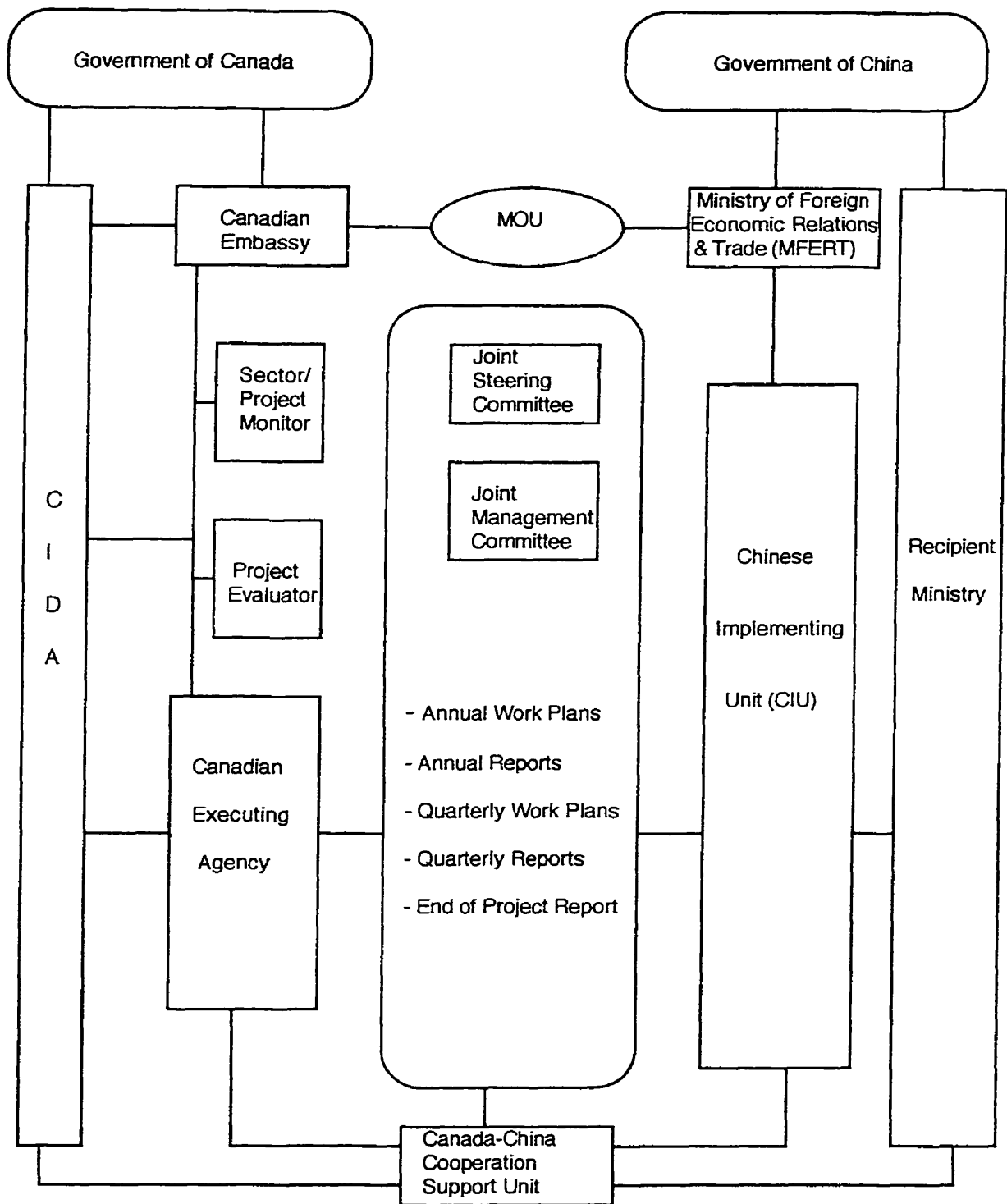
82. See Table 2 in Appendix

New project ideas were developed and implemented in a manner that was seen as promoting Canada's commercial interests and strengths. Transportation and telecommunications were added as new sectors and the full complement of the program's funds were committed for the next five years.⁸³

Though the budget was tied up with operational projects, planning for projects in the pipeline continued, along with ongoing evaluation and monitoring processes. The framework for programming laid out in the 1982 Interim Strategy had been confirmed by program officers in consultations with CEAs in a 1985 Country Program Strategy. Regular meetings of China Program officers, CEAs, MOFERT officials, and other appropriate Chinese ministries were held to formulate and approve project ideas and also to monitor project progress. These Joint Planning Steering Committee (JPSC) meetings had become a standard procedure in the project implementation process. The following diagram depicts a typical formal reporting structure which includes the JPSC meetings.

83. The disbursement profile indicates that the Program [was] heavily committed with approved and planned projects representing 95% of the planned budget from 1984/85 through to 1992/93. This [left] little room for planning new activities until 1992/93. CIDA, "Canadian Development Cooperation in Asia."

Diagram 2.3 : Basic Structure of a Typical CIDA Project



Informal relations among each of the constituent members of this formal structure were indispensable for maintenance of a continuous flow of amicable work relations. The sector/project monitor often works closely with CEA management to address proactively issues and questions that arise in the daily implementation of the project. The development of a good working relationship between the monitors and CEA management assures the CEAs that they are complying with overall CIDA/China Program policy. This good working relationship also ensures that the project's annual and quarterly reports are well prepared for the Joint Steering and Management Committee meetings, particularly in terms of the current and imminent concerns of CIDA. This good working relationship between the Chinese Implementing Unit (CIU) and the sector/project monitor is equally important, though not often easily accomplished because monitors and evaluators are located in Canada. This is not necessarily an adverse situation for the CIU because its working relationship with the recipient ministry in China is far more important than relations with a distant Canadian monitor. Determining the exact nature of these reporting relationships, however, is quite difficult because, other than the general knowledge that they are centralized and hierarchical, the complexity and opacity of Chinese government departments mitigates against accumulating specific organizational data.

For the most part Joint Steering and Management Committee meetings were collegial gatherings where information was shared, workplans agreed upon, and minor adjustments

considered. In formulating new project ideas, there was a perception on the part of some Chinese ministries and by some Canadians that CIDA essentially should present a synopsis of the projects they would like to see implemented and the Chinese would then decide how these fit with proposals received from their own ministries and with the current Five-Year Plan. This was the perception at least with the development of agricultural projects where Canada's expertise is very specific. From information gathered from previous JPSC and other meetings, Canadian and Chinese priorities and preferences would have already been known. Project planning remained focused on institutional strengthening, even though this continued to be ambiguously understood. Evaluations and monitors' reports continued to portray projects fulfilling the program's objectives of transferring technology in areas where Canada had strong capabilities while, at the same time, maximizing human and institutional contacts in both countries.⁸⁴

The impact on Canadian universities was significant in terms of the scholarly contributions made by Chinese graduate students, the internationalization of Canadian universities, enhanced international reputations for smaller universities, Canadian student exposure to China, and the facilitation of outreach activities of the universities with their external communities.⁸⁵ Because there was no requirement for the

84. CIDA, "Canadian Development Cooperation in Asia: China," p. 2.

85. Martin Singer, Academic Relations Between Canada and China, 1970-1995, Prepared for the Association of Universities and Colleges of Canada, (Montreal: Concordia University, February 1996). pp. 66-67.

collection of follow-up studies on the trainees in China, the impact on Chinese institutions and students is less demonstrable. Though this should have been grounds for concern in the evaluation studies and monitors' reports of various projects, the focus had long been on quantities of output. It was only when the Agency was forced to contend with budget cuts and required to demonstrate qualitative results that more attention was given to institutional impacts in China.

Assisting China in its modernization process was only one aspect of the program's objectives. It had become just as important for CIDA to reinforce the idea that Canada was equally interested in promoting itself as a good business partner.⁸⁶ In this respect, the China Program was responsive to Canadian business interests, primarily by means of feasibility studies funded through the China Program by the Industrial Cooperation (INC) branch.⁸⁷

However, few of these studies materialized into actual contracts. Limited success in penetrating the China market compelled the Canadian private sector to seek the assistance of the federal government which in the 1980s made the China market a priority. The C\$2 billion line of credit extended to China in 1984, when combined with C\$350 million in concessional financing

86. This approach received strong support from the Department of External Affairs and the Export Development Corporation. CIDA, China Country Program Review, pp. ii, iv.

87. The Institutional Cooperation and Development Services(ICDS) budget for projects in China was relatively small in comparison to the overall Bilateral budget, e.g (in millions).77 (83-84); 2.03 (84-85); 3.36 (86-87); 3.05 (87-88); 5.69 (88-89); 4.67 (89-90); 6.00 (90-91). Source: CIDA, Annual Review, (1983-84), Table L; Annual Review, (1984-85), Table L; Annual Review, (1986-87), Table L, p. 138; Annual Review (1987-88), Table M, p. 145; Annual Review (1988-89), Table M; Annual Review (1989-90), Table M, p. 110; Annual Review (1990-91), Table M, p. s51.

in 1986, made Canadian business more competitive in the spoiled China market.⁸⁸ Between 1989 and 1991, well over fifteen different loans totaling \$250 million were extended to the Bank of China and Chinese corporations and factories to purchase Canadian goods, services, and technology in the fields of energy, telecommunications, transportation, forestry, and chemicals.⁸⁹ In 1992 alone, EDC loans totaled another C\$135 million. Though not strictly development assistance per se, it was hoped that where specific training was required on any of these ventures, the Bilateral, INC or Institutional Cooperation and Development Services (ICDS) branches might provide that assistance. How often that occurred is not readily available from program documents so it is difficult to evaluate the

88. "Spoiled market" refers to the predatory financial market that developed in China with the increasingly widespread international practice of concessional financing for trade promotion in the early 1980s.

89. Minister for International Trade, "EDC Loan to Support Plant Building in China," News Release No. 322, December 28, 1989; "EDC Supplies Additional Financing To Build Chemical Plant In China," News Release No. 028, February 9, 1990; "EDC Financing Helps China Build Chemical Plant," News Release No. 098, May 11, 1990; "EDC Supports Sale of Mill by Canadian Consortium To China," News Release No. 140, June 29, 1990; "EDC Supports Northern Telecom Sales To China With Loans Worth US\$9.4 Million," News Release No. 175, August 17, 1990; "EDC Supports Northern Telecom Sales To China With Loans Worth US\$21.5 Million," News Release No. 179, August 24, 1990; "EDC Lends Up To \$37.9 Million To China To Build A Cement Plant," News Release No. 186, August 31, 1990; "EDC Supports Sale To China With Loans of US\$5.3 Million," News Release No. 220, October 1, 1990; "Thyssen To Equip Chinese Water Treatment Plant," News Release No. 7, January 11, 1991; "Harris Farinon and Newbridge Networks Export Telecommunications Equipment To China With Help From EDC," News Release No. 18, January 21, 1991; "B. C. Company To Build Activated Carbon Plant in China With Support From EDC," News Release No. 19, January 21, 1991; "Vancouver-Based Chemetics Will Equip Chinese Plants With EDC \$16.32 Million Loan," News Release No. 20, January 21, 1991; "Pulp and Paper Equipment Suppliers Export To China With Support of EDC Financing," News Release No. 66, March 18, 1991; "Canadian Companies Win Contracts To Export To China With Support of EDC Financing," News Release No. 67, March 18, 1991; "Telecommunications Firms Awarded Contracts in China With Support of EDC Loans," News Release No. 68, March 18, 1991; "Five Canadian Firms Supply Telecommunications Equipment To China With Support of EDC Financing," News Release No. 69, March 18, 1991.

realization of this objective.⁹⁰

What becomes apparent is that the basic objectives of the China Program - to transfer technology by: developing human resources in key development areas within agriculture, forestry, and energy as the major sectors of concentration; providing assistance in areas where Canada has strong capabilities and where the potential multiplier effect in China is high; and building maximum human and institutional contacts between Canadians and Chinese - were broad enough that projects could effectively meet them. Evaluating the development of human resources in the key areas of forestry, agriculture, and energy in the first eight to ten years was based on the number of Chinese trained in Canada. Follow-up on the effectiveness of this training with respect to the ability actually to use the knowledge learned was largely anecdotal. Assessing the provision of assistance in areas where Canada has strong capabilities has been very much related to evaluating human resource development, but, as noted, primarily in terms of quantity. Building human and institutional contacts between Canadians and Chinese was undoubtedly achieved in all of the projects by the large volume of Chinese trainees to Canada and the number of college and university linkage projects.

90. The HDTP over the period from 1983-94 is reported to have trained over 800 Chinese professionals through practical attachments in industry, government and some limited academic training. It is not clear if these were attached to INC projects. CIDA, "CIDA Programs in Asia: China," (Hull: CIDA, Asia Branch, June 1993). pp. 10-11.

2.6 Into the 1990s - Institutionalization and Strategic Management

The program of the 1990s evolved in an environment very different from that in which it had emerged in the 1980s. Successive rounds of federal budget cuts, various attempts at organizational reform within CIDA, a new federal government, the end of the Cold War, and the rude awakening of Tiananmen presented difficult challenges for Program officers and CEAs. Federal budget cuts were felt directly by the program which had to interrupt project planning. Trimming program budgets was one mechanism for managing overall Agency cuts; attempts at organizational reform were another.

Policy and ODA choices were further complicated by the end of the Cold War which changed the geopolitical dynamics of the region and increased the already prominent position of China in Canadian foreign policy. At the same time, the repression of students and critics in Tiananmen Square dispelled any illusions the world may have had about China's political reform process and raised difficult policy issues. The Canadian political imperative of respect for human rights clashed with the economic imperative of maintaining commercial competitiveness in the China market. Furthermore, as the program moved into the 1990s, new ODA concepts linked to promoting good governance, civil society, human rights, and environmental sustainability became part of project planning as these were incorporated into the

government's foreign policy priorities.⁹¹

The tragedy of Tiananmen marked a turning point in the program's evolution, though it should not be assumed that this was the catalytic event. The policy statement by the Secretary of State for External Affairs on June 30, 1989 reflected the caution advised by those stakeholders who were consulted over the month of June in a series of discussions.⁹² Some projects were delayed. Only three were canceled for the prestige they might have contributed to the government and the military.⁹³ The signing of several MOUs was temporarily postponed, but there was no significant impact on the projects which were then operational.⁹⁴ The complementary studies for the Three Gorges Dam were indefinitely suspended, but this had more to do with

91. The Development Assistance Committee of the OECD had placed increasing importance on these issues, see OECD, Development Cooperation 1991 Report, (Paris: OECD, 1991). pp. 33-66. These major trends Canadian foreign policy priorities are reflected in DFAIT, Foreign Policy Themes and Priorities, 1991-92 Update, (Ottawa: Policy Planning Staff, December 1991).

92. The Roundtables were a series of discussions including representatives of CIDA and DFAIT and a wide variety of public and private organizations and businesses with a vested interest in China held in Vancouver, Toronto and Montreal. See Maire O'Brien, "Canada-China Policy in the Aftermath of Tiananmen: A Bureaucratic Politics Perspective," Unpublished MA Thesis. (Toronto: York University, 1990) and Paul Gecelovsky, "The Canadian Reaction to the Tiananmen Square Massacre," Paper prepared for presentation to the Joint Centre for Asia Pacific Studies (JCAPS) Conference on China Ten Years After Tiananmen, (Toronto: June 4-6, 1999) for a review of these discussions.

93. An Auditor Training project in which at least 30,000 were to be trained was scheduled to proceed into Phase II, but was canceled because the upgrading of the Audit Administration of the PRC was considered a possible tool which could be used to track down democracy activists. It is not quite clear why the Lanzhou Lube Oil Refinery project was canceled, but the cancellation of the Urban Traffic Management project involved the installation of cameras on major urban streets. These could have become a primary instrument for the Public Security Bureau's monitoring of democracy activists. CIDA, "Canadian Development Cooperation in Asia: China," p.3.

94. The Comprehensive Transportation Management, Oil and Gas Technology Transfer, Guangzhou Air Traffic Control and Lean Swine projects became operational within one or two years. Mayhurst Consulting Group, "Final Report: Annual Meeting Between the China Program of the Canadian International Development Agency and the Canadian Executing Agencies," (Hull: CIDA, June 27, 1990). p. 4; CIDA, "CIDA Programs in Asia: China," pp. 18, 22-23.

the perceived lack of feasibility of the entire project than with lending prestige to the Chinese government.⁹⁵ Tiananmen was merely incidental to the announced suspension. The China Program was already heavily committed financially, with approved and planned projects representing ninety-five percent of the planned budget.

So the program itself was not in jeopardy though one element remained a concern for several years; the close to ten thousand Chinese students who chose not to return to the PRC.⁹⁶ Non-returnee students were an issue in most projects and the Chinese government threatened reprisals.⁹⁷ Attempts to impose them would have strained bilateral relations because Canadian officials were unlikely to bring any influence to bear on those who decided to take advantage of the opportunity to remain in the West, especially when granted amnesty by the Department of Immigration. Rather than attempt to impose reprisals, the Chinese government made sure that students chosen to go overseas in the future were older, married with children, or well

95. Ibid; CIDA support for the Three Gorges Dam project had already been in a state of indefinite suspension because of bureaucratic inertia in China and overwhelming evidence which placed in doubt the sustainability of the whole effort. See for example, Margaret Barber and Grainne Ryder, eds., Damming the Three Gorges: What Dam Builders Don't Want You To Know, A Critique of the Three Gorges Water Control Project Feasibility Study, (London: Earthscan, 1993); John Thibodeau and Philip B. Williams, eds. The River Dragon Has Come! The Three Gorges Dam and the Fate of China's Yangtse River and Its People, (Armonk, NY: M.E. Sharpe, 1998).

96. CIDA, "Canadian Development Cooperation in Asia: China," p. 3.

97. WUSC has been responsible for trainee tracking but its information is only as current as that information which CEAs provide. Employment and Immigration Canada extended the stay of Chinese students in Canada and temporarily suspended removals to China under the Immigration Act. However, privacy legislation prevented CIDA from acting on information about students' immigration status without the student's consent. Mayhurst Consulting Group, "Final Report...", p. 12; "Statement by the Right Honourable Joe Clark," Secretary of State for External Affairs in the House of Commons During an Emergency Debate on the Situation in China. June 5, 1989.

entrenched in their career paths.

The events of the summer of 1989 do however provide a logical point of departure for an analysis of the China Program in the 1990s for a number of reasons. Tiananmen dashed any illusion there might have been about democratic reforms emerging along any Western model. China's economy had grown tremendously over the 1980s and seemed to be able to sustain the economic momentum. Peace and stability in the Asia Pacific region were a genuine concern for Western powers as China began to expand its military capabilities and to exert itself in the region, e.g. assertion of sovereignty over the Spratly Islands in the South China Sea. Geopolitical dynamics, overall, had radically changed as the Soviet Union disintegrated and new countries emerged with a panoply of political, social, and economic problems.

All this was occurring within a global economy which continued to suffer a prolonged recessionary period, placing the domestic economies of most Western nations under great stress. ODA budgets were in constant decline as nations sought ways to cut spending. The Canadian government launched an austerity drive in an effort to deal with a \$355 billion debt and a \$30 billion annual deficit, cutting the ODA budget by \$116 million in 1990-91 with a further cut of \$190 million in 1991-92.⁹⁸ CIDA itself had already been in the midst of an organizational review which promised to bring sweeping changes to the Agency as it sought to deal with shifting domestic and international

98. Mayhurst Consulting Group, "Final Report," p. 5

dynamics and these budget cuts.⁹⁹

Marcel Massé had returned from a term as Canada's representative to the IMF to take up a second term as President of the Agency in 1989 and, as in the past, brought with him a vision of the future for Canadian ODA. The vision of the 1980s, "the multiplication of contacts at the thinking level", had the effect of expanding the number and range of public and private institutions with an interest in China. The vision for the 1990s and beyond was to maximize those partnerships within the context of sustainability and diminishing ODA resources.¹⁰⁰ The articulation and operationalization of this vision has taken several years because previous budgetary commitments of the program allowed for little flexibility in future programming.

Inter-departmental consultations had been instituted after the Conservatives took power and realized the increasing complexity of Canadian involvement in China. The government's China policy of advocating a stronger commercial focus and close interdepartmental cooperation for all Canadian activities in China resulted in the formation of a China Working Group in 1987.¹⁰¹ The group, comprised of senior staff from DFAIT, EDC, CIDA, Immigration, Agriculture, and ITC, met infrequently and primarily shared information about their various activities. It was not a policy making group per se, but rather was intended to

99. Groupe Secor, Strategic Management Review Working Document.

100. CIDA, "Draft Country Program Framework (CPF) Project Inception Mission (PIM): China Program," undated internal document. pp. 3-4.

101. CIDA, Country Program Update: China, (Hull: CIDA, November 1991). p. 3.

be one of policy coordination.¹⁰² Tiananmen made the inter-departmental policy coordination of this group a more critical task as the government sought to present a unified voice in its domestic and international statements. In tandem with these policy coordination efforts, a series of roundtable discussions were organized to develop a domestic consensus among the network of public and private partners that had mushroomed in the 1980s: NGOs, Chinese-Canadian citizens for democracy groups, business interests, academics, and executing agencies on China projects.¹⁰³

One effort, though short lived, at intradepartmental coordination for the China Program was the formation of a committee in the aftermath of Tiananmen for the review of new project proposals. The terms of reference that were set by the June 30 statement by the Secretary of State for External Affairs involved preservation of existing links, a focus on people-to-people exchanges, and avoidance of programs that lent support to the hardline policies of the Chinese government.¹⁰⁴ All of this inter- and intra- departmental activity served to reinforce the approach that had taken place in the implementation of the China Program, but would ostensibly aid in the transition from the early generation of projects to those which would lead the program into the year 2000.

Though individual projects had gone through the evaluation

102. Interview, b1; b8.

103. Máire O'Brien, "Canadian Foreign Policy in the Aftermath of Tiananmen."

104. Interview, a18; "China and Canada: The Months Ahead," Statement by the Secretary of State for External Affairs, The Right Honourable Joe Clark, (Ottawa: June 30, 1989).

process, the China Program itself only underwent this review in the aftermath of Tiananmen and in the wake of budget cuts. A Country Program Review (CPR) in 1984 confirmed the policy and programming approaches of the 1982 Interim Strategy. A five year CPR was scheduled for 1989 but this was delayed until late 1991 because of Tiananmen.¹⁰⁵ The conduct of this review coincided with the Agency wide strategic management review of 1991. Published as the Secor Report, the results noted that human and financial resources were stretched too thinly across the Agency and that the wide dispersal of these across geographic regions, sectoral areas of concentration, channels of delivery, programs, and projects compromised Canada's leverage in terms of foreign and commercial policy goals.¹⁰⁶ This wide dispersal of resources and the Agency's dependence on large number of CEAs had diluted already weak mechanisms for coordination and control. Recommendations for enhancing organizational effectiveness and capacity envisioned greater interdepartmental coordination and cooperation in conjunction with intensified and expanded partnership relations with the Agency's stakeholders.

The Country Program Update of November 1991, though it confirmed the logic of the China Program framework up to that

105. CIDA's ODA budget is apportioned between multilateral and bilateral commitments. Bilateral programs are required to develop Country Program Reviews (CPR) which detail the social, economic and political dynamics of the recipient countries and the most effective entry points for Canadian ODA. The information contained in these CPRs is meant to provide direction in the development of projects.

106. Groupe Secor, Strategic Management Review; D. Morrison, "The Choice of Bilateral Aid Recipients," in C. Pratt, ed. Canadian International Development Assistance Policies: An Appraisal. p. 147.

date, introduced new strategic orientations.¹⁰⁷ Whereas the previous programming approach may have been effective in "multiplying contacts," there was little institutional development that could sustain and expand upon these without continued and significant support from CIDA. Country Program Directors and program officers had been effectively managing program and project processes but with limited attention to strategic planning. Having built a sound base among a wide range of stakeholders, the program now sought to move towards more strategically targeted interventions. Projects in strategic energy planning and applied economic research institute linkages, as well as the establishment of the China Council for International Cooperation on Environment and Development, were a first step in that direction.¹⁰⁸ For projects already in the process of being designed and implemented, program officers tried to add on, or build in, policy-intervention dimensions.¹⁰⁹ In the Lean Swine Production project, successful project implementation required discussions with MOFERT and the Ministry of Agriculture on Chinese pork grading policies. In the project's first phase it was assumed that these changes would come about. As the project entered its second phase in 1995, a more proactive Canadian position was

107. CIDA, Country Program Update: China, (Hull: CIDA, November 1991). pp. 12-14.

108. The China Council for International Cooperation on Environment and Development was a regular series of small symposia where senior bilateral, multilateral and Chinese officials with responsibilities in these areas met. It was a Canadian initiative, not affiliated with any other particular institution. Its objective was ideally to provide a forum for discussions on what might be the most effective policy interventions to address China's modernization plans. Country Program Update: China. p. 12.

109. Ibid.

built into the project's design.

For future programming it was concluded that more concerted efforts at substantive change would have to be undertaken. Sectoral analyses were conducted in 1991. Research papers on various aspects of HRD in China were commissioned in 1991 and released in March 1992.¹¹⁰ In late 1992, analysis of the China Program's HRD activities built upon this review and many of the observations made were identical to those in an internal report issued in 1987, though not widely disseminated, on the lessons learned from implementing HRD projects: the need to think through policy implications, project design, and management; the contributions being made to the development of Canadian capacity to implement projects; the limitations of twinning and linkage arrangements; language constraints and briefing systems; how to encourage and deal with new implementing agencies; disseminating knowledge, information, and experience throughout the Agency.¹¹¹

These same issues were being addressed at the corporate level within the Agency, so the China Program's inadequacies were not isolated. A comprehensive strategic planning process through the mechanism of a country development policy framework (CDPF) was the primary corporate initiative undertaken to address this malaise. The CDPF, replacing the traditional CPR, was designed

110. Ann Bernard, Charles Lusthaus and Paul McGinnis, eds. A Review of Human Resource Development in China: Concept Papers on Various Aspects of HRD in China, Commissioned by CIDA, (Hull: CIDA, March 1992).

111. CIDA, A Retrospective Analysis of the HRD Activities of the China Program: October 1992, (Hull: CIDA, October 1992). CIDA, Implementing Human Resources Development Projects in China and Indonesia, (Hull: Compiled by the staffs of the China and Indonesia programs, April 1987).

to: lay out an analytical foundation for bilateral programs; define expected results on the basis of strategic goals, objectives, and priorities; set out measures for accountability; detail the various programming resources to be used; report on the participatory process of dialogue and consultation; report on the possible programme impacts; and review the pertinent literature.¹¹²

This represented a marked shift in the manner in which the program would be managed in the future. The traditional approach of managing inputs and monitoring outputs placed little emphasis on the demonstration of actual results. With CIDA's China Program representing less than half of one per cent of total ODA given to China each year (overall about \$30 million),¹¹³ results would continue to be difficult to demonstrate without a marked shift in the program's focus. Results could be demonstrated with projects, like the training of judges and women lawyers, that had the potential for policy influence in China. So making a substantive policy impact in China was as much the rationale for the programming shift as was the maintenance and management of the program's own policy environment. An increasing emphasis by the government, regardless of party, on international economic competitiveness had direct implications for CIDA's choice of development partners, i.e. increasing involvement of the private sector.

112. Regional/Country Development Policy Framework (R/CDPF) Task Force, "Regional/Country Development Policy Frameworks," Submitted to [CIDA's] Executive Committee, April 27, 1994.

113. Paul Evans, "Canada's Relations With China Emergent," Canadian Foreign Policy, Vol. 1, No. 2, Spring 1993. p. 25.

Sweeping organizational changes were being suggested by the Secor Report. Clear directives for instituting these through the CDPF mechanism were distributed widely throughout the Agency, though they had a particular relevance for bilateral programs in transition. Fiscal accountability was being imposed by the Auditor General in a policy shift to Results Based Management (RBM) that required programming emphasis on the articulation of expected results instead of the traditional approach of managing inputs and outputs.¹¹⁴ Public support with respect to ODA, though still relatively high, was not as strong as it had been throughout the 1970s and 1980s; hence the participatory process of dialogue and consultation to bolster CIDA's image.¹¹⁵

Initiating this process was part of a broader corporate public relations strategy to bolster the image of Canadian ODA as assistance that was precariously balancing allocations between, on the one hand, the support of the world's poorest countries in multilateral institutions and bilaterally, and on the other the pursuit of commercial goals in those developing countries with higher GNPs such as China. The process was also part of a strategy to regain greater policy control in relations with NGOs, NGIs, and other executing agencies at a time when DFAIT was positioning itself to assume greater fiscal and policy

114. Bernadette Ling, "Summary of Discussions: CEA Meeting, China Program," (Hull: CIDA, February 1995). p.2.

115. Canadian Council for International Cooperation, How the Public Sees International Development and North South Issues: A Summary of Public Opinion 1993. (Ottawa: CCIC Communications Unit, February 1993). p.3.

control over CIDA.¹¹⁶

2.7 Conclusions

As an instrument of Canadian foreign policy, Canadian bilateral ODA to China was effective in creating a plethora of contacts between Canada and China. A steadily diminishing ODA budget, however, has made the implementation of development policy in China into a partnership relationship between the Canadian government and other Canadian organizations and institutions. Over the course of the last twenty years, efforts to rationalize the increasing interdependence of the project implementation process have met with some success, not as a result of strategic planning but of muddling-through. This is particularly true given the steep learning curve of program officers and CEAs. It would not have been feasible for the China Program to have developed a rigid framework for project implementation in China given the unknown terrain. So in this respect, flexible project development and implementation were quite rational. Within the bureaucratic context, however, this approach to ODA project implementation conflicted with the

116. The Liberal government's foreign policy statement on directions for Canadian foreign policy is unequivocal about the need to promote and strengthen Canadian commercial interests internationally and in the Asia Pacific region. This is a continuation and strengthening of the Conservative government's position and that of the Liberals before them. See DFAIT, Canada and the World. (Ottawa: Public Works and Government Services, 1995); André Ouellet, Minister of Foreign Affairs, "Statement to National Capital Chapter of the Canadian Institute for International Affairs," (Ottawa: May 1994). For a recent analysis of sources of some of this tension see John Kirton, "Foreign Policy Under the Liberals: Prime Ministerial Leadership in the Chretien Government's Foreign-Policy making Process," in Maureen Appel Molot and Fen Osler Hampson, eds. Asia Pacific Face-Off: Canada Among Nations, 1997, (Ottawa: Carleton University Press, 1997). pp. 21-45.

mandate of efficient public administration. This is not surprising, however, in public organizations like CIDA that have an inherent buffer between structure and process. The China Program dealt with the tension existing in this organizational dynamic by excellent performance in the technical tasks of financial and administrative reporting. That very same excellence has been demonstrated in the management of its relations with the increased number of CEAs to whom implementation of projects was delegated. CEAs, in turn, efficiently fulfilled the financial and administrative reporting requirements of the Agency and effectively met the quantitative aspects of the relationship, even though all parties involved has to learn new modus operandi. The weak mechanisms of coordination and control between the formal administrative processes of the Agency, and by extension the federal government, and the informal, non-quantifiable, normative aspects of project implementation provided a critical buffer of flexibility.

Given the very broad parameters of the early framework for the China Program, this has been a very effectively managed ODA program. Budgets have been managed responsibly, projects have been implemented effectively and efficiently, and relations with China have been greatly enhanced. The mutually dependent relationship between the Agency and its network has been elevated to more sophisticated forms of cooperation. In the strategic planning process, senior CIDA policy makers have acknowledged this interdependence and are working to strengthen

their leadership role in the partnership.¹¹⁷ For instance, the China Program has been proactively introducing strategic policy considerations into project planning and implementation processes. Project planning documents must now clearly specify how and in what manner the project will make a contribution to good governance, civil society, and human rights development. So for example, the training of judges, women's law, and the strategic energy planning projects which began in 1996 were making strategic contributions. These strategic policy considerations are ostensibly about contributing to China's modernization process, particularly in areas of governance, but they remain equally about addressing Canadian political and commercial objectives. To its credit the program has been innovative about addressing these apparently competing objectives, shrinking ODA budgets aside. As long as the program can continue to navigate the complexities of these inter- and intra- organizational relationships, its future remains assured.

The organizational realities of program and project delivery are such that each ministry, department, geographic branch, organization, institution, crown corporation, etc. has its own particular agenda that must be proactively pursued lest operational autonomy, and in current fiscal times its very existence, is compromised. The China Program enjoyed for a period of time significant insularity from its broader bureaucratic environment, given the novelty of Canada's relationship with China, CIDA's inexperience, and the large

117. Groupe Secor, Strategic Management Review, pp. 1-7.

budgets of the mid- to late-eighties. This has since dissipated as the program became institutionalized, dealt with budget cuts, and as Canada's relations with China matured. It has become even more critical for the program to be proactive about its activities and in this it has been ably assisted by a broad network of organizations whose institutional capacity to administer international development programs has been directly contingent upon CIDA funding. The China Program's move to more strategically targeted interventions in areas like the environment, economic reform, private sector development, and good governance is a recognition of the limitations of the HRD approach in advancing a wide variety of Canadian interests. There is a more realistic appreciation of the differences between the Chinese and Canadian economies. Though China is a large and growing market, penetration by Canadian firms has been retarded by complicated, slow, and expensive negotiation processes.

By placing emphasis on policy interventions, the China Program remains relevant to a foreign policy agenda that seeks to "protect and promote Canada's values and interests in the world."¹¹⁸ Having successfully expanded the number of individuals and institutions at the "thinking level," the China Program's challenge will come from intensifying those contacts through effective policy interventions under increasing fiscal restraint.

118. DFAIT, Canada in the World. p. i

Chapter 3

The Chinese Enterprise Management Training Centre at Chengdu(CEMTCC): Building Sustainable Partnerships

3.1 Introduction

The Chinese Enterprise Management Training Centre at Chengdu (CEMTCC) is a clear model of the human resource development model of Canada's bilateral assistance to China. The project's initial focus on developing the human resources of state enterprise personnel was expanded to include building the institutional capacity of the CEMTCC. This expansion paralleled an emphasis on this objective in the China Program. Since the domestic mandate of the Canadian Executing Agency (CEA), the Association for Canadian Community Colleges'(ACCC), was to strengthen the capacity of Canadian educational institutions, it easily accommodated this focus on the CEMTCC. A relative newcomer to the development assistance field, ACCC capably managed the challenge and expanded its own institutional capacity to administer development assistance projects for CIDA and other international development donors. A professional relationship developed between CIDA, ACCC, the CEMTCC, and an extensive network of educators matured over a decade of difficult challenges, some unique to the context of Chinese

political administration, some to the experimental nature of administering ODA in China, and others to balancing the various objectives imposed by Canadian governmental politics. Throughout it all the fairly autonomous relationships between the various institutions was a critical dimension in the project's successful implementation.

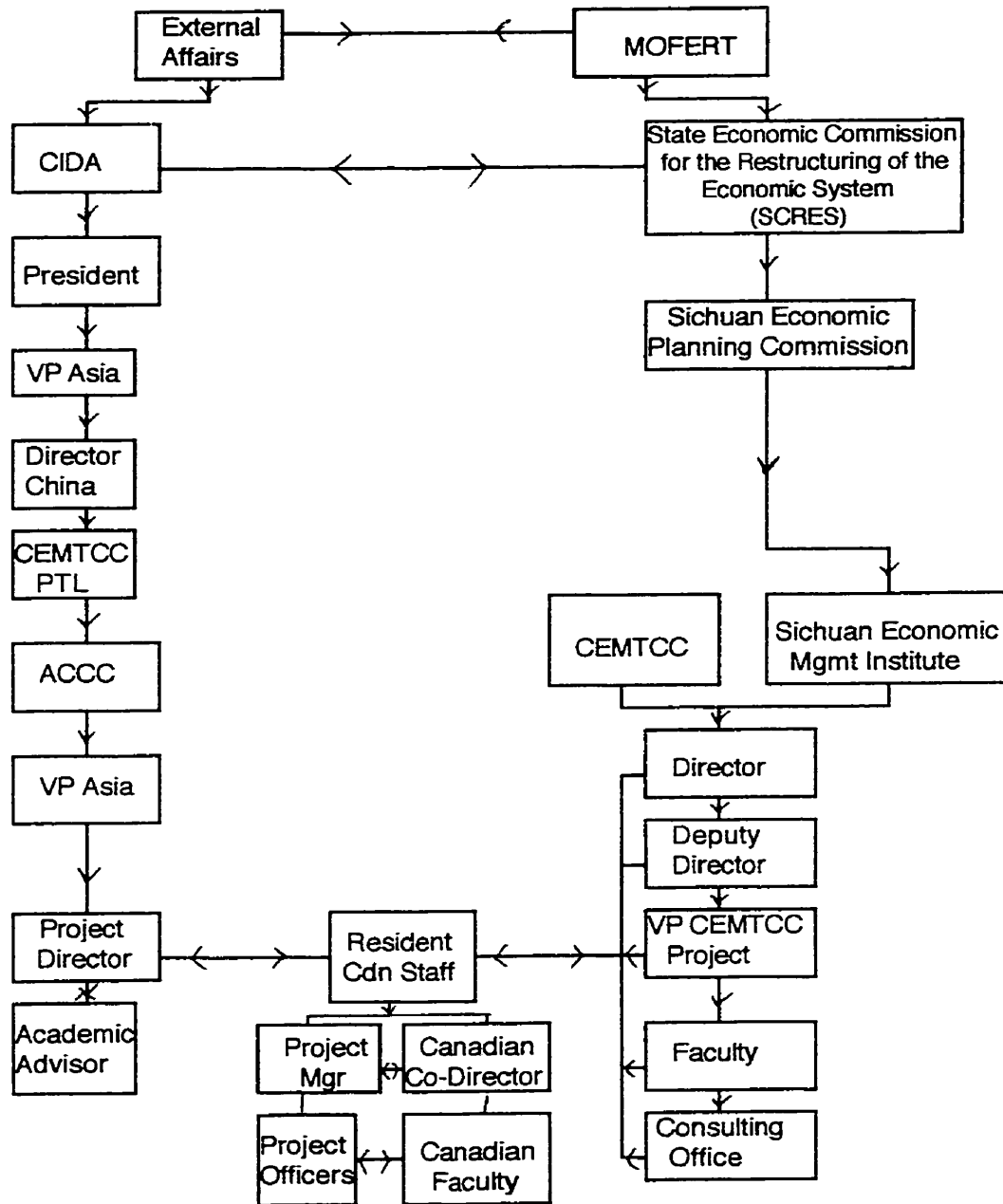
The CEMTCC was among the first generation (1981-85) of China Program projects. It officially began in 1983 and was operational over three phases for a total of thirteen years. Though originally planned as a five year project covering two phases, it was expanded in the latter part of Phase I in 1985 to include a third phase that would run for five years until 1996. Its operating budget in Phase I was approximately CDN\$2,453,000; in Phase II, \$4,668,000; and in Phase III, \$4,998,600 for a total of \$12,119,600. ACCC was sole-sourced as the executing agency to avoid the lengthy contracting and consultant selection process. Like many of the first generation CEAs, ACCC had very little international exposure and virtually no experience in the implementation of ODA projects prior to this project. These first generation CEAs were part of a larger CIDA initiative to develop and expand institutional cooperation with the universities, community colleges, and other community based organizations and institutions.¹¹⁹

The inexperience of the ACCC was an asset in the early years of the program, for it made the relationship with the

119. David Morrison, Aid and Ebb Tide: A History of CIDA and Canadian Development Assistance, (Waterloo: Wilfrid Laurier Press, 1998). p. 170-171.

China Program more malleable than would have otherwise been the case with a much more seasoned partner. This is reflected in the implementation process which was dependent upon a fairly loose system of coordination and control. The responsibilities of each organization involved - the China Desk, the International section of ACCC, the Sichuan Management Institute (SMI), and the CEMTCC - were complex and the demands for operational accountability quite high. The rational planning processes for project implementation required a set of organizational structures which laid out the formal lines of responsibility and accountability of each. Implementation of the project, however required a degree of flexibility to accommodate the steep learning curve for everyone involved. The following chart lays out the formal reporting relationship in the implementation of the CEMTCC. It depicts the formal relationships between each of the organizations and units, though it does not indicate the autonomy or the informal dynamics that were integral to the implementation of the project.

Diagram 3.1: CEMTCC Decision - Making Organizational Chart



Even though the China Program set out the broadly articulated policy parameters of technology and skill transfer through the support of multiple institutional linkages that recognized the interrelationship of developmental, political, and commercial objectives,¹²⁰ CEAs like ACCC were responsible for interpreting how all of that would be implemented. Inexperienced program officers could provide sound guidance and direction on administrative procedures. For project implementation, they had to rely heavily upon ACCC which they felt had the appropriate experience in building and administering technical/vocational institutions in Canada. As the experimentation of the early period of program and project implementation plateaued, ACCC demonstrated an adaptive capacity in meeting this project's institutional and human resource challenges. Consistency in ACCC's management team, the core of which spoke Mandarin, on site Canadian presence over the life of the project, a project cycle longer than that which was the norm in CIDA, and being located in a specific Chinese institution, were all contributing factors in ACCC's ability to meet these challenges.

As the China Program struggled to meet the budgetary and political challenges of the 1990s and as the project wound down, ACCC worked to position itself for further project funding. The ambiguity of early demonstrations of success were no longer sufficient. Demonstrating actual project

120. Executive Summary, CIDA. China: Country Program Review, (Hull: CIDA, 1984). (no page number).

results became a critical focus so that when project financing ended the CEMTCC would be able to continue operations.

This is one of the few China projects that has been able to demonstrate conclusive results with respect to the China Program's objectives of "the multiplication of contacts at the thinking level," the training of trainers, and the building of institutional capacity. Though efforts to achieve overall commercial and economic objectives were of limited success, this has not adversely affected ACCC's reputation as an effective CEA. In fact, ACCC so effectively increased its institutional capacity to manage Canadian ODA projects in China that it has been contracted by CIDA and several other international ODA organizations to develop and implement projects in several other countries in the Asia Pacific region.¹²¹ Therefore, where the impacts of this project have been the most conclusive and the least recognized has been in the building of Canadian institutional capacity to develop and implement international ODA projects. The CEMTCC presents an example of the planning, development, and implementation of an ODA project in China by a Canadian institution which at the outset had virtually no knowledge of China, limited familiarity with CIDA policies and procedures,

121. "Since its inception [in 1979], ACCC International has undertaken more than 100 projects in 47 countries, demonstrating the competitive edge of Canada's colleges and institutes on education, and exhibiting the flexibility and cultural sensitivity necessary to satisfy specific international education needs." ACCC (Asia Division), "Proposal for a Canada-China Management Training Institution Development Project, Phase III," (Toronto: ACCC, July 23, 1990). Appendix A, p.2.

and fledgling experience with ODA projects but which had a strong desire to expand its institutional environment. Because of this project, ACCC has become an integral part of CIDA's organizational environment.

3.2 The Decision to Establish a Management Program in Sichuan

Although China's system of higher education in the early 1980s was expansive, it was critically underdeveloped. The ravages of the Cultural Revolution had all but decimated a once fairly comprehensive education system. The rebuilding of this system was critical in China's process of economic reform in the late 1970s and early 1980s. State enterprises which are notoriously inefficient and a significant drain on state finances were one area of concentration. Over 90,000 state enterprises were producing at least three-quarters of the gross value of industrial output, but in an extremely inefficient economic management system. In 1978-1979, several reform schemes had been put in place which attempted to address problems of low output, inability to match production to demand, severe infrastructural bottlenecks, excessive rates of growth and investment, overemphasis on heavy industry, and the lack of incentives for producers. A number of experiments with reform measures attempted to decrease the rate of growth and adjust severe sectoral imbalances. The implementation of the economic

responsibility system in 1981 was one reform measure which sought to reduce the scope of state administrative control, devolve decision making authority to lower level units, and improve economic incentives.¹²² Another aspect of this mammoth task was the establishment of over one hundred management training institutes in colleges, universities, and technical institutes throughout the country. These were meant to provide training for entry level positions in enterprises, government or academia, and for personnel new to management positions.

The State Economic Commission for the Restructuring of the Economic System (SCRES) and MOFERT designated several of these new institutes to be recipients of donor assistance in the teaching of western management theory and practice to Chinese enterprise managers and government cadre managers.¹²³ In 1979, the United States set up the first management training centre, which was designed to offer a two-year MBA program, in the National Centre for Industrial Science Technology Management Development in Dalian.¹²⁴ Canada's historic relationship with Sichuan through the Canadian missionaries and the legacy of the 'mish' kids seems to have been a deciding factor in CIDA's choice of the CEMTCC in

122. Christine Wong, "Reform in Chinese Industry," Journal of Comparative Economics, Vol. 10. p. 364-366.

123. Canada-China Cooperation Support Unit, Survey of Human Resource Development Programs of Selected Donor Agencies Operating in China, (Beijing: Canada-China Cooperation Support Unit, 1991). p. 5.

124. Ibid. p. 20.

Sichuan.¹²⁵ The Shanghai Industrial Management Training Centre (SIMTC) was chosen by Germany; the Enterprise Management Centre (EMC) in Tianjin was managed by the Japanese; and the European Union chose the China Enterprise Management Institute (CEMI) in Beijing.¹²⁶ The CEMTCC was to be located within the Sichuan Management Education Institute in Chengdu, which had then been recently converted from a former trade school attached to a food processing equipment plant, replete with all the original staff and faculty.¹²⁷

By some accounts, the Canadian project was initiated in Beijing with informal conversations between a senior MOFERT official and a senior CIDA official who, having established a good relationship based on shared personal experiences, discussed how Canada could contribute to the development of the newly established management training centres and special economic zones.¹²⁸ This is reported to have been the informal inception of the CEMTCC and the China Open Cities project as well. The formal process began with project officers in the China Program going through the standard approval procedure of having the idea accepted by the China Program manager and the Vice-President of the Asia Branch.¹²⁹ With high level

125. Interview d3; a13.

126. Survey of Human Resource Development Programs. pp. 14, 20, 32.

127. Interview d2.

128. The MOFERT official had apparently spent some years in the late 1960s in Paris as a representative of the People's Republic of China. During his time there he became proficient in the French language. The senior CIDA official with whom he met was a francophone and the two "...immediately developed a camaraderie based upon a fondness for things French and bourgeois like cigars, baguette, wine, cheese and classical music." Interview a13; a16.

129. The Minister is required to be informed prior to approval if budget amounts exceed \$11 million, but because projects are generally planned per phase, this does not frequently occur.

support from the outset, these standard procedures were a matter of formality because the decisions, in essence, had already been made.

Like many of the first generation China Program projects, the CEMTCC was an idea initiated by the Chinese, developed by the CIDA China Desk, and sole sourced to a NGO likely to be able to develop and implement the project as quickly as possible.¹³⁰ This was a divergence from the NGO Branch's standard procedure of being responsive to NGO initiated project ideas.¹³¹ The mutual interests of CIDA, NGOs and other organizations, however, created a unique symbiosis in the Canadian ODA environment that was critical to the development of the China Program's early projects. Like other educational institutions across Canada at the time, the ACCC was interested in developing international linkages for its constituents, and with the China Program anxious to operationalize its budget, the relationship was a natural one.

The China Desk approached ACCC to develop a proposal for the CEMTCC. Though ACCC had little international experience as a national organization, it did have a wide network of resources in terms of technical and academic staff. The successful implementation of this project would demonstrate to the ACCC's Board of Directors that the organization was capable of expanding the scope of its operations

130. Interview a4.

131. Cranford Pratt ed., Canadian International Development Assistance Policies: An Appraisal, (Montreal & Kingston: McGill-Queen's University Press, 1994). p. 16.

internationally and to CIDA that it was a capable partner in the implementation of Canadian ODA. Though unintended, it also created a mutual dependency between CIDA and the ACCC that each would be anxious to maintain. The project provided resources, good will and legitimacy in an increasingly turbulent environment of fiscal restraint, declining public support for ODA, and increasing demand within the government for more closely integrating Canadian development and commercial objectives.

Technical assistance in the creation and development of a management education institute was very new to CIDA's operations. Training had traditionally been attached to specific infrastructural projects. Because there was little background experience available for this type of technical assistance, the project was largely experimental and, as such, China Desk officers could not really offer guidance for they were as new at developing ODA projects in China as the officers at ACCC.¹³² However, rather than make use of the Agency's Professional Resource Officers (PRO)¹³³, China Program officers relied upon ACCC's base of expertise in building a national network of schools of applied technology. With the project already approved in principle by the the Vice-President Asia Branch, a team of five senior members of ACCC went to China on a Project Development Mission (PDM) in

132. Interview d3.

133. Professional Resource Officers (PROs) were once an internal source of sectoral and professional expertise for the development of CIDA programming. In the late 1980s, this branch went through a series of changes, eventually to be dispersed altogether.

early 1983. The PDM visited over a hundred state enterprises and many training centres during the three week mission. Though skilled in the development and management of Canadian educational institutions, these ACCC officials were novices with respect to China's needs and constraints. They had expected to grasp the critical issues in a much shorter period of time, but after visiting so many state enterprises they became more cognizant of the depth and scope of the problems involved.¹³⁴

As the Canadian delegation and their Chinese hosts visited training centres and state enterprises, the Chinese made it clear that they did not want an adapted training program. They wanted a program identical to that which might be delivered in Canada and over time they themselves would take the initiative in adapting the various programs to suit specific Chinese conditions.¹³⁵ Over the life of the project, the vast differences between the Chinese and Canadian management systems inevitably led to certain difficulties in the project's implementation, particularly those aspects which dealt with building the CEMTCC's institutional capacity. Nevertheless, after several weeks of visiting training centres and factories, both sides entered into negotiations. These went surprisingly well given the complexity of the issues involved in setting up such a project and the inexperience of everyone involved. The

134. Ibid.

135. Ibid; Interview d2.

Canadian team put forth a proposal that detailed program specializations, length of courses, number of teachers, where students would come from, etc. The Chinese team of ten officials from MOFERT, SCRES, the Sichuan Planning and Economic Commission (SPEC), and the China Enterprise Management Association (CEMA) accepted most of the points, though they were concerned about a request for heat in the winter and air conditioning in the summer at the proposed Canadian compound at the CEMTCC. Despite the Chinese custom that buildings south of Shanghai are not heated and those north of it are not air-conditioned, it was agreed, in informal discussions afterwards, that the Canadian compound would have heating and air-conditioning.

A more important issue, one which ACCC would attempt to rectify throughout the life of the project, was the Chinese preference for marketing, and not personnel or human resource development. The immediate and most pressing Chinese objective was to increase enterprise profits, which meant an overall improvement in the marketing of their products. It was difficult to impress upon them the inter-relatedness of staff development, improved productive processes, and increased profit margins. All things considered, Canadian team members were pleased with the outcome of the negotiations.¹³⁶ CIDA, oddly enough, was not represented at

136. Despite the provision of interpreters, throughout the Mission there was very little informal conversation between the Chinese and Canadian delegations. Consequently, negotiations commenced with only the basic framework roughed out. Speaking through an interpreter is a formal process which detracts spontaneous, informal discussion. Cultural differences - language, dress, mannerisms, and so on - were also an inhibiting factor. Interview d3.

these negotiations and so with agreement on the project proposal in hand, ACCC had only to report to CIDA what had been accomplished. With authority and responsibility delegated to it, ACCC finalized the negotiations which set the basic framework for the Contribution Agreement with CIDA and the Memorandum of Understanding (MOU) between CIDA and CEMA.

That so much project authority was delegated to ACCC from the very outset is indicative of several things. The project responsibilities of China Desk officers were so administratively intensive that decisions on project implementation were left to CEAs and their counterparts in China. Bilateral program autonomy, especially with the newly developed China Program, was sufficient enough to allow Desk officers a great deal of flexibility in how they managed individual projects. The level of professional collegiality between Desk officers and ACCC executives provided a high degree of mutual trust regarding the basic expectations. This was critical at a time when program resources were stretched thinly both in terms of finances and available staff.

3.3 Implementation of the Program and Institutional Adaptation

CIDA and ACCC entered into a partnership on this project through a Contribution Agreement outlining the basic

parameters of responsibility. As was customary with institutional cooperation projects of this nature, ACCC was expected to contribute some of its own resources to develop and implement the CEMTCC project. With this agreement, the China Program ensured a degree of predictability and assurance in the delegation of responsibility for project implementation and maximized scarce administrative resources. The MOU established in a very general way the nature of the relationship between CEMTCC and ACCC. Signed in June 1983, the MOU set out four broad, but focused, objectives:

- 1) to systematically introduce the theories, methods and experience of modern Canadian enterprise management to China through Canadian faculty teaching at the Centre;
- 2) to train a large number of enterprise managers and directors, as well as those individuals with promotion potential, and to help them grasp modern management technology and become the foundation for enterprise management improvement;
- 3) to assist the Centre in building up a teaching faculty and staff equipped with modern management knowledge and technology, who will be able to undertake teaching, research, and consulting services; and
- 4) to systematically provide the Centre with a set of texts and teaching materials relating to management education in order to help the Centre study and develop modern managerial science.¹³⁷

137. Association of Canadian Community Colleges (ACCC) International Bureau, "Chengdu Management Training Project: Project Final Report for Completed Components, Phase I," (Toronto: ACCC, undated). Appendix 1, p. 2.

Overall, the project's purpose was to assist the State Economic Commission in its efforts to increase industrial production by upgrading the managerial skills of enterprise personnel in North and South West China. The project could only hope to make a small contribution to that end and, though ambitious, gave the perception of addressing one of the China Program objectives of creating commercial opportunities for Canadian business in China. This objective was very important at the senior policy level for it made a great deal more sense and held a significantly greater amount of appeal to speak about Canada, through CIDA, contributing to the overall increased industrial production of China, than to say that Canada was contributing to the institutional capacity of one small, relatively insignificant school of applied technology.

This was important to CIDA at a time when ODA was under scrutiny as the Conservative government initiated policy reviews, public consultations, and strategic planning for its new ODA strategy.¹³⁸ As a result of this review process, the Agency faced increasing pressure from Canadian business interests to spend more financial resources on trade related aid. Consequently, the Desk added an additional project objective in Phase II; "[t]o provide a focus for the facilitation of Sino-Canadian trade relations throughout the

138. See Martin Rudner, "Canada's Official Development Assistance Strategy: Process, Goals and Priorities," Canadian Journal of Development Studies; pp. 10-37. Canada, Sharing Our Future: Canada's International Development Assistance, (Ottawa: Supply and Services, 1987).

Western region of China."¹³⁹ The challenges of human resource development and institutional strengthening were within the existing resource capabilities of the ACCC; building a centre of focus for Sino-Canadian trade was not.

Facilitating the Chinese adoption of western methods of business administration and management in state enterprises was in and of itself a monumental task, particularly in Sichuan, a province far removed from the centre. With a Canadian presence there, CIDA hoped that ACCC would be able to facilitate Chinese linkages with Canadian business. ACCC, for its part, focused on the initial objectives of the project, and only in the latter stage of Phase II, did it begin to take measures designed to strengthen the CEMTCC's consulting capabilities. For ACCC, consulting was designed to strengthen theoretical knowledge with practical experience. For CIDA and trade officers at the Canadian Embassy, it was conceptualized as one conduit through which Canadian business could make inroads into the China market in Sichuan. To facilitate this the CEMTCC's Consulting Office became Canada's *de facto* Trade Office in Sichuan with the Centre hosting several trade missions funded by CIDA's Industrial Cooperation Branch (INC) in Phase III. The loosely coupled nature of the relationship between these various entities, however, ensured that the China Program could maintain its project management focus without adversely affecting the integrity of the project's initial goals and

139. "Strategy and Plan for Phase III of the Chengdu Project" in ACCC, "Final Report: Mid-Term Evaluation Enterprise Management Training Program/Chengdu, Phase II. p. 3.

objectives. ACCC could continue with a focused human resource development and institutional strengthening project and CIDA management could report that everything was implemented according to the government's overall domestic and foreign policy objectives, though this really overstated the case.

Table 3.1 illustrates the three Phases of the Project and the continuity of the goal and purpose of the Project. Though it is clear that the ACCC included the broader foreign policy goal of addressing commercial objectives, it is equally clear that the primary focus remained upon the human resources and institutional development of the CEMTCC. One notices that in Phase III the HRD focus shifted from faculty to developing the CEMTCC's managerial capacity. The further strengthening of the Consulting Office was included in this focus because it was to be the source of a significant portion of the CEMTCC's future operating funds. Commercial objectives did not necessarily lose their importance; it was just that the focus was on the future sustainability of the CEMTCC and not on generating opportunities for Canadian business.

Table 3.1: CEMTCC - Phases I, II, & III (1983 - 1997)

<p><u>Phase I</u> 1983 - 88</p>	<p><u>Phase II</u> 1989-94</p>	<p><u>Phase III</u> 1994 - 97</p>
<p><u>Operating Budget</u> Cdn\$2,453,000</p>	<p><u>Operating Budget</u> \$4,668,000</p>	<p><u>Operating Budget</u> \$4,998,600</p>
<p><u>Goal and Purpose</u></p> <ul style="list-style-type: none"> - To assist the State Economic Commission in the efforts to increase industrial production by upgrading the managerial skills of enterprise personnel in northwest and southwest China; - To develop a model applied training centre at Chengdu to support modernization of management in industry ; - To systematically introduce theories, methods and experience of modern Canadian enterprise management to China through Canadian faculty teaching at the Centre; - To train a large number of enterprise managers and directors, as well as those individuals with promotion potential, and to help them grasp modern management technology and become the foundation for enterprise management improvement; - To assist the Centre in building up a teaching faculty and staff equipped with modern management knowledge and technology, who will be able to undertake teaching, research and consulting services; - To systematically provide the Centre with a set of texts and teaching materials relating to management education in order to help the Centre study and develop modern managerial science 	<p><u>Goal and Purpose</u></p> <p>Identical to Phase I, but with reduced Canadian involvement</p> <ul style="list-style-type: none"> - Provide a focus for the facilitation of Sino-Canadian trade relations throughout the Western region of China 	<p><u>Goal and Purpose</u></p> <ul style="list-style-type: none"> - To upgrade managerial skills of enterprises in southwest and northwest China; - To assist the CEMTCC to assume full management of the Centre by the end of Phase III; - To improve institutional capability to deliver effective enterprise management training and related services

The following sections will provide an analytical description of the two basic components of the project - human resources and institutional development. The analysis demonstrates how ACCC managed CIDA's competing political, commercial, and developmental objectives by maintaining a concentrated focus on HRD. Though much had to be learned to develop and implement the appropriate systems that would yield a centre of management education excellence, the cumulatively learned lessons contributed to building sustainable institutional partnerships in Canada and China. The incremental realization of human resources and institutional development built relationships of mutual trust and confidence among all the institutions involved. The project's focus on developing one Chinese institution was a strong factor in this development. Equally important, however, was ACCC's focus on developing its institutional capacity to be an effective partner in the administration of international projects, which it did with increasing alacrity.

3.3.1 Human Resource Development

Canadian Faculty

Human resource development for the CEMTCC involved Canadian faculty, Chinese faculty and staff, and curriculum development for the CEMTCC's training programs. One key element for the effective transfer of knowledge in either of

these areas was language. In all of Canada only a few academics were fluent enough in Chinese to conduct lectures in that language. Chinese enterprise managers fluent in English were even fewer in number. Therefore, the most pressing concern in the first year of the project was to train enough qualified interpreters at the Centre before the arrival of Canadian faculty. Other issues which arose as the project was being implemented were the quality of teaching materials used and the lack of a systemic method for contracting the appropriate Canadian faculty. Though there were time lags between recognition of these problems and implementing measures to address them, ACCC demonstrated an increasing capability in effective project management skills.

At the end of Phase I in 1986, ten interpreters had been trained and employed at the CEMTCC. Their training was so good that they were often referred to as teaching assistants rather than interpreters.¹⁴⁰ This had an unforeseen consequence however. Their training in Canada and the role assigned them in assisting faculty inspired several of these interpreters to seek advancement to faculty status. The interpreters were so central to the training process that Canadian faculty often felt, even though they were officially the teachers, that the interpreters actually taught the courses. This did not escape notice by the interpreters who

140. See for instance evaluations attached to Les McLean, "The China Enterprise Management Training Centre at Chengdu: Report at the Transition from Phase I to Phase II," Prepared in cooperation with CIDA and OISE, (Toronto, February 1986). Appendix A, pp. 41-47; Appendix B, pp. 48-53; Appendix C, pp. 54-66.

envisioned the elimination of their jobs with the gradual elimination of Canadian faculty once the Chinese faculty had acquired enough expertise to run the Centre. It was therefore understandable that the interpreters aspired to become faculty. A few did go on to complete degrees and become faculty at the Institute, but opportunities such as these were not common within the centralized, tightly controlled personnel system that prevails in state institutions in China.¹⁴¹

Quality interpreters were in increasing demand as China continued to open to the West. With increased labour mobility and substantially higher wages in joint ventures and private sector enterprises, the CEMTCC risked the loss of these interpreters and other Centre staff as well. Moreover, several language trainees who were in Canada in the summer of 1989 took advantage of the amnesty extended by the Department of Immigration. Their decision to stay in Canada was based more on opportunities available to them in Canada than it was on any fear for their personal safety or that of their families.¹⁴² The challenge for the CEMTCC was to address adequately the retention of trained interpreters and other personnel. They were also challenged to provide an attractive working environment in terms of facilities,

141. Table 5.3, Returning Chinese Faculty Assignments in Basic Group of Companies, "Final Report: Mid-Term Evaluation Enterprise Management Training Program/Chengdu, Phase II," p. 5-16.

142. The project actually lost twenty-six staff members during this time, of which only two returned to their units in the months that past. Interview d4, d2; ACCC, "Proposal for a Canada-China Management Training Institution Development Project, Phase III," (Toronto: ACCC, July 23, 1990). p. 51.

support staff, and opportunities for advancement with commensurate remuneration. Both of these were achieved with varying degrees of success, but only after a considerable length of time.

The only means for trainees and most Chinese faculty to communicate with Canadian teachers was through interpreters. The comparatively light schedules of the Canadian faculty might have facilitated the development of closer relationships between the Chinese trainees and Canadian faculty, but the language barrier prohibited this. As a result, informal discussions which might have been very useful in elaborating particular ideas or culturally different approaches to business could not materialize. The Canadian Project Officer with fluency in Mandarin often served as the liaison between these groups.¹⁴³ The language barrier also presented the interpreters with a relentless demand for their services. The volume of work was substantial and endless. Not only were they required to act as interpreters during lectures, but also to translate the teaching materials used. At the end of Phase I, over forty texts and over one hundred and fifty journal articles had been translated into Chinese. At least twice that volume was translated by the end of Phase II.¹⁴⁴ This volume is impressive, but does not necessarily reflect quality, for

143. In the initial stages of the project, ACCC assigned a Project Officer to be stationed at the CEMTCC. With the degree of responsibility inherent in the position, this was upgraded to Project Manager (China). The person assigned to this position was the only one of the Canadian team in China fluent in Chinese.

144. "Project Final Report for Completed Components, Phase I," Appendix Six, pp. 1-6.

quite often materials were hastily translated because they were received just prior to the commencement of classes. In other instances, high quality materials were not available and lesser texts and journal articles were substituted.

Initially, an academic consultant internal to ACCC decided which community college teachers were able and willing to teach their respective subjects on a short term basis in China. Though every effort was made to recruit the most appropriate faculty, in a few instances, faculty were ill-prepared to teach the courses to which they were assigned. In some instances, ACCC had to make compromises, especially with regard to courses in international and export marketing where Canadian community college expertise was weak. The process of deciding upon faculty members was not very systematic and, at least until Phase II, there was little coordination among the courses taught. Faculty members developed their own course curriculum and it was at their own discretion to determine how this was coordinated with other courses in the respective programs, i.e. the General, Marketing, or New Product Development Programs.¹⁴⁵ This resulted in programs that lacked coherence.

Even though overall course evaluations reflected a high level of student satisfaction, this was qualified by continuous requests for more case studies pertinent to Chinese industrial enterprise development. These were

¹⁴⁵. See Table 5 in the Appendix for Programs taught at CEMTCC in Phases I and II, "Final Report: Mid-Term Evaluation Enterprise Management Training Program/Chengdu, Phase II," p. 5-10.

difficult to find given the recency of China's modernization and ACCC's relative inexperience in this area of study.¹⁴⁶ Trainees also expressed concern about the basic level of the materials presented. Lack of the Canadian faculty's knowledge of the level of education and skills of their Chinese trainees was one reason for this, but this was compounded by the lack of information provided to the CEMTCC about the qualifications of prospective trainees. By the time a Canadian faculty member was contracted to a specific course and the appropriate teaching materials forwarded to the CEMTCC for translation, it was generally too late to make curriculum adjustments. In order to plan an appropriate curriculum and to provide for translation and interpretation, the Centre required at least six months formal lead time, but this rarely happened throughout the life of the project. The CEMTCC's project and administrative staff initially had to defer to the decision makers beyond the Institute at the city, county, and provincial levels in the choice of trainees.

As the project evolved into Phase II the institutional capacity of CEMTCC and ACCC slowly and painstakingly improved. Courses became more specialized and better targeted to the needs of the trainees. CEMTCC administration

146. China officially opened to the West in 1978. Agricultural reforms were the first to be implemented. With some success with the individual household responsibility system, there were quite a few experiments with enterprise reform. It was not until late 1984 that a thorough policy of reform in industry was announced and promulgated. See Dwight Perkins, "The Lasting Effect of China's, Economic Reforms, 1979-1989," in K. Lieberthal, J. Kallgren, et. al. eds., Perspectives on Modern China: Four Anniversaries, (Armonk, NY; M. E. Sharpe, 1991). p. 365.

and faculty became more involved in the development of the curriculum and ACCC improved the Canadian faculty recruitment process. ACCC delegated more responsibility for coordinating the curriculum to the CEMTCC staff and faculty. In conjunction with this development, ACCC began delegating responsibility for specific programs such as Marketing, International Trade, and the General programs to specific colleges in Canada. In 1984 in one program, ACCC had instructors from seven different community colleges delivering courses, but in 1988, in another program the number of colleges involved had decreased to two.¹⁴⁷ This ensured greater complementarity among the courses offered in the individual programs where in the past this was noticeably absent.¹⁴⁸

In Phase III, the resource pool of instructors was expanded to include specialists from the Canadian private sector. Representatives from Pergrine Securities, Fluor Daniel Canada, Janock Ltd., the Max Bell Foundation, and the Quebec Trucking Association, for example, lectured on their respective areas of expertise and contributed their services as industry consultants.¹⁴⁹ The China Program's intensified focus on commercial objectives is evident in this development. However, it was also a manifestation of the maturing institutional capacity of the ACCC to effectively

147. Appendix A, ACCC, "Chengdu Management Training Centre Project, China: End of Project Report[Draft]," (Ottawa: ACCC, November 6, 1996) pp. A5-A9.

148. "Final Report: Mid-Term Evaluation Enterprise Management Training Program/Chengdu, Phase II," p. 5-12.

149. Appendix A, "End of Project Report." p. A8

respond to the needs of its partners in Canada and China. The pressure on CIDA to be more responsive to Canada's commercial sector was accommodated by ACCC with the inclusion of business professionals on Canadian faculty assignments. The accommodation, however, worked to CEMTCC's advantage in that during Phase III, when the project began to focus more heavily on developing the Centre's consulting capacity, the expertise of these professionals made a significant contribution.

There was a gradual but steady improvement of the contracting process for Canadian faculty. The use of interpreters in classroom teaching was problematic for its labour and time intensity, but this was addressed in implementing the HRD plans for Chinese faculty and staff. As ACCC integrated the lessons learned in this aspect of the project's implementation, they struggled diligently to have the CEMTCC administration absorb the same. For ACCC and the CEMTCC, the integration of lessons learned occurred at different intervals for each institution. This discontinuous growth process produced some frustration for project managers and CEMTCC directors. However, continuity in the management team and a lengthy project cycle helped build a mutual trust and confidence in each other's increasing administrative expertise. Consequently, the ACCC management team was able to let the CEMTCC management team assume increasing responsibility and authority for the Centre's ongoing administration. The training of the Centre's administrative

staff and the professional development of faculty were critical in this transition.

Chinese Staff and Faculty Training

One of the project's specific purposes, strengthening the institutional capacity of the CEMTCC, required building the skills base of the Chinese faculty, administration, and support staff. The professional development of the faculty received prominent attention and the largest allocation of project resources in the first and second phases. It became critically clear at the end of Phase II, however, that the administrative and management capacity of the Centre was deficient enough to compromise the future sustainability of the Centre. To address this, the project was extended to a third phase. The process of implementing human resource development was more difficult than had been conceptualized and so took longer than planned. It became clear to project managers at ACCC early in the implementation process that the Chinese had difficulty grasping western concepts of planning faculty and staff development. They had long been used to being entrenched in a particular work unit with politics and *guanxi* (relationships and connections) serving as the basis for career advancement.¹⁵⁰ There was trepidation about making long range personnel plans when most Chinese were skeptical about the permanency of the ongoing reform process given their past experience.

150. *Guanxi* refers to social relations and connections. It is the basis of all Chinese relationships, public or private and can be the determining factor in the progress of a person's career.

Nevertheless, the project's overall goals and objectives required the Directors of the CEMTCC to develop a long-range human resources plan for staff as well as faculty. Although the project's primary emphasis was on the development of faculty, it was evident towards the end of Phase I that this would have to be supplemented with plans to develop the Centre's institutional capacity in terms of administration and staff. This was initially resisted by the Sichuan Management Institute for it threatened their organizational autonomy by circumventing their authority. Though this remained a difficult issue, the need for overall staff development was eventually accepted as the Institute's Directors slowly became convinced of the increased efficiency and effectiveness of both the Institute's and the Centre's administrative management that would result.¹⁵¹

The CEMTCC's resistance related similarly to a wholly different approach to human resources management. The democratic centralism of the Chinese Communist system, with its myriad of committees at the various levels of government, is premised upon the Party's power of leadership, supervision, patronage, and control. Career advancement under this model of governance is political and only secondarily based upon merit. The Party decided career advancement. With limited political reforms being undertaken in China as a whole, the proposed human resources plan was in a sense quite revolutionary and understandably resisted.

151. Interview d1, d4.

Though these plans were an ACCC initiative, ACCC project management was initially reluctant to implement them because of the long time frame involved. ACCC's immediate objective was to accomplish project goals and objectives relatively quickly, so as to be able to demonstrate ACCC's capability to CIDA. The China Desk was also uncertain about the long-range human resources plan because in general CIDA project planning was focused on the short term, i.e. four to five years.

Initial project plans rarely include provisions for a second or third phase, though most projects in the China Program were extended to eight years or more.¹⁵² Though there is this implicit understanding about future funding, it creates apprehension in project officers who cannot make firm commitments with the CEAs. Though the human resources plan was eventually accepted in principle, it was haltingly implemented by the Chinese. Only when it became increasingly evident that the sustainability of the Center might be in jeopardy with the cessation of CIDA funding - the administrative infrastructure of the Centre had remained static while advances had been made in faculty development, library resources, and the consulting office - did Chinese administrative staff development become a primary focus.

Even as the project wound down in September of 1997,

152. CIDA program planning is geared toward the short term even though there is an inherent understanding that projects are likely to be extended into several phases because of the Five Year budget process. Program funds are allocated in five year cycles so it is impossible to formally plan for projects longer than that. Planning for the next cycle includes considerations for extensions and new phases. This makes it very awkward for effective project planning when there is no absolute certainty of future funding.

however, this aspect remained problematic because the implementation of staff development evolved to include recommendations for organizational changes.¹⁵³ The recommendations called for cooperative, consultative, and institutionalized relations between the executive of the Institute and the senior and middle management of CEMTCC. These changes, which were to facilitate the development of strategic business and institutional plans, were designed to streamline the entire operation of the Institute and the Centre so that it would be a Centre of Excellence in the field of management education in the region. These were ambitious plans and they met with resistance, for they called for a significant reduction in the power and authority of the Sichuan Institute's Directors over the management team of the CEMTCC. With considerable persuasion by ACCC project staff in China and the project Director in Ottawa, this resistance weakened. The Directors conceded partial oversight of the CEMTCC's operations to the Centre's senior manager who had been with the Centre from its inception. With this concession, significant progress was made in facilitating changes that made the CEMTCC much more autonomous in matters of policy and the functional operations of the Centre. It also ensured a harmonious working relationship between the Institute and the Centre, the Centre and ACCC, and ACCC and CIDA.

153. "Mid-Term Evaluation: China Enterprise Management Training Centre at Chengdu(Phase II)," Submission prepared by Chinese Administrators and ACCC Resident Canadian Staff, (Chengdu: CEMTCC, March 1988). Appendix 4, pp. 1-7.

Faculty training in Canada proceeded more smoothly than staff development though it took an unexpected turn. When the Sichuan Management Institute took over the former trade school, it inherited all of the school's faculty and staff. Some of this faculty were retained, some were retired, and a complement of new faculty was recruited. It was this newer complement of faculty which received advanced training in Canada.¹⁵⁴ Most of the faculty chosen to go to Canada had degrees in engineering or economics and had expectations that their training would be sufficiently advanced. Community college level training could not meet that expectation.¹⁵⁵ The community colleges in Canada were not able to address this need sufficiently so most trainees were enrolled in MBA programs in Canadian universities, a decision that ACCC initially strongly objected to for obvious reasons.¹⁵⁶ This resistance was overcome, however, when CIDA made it clear that it did not intend to transfer responsibility for the project to Canadian universities. Administratively and logistically it would have meant complete project re-development. Enough of the China Program's budget had already been given over to the universities through the Canada-China Management Education Program (CCMEP) and the Canada-China University Linkage Program (CCULP). This was a project that CIDA wanted ACCC to lead regardless of its inexperience, as a way of balancing the allocation of

154. Ibid.

155. ACCC, "Project Final Report for Completed Components of Phase I," p. 3.

156. "Project Final Report for Completed Components of Phase I," Appendix 1. pp. 1-2.

education sector CEAs and expanding its institutional network.

Training in Canada required a workable knowledge of English for which the trainees were tested at least one year prior to departure. Those whose skills were below an acceptable level were sent for upgrading to the Canada-China Language Training Centre (CCLC) in Beijing. The pace of this process was much slower than the ACCC had expected, both in terms of who was selected and when. The training plan was intended to address this bottleneck by anticipating well in advance the Centre's needs, recruiting the appropriate personnel where possible, and upgrading their language skills to the level where they could undertake training in Canada. Though the Centre became more proficient at anticipating and planning for faculty training, travel, housing, and tuition for the CCLC program was prohibitively expensive.¹⁵⁷ This obstacle was compounded by the fact that, though the CCLC's program was effective in raising the language levels of trainees and in providing useful Canadian orientation, the CANTEST accreditation was not recognized for graduate placement in Canada.¹⁵⁸

The CIDA requirement that all China Program trainees had to be processed through the CCLC's language program imposed an unnecessary constraint on the operational flexibility of

157. "Mid-Term Evaluation: CEMTCC," Submission prepared by Chinese Administrators and ACCC Resident Canadian Staff, p. 10.

158. Ibid; "Final Report: Mid-Term Evaluation Enterprise Management Training Program/Chengdu, Phase II," Executive Summary, p. 11; See pp.2-21 - 2-22, "CIDA China Program" for details.

ACCC and the CEMTC. Though there may have been some utility in the CCLC's Canadian orientation centres in Canada, the language component was a financial and developmental liability. Consequently in Phase II, the China Program "untied" ACCC and the CEMTCC from the requirement to use the CCLC. The CEMTCC began the English language training at its own Institute while taking advantage of the ACCC funded orientation programs at the Regional Orientation Centres (ROCs) in Canada.

The commitment to the sustainability of the CEMTCC presumed that Chinese faculty would eventually assume the teaching responsibilities of their Canadian colleagues. Team teaching with the Canadian faculty at the CEMTCC was the primary mechanism for achieving the required skills necessary for teaching western management practices. The principle underlying this strategy was that, over three phases of Canadian involvement, a total of seventy Chinese faculty would augment the theoretical knowledge they attained in Canadian institutions not only with teacher training in their classes in China but also through placements in Canadian businesses. However, Chinese faculty members were reluctant to use time allotted for teaching classes to learn pedagogical methods. Their preference was to receive lectures on how to teach rather than engage in practice team teaching with their Canadian colleagues.¹⁵⁹ Ironically, college and university teachers in Canada are not required to

159. "Final Report: Mid-Term Evaluation Enterprise Management Training Program/Chengdu, Phase II," Executive Summary, p. 4.

undertake training in teaching methodologies. Training in pedagogical methods is a voluntary effort and not part of mainstream college or university curricula. It was not surprising therefore that the Canadian teachers recruited to the CEMTCC were as reluctant as their Chinese counterparts to engage in teaching methodologies.¹⁶⁰

A reformed pedagogy, nevertheless, was a critical point in the transference of technology because of the system of learning and teaching in China. The Chinese model is traditionally hierarchical with emphasis on rote learning. Students memorize the text and the teacher presents it. In contrast, the western model is interactive and promotes the exchange and discussion of ideas amongst students and the teacher. This dynamic process directly challenged the traditional Chinese static learning environment and, consequently, the interaction between ACCC faculty and CEMTCC was awkward. However, as ACCC became more sophisticated in the management of educational institutions and cognizant of the need for clear pedagogical methodologies, the transference of teaching technology was significantly strengthened. When the CEMTCC entered Phase III, faculty training took the form of intensive involvement with curriculum, and professional development consultants were hired to work on academic programming and delivery technologies. Faculty and academic administrators received training in curriculum design, computer assisted curriculum

¹⁶⁰. Ibid. p. 5.

development, distance education, business planning and Management Information Systems (MIS), academic management, and program administration.¹⁶¹ This substantially increased the quality of Chinese faculty teaching capabilities.¹⁶²

Another aspect of transferring knowledge was to be achieved through Chinese faculty placements in Canadian businesses. This was excellent in principle because it offered faculty trainees a first hand opportunity to apply technical and managerial knowledge as they were acquiring experience in western companies. However, it was difficult to operationalize because Canadian businesses in general do not have the resources in place to provide internships for Canadians, let alone foreign trainees where the short term prospects for any return on company investments was dubious. In the end, few CEMTCC trainees were placed in Canadian businesses. Unable to attain practical Canadian experience, project management developed another option that made use of the Consultancy Department of CEMTCC which was engaged in convincing local enterprises of the value of their consulting services. Some faculty did take advantage of the opportunity to develop their practical skills by consulting or moonlighting after hours, but since this was voluntary, others could not be persuaded to work in this capacity without recompense.

161. ACCC (Asia Division), "1994/95 Work Plan: Chengdu Management Training Centre Project, China," (Ottawa: ACCC, April 1994). p. 10.

162. ACCC (Asia Division), "Proposal for a Canada-China Management Training Institution Development Project, Phase III," Appendix B, p. 1. ACCC (Asia Division), "Chengdu Management Training Centre Project, China: End of Project Report[Draft]," pp.30-33.

Developing a formal system of practical work placements together with expanding the management and delivery of consulting services received increasing attention in the later of stages of the project's implementation.¹⁶³ Most faculty preferred to focus their professional development in the area of teaching, so even though ACCC strived to strengthen the consulting capacity of the Centre, its rationale changed from providing a mechanism for the application of theoretical knowledge to providing future operating capital for the Centre. I will return to this issue under the section on Institutional Development.

Training Programs

In Phase I, over three hundred enterprise managers were trained in general principles of business administration and management, marketing, computer systems analysis, and human resources management. By the end of Phase II, the Centre had delivered fifteen management training programs involving about thirty-five courses. By the end of Phase III, project documents record as many as 40,000 graduates of the Centre's nineteen training programs and over one hundred fifty courses. It has also gained the national distinction of being the only educational institute offering special training for women in remote, underdeveloped, and minority nationality regions of China.¹⁶⁴

163. ACCC, "Chengdu Management Training Centre Project, China: End of Project Report[Draft]," pp. 26-29.

164. ACCC, "End of Project Report," p. 6.

In Phase I, trainees were quite senior. With the promulgation of a statute in early 1985 by the State Economic Commission that required all state enterprise directors and deputy-directors to pass an examination set by a central Examination Board in order to keep their jobs, the composition of recruits changed to more junior enterprise personnel.¹⁶⁵ This was not anticipated by the CEMTCC, CIDA, or the ACCC and is reflective of two things: 1) the environment in China is so turbulent with respect to changes in legislation that it would have been difficult to predict this development; and 2) the low level of communication between Ministry of Foreign Economic Relations and Trade (MOFERT), the State Education Commission (SEDC), and the SCRES. In any case, this development presented some challenges to CEMTCC's enrollment projections. By the fall of 1985 the number of trainees was drastically reduced and those who did come were junior cadres with a limited capacity to implement the knowledge and skills learned at CEMTCC. Canadian project managers discovered not only that there was a national qualifying examination, but also that China Central Television had set up an educational program to prepare trainees for the examination. Enterprise managers chose this training option rather than taking leaves of absence to attend the CEMTCC's training programs. With the increased accountability and responsibility that enterprise managers faced, taking a three to four month leave of absence

165. "The China Enterprise Management Training Centre at Chengdu: Report at the Transition from Phase I to Phase II." p. 35; Interview a7.

was out of the question. Efforts were made by the CEMTCC staff to address this issue by requesting from the national examination board equivalence in certification for completion of CEMTCC's program.

The problem of this management certification examination, however, resolved itself as it was withdrawn by the government as a requirement for enterprise managers. Nevertheless, accreditation was still an issue because of the inception of another national program which established state standards of certification for the five key executives of state enterprises: the Plant Director, the Chief Economist, the Chief Accountant, the Chief Engineer, and the Party Secretary.¹⁶⁶ The Institute already had a two year diploma program that the State Planning and Economic Commission (SPEC) recognized, and it was suggested that the Centre's program be linked to it. The Centre did institute certification for at least some of its courses and so it gained in attractiveness to its target audience. There were instances where some of the courses offered were actually delivered in the enterprises as a way of demonstrating the utility of the material covered in the larger program at the CEMTCC. As a learning tool, this was very effective because it brought the technology into the enterprise and demonstrated not only its immediate usefulness, but also the expertise, professionalism, and goodwill of the faculty and staff of the Centre. It was also a very effective marketing

166. "Final Report: Mid-Term Evaluation Enterprise Management Training Program/Chengdu, Phase II," p. 5-13.

tool, and though enrollment projections were achieved (e.g. one thousand at the end of Phase II) only about thirty-five percent of these were senior managers.¹⁶⁷ By the end of the project in 1996, CEMTCC had taught over 40,000 graduates from all over China, and the Centre was offering nineteen programs and one hundred-fifty courses.¹⁶⁸

It was thought at one point that MBA accreditation might be more attractive to senior level cadres. CEMTCC resisted this move because its emphasis was on the integration of theoretical knowledge and practical training. Though the pursuit of an MBA was important for the faculty who would eventually assume full teaching responsibilities, this was not the objective for enterprise managers who were primarily concerned with raising productivity levels. Since the primary goal of the project was to increase industrial production, by upgrading managerial skills of enterprises in southwest and northwest China, linking a rise in production levels to the practical orientation of the program was a critical objective. Though the Centre itself was unable to develop an MBA program because of its status as a management training facility, it was able to develop a joint cooperative relationship with Xi'an Jiaotong University. This arrangement facilitated the project's ability to support partially faculty pursuit of part-time diploma and degree

167. Ibid., p.4-2.

168. ACCC, "Chengdu Management Training Centre Project, China: End of Project Report [Draft]," p. 6.

programs in Chengdu.¹⁶⁹ Effectively addressing this need for affordable, accessible faculty development enhanced the Institute's image as a centre of academic excellence and its ability to deliver up-to-date responsive programs.

The innovation of offering training opportunities for women in remote, underdeveloped, and minority nationality regions of China was a Women in Development (WID) policy initiative of CIDA's upon which ACCC assertively acted in concert with the All China Women's Federation. From the mid 1980s to the project's completion in 1996, the CEMTCC delivered training programs off-site to over 5,000 women in remote regions of Sichuan, Yunnan, Guizhou, and Tibet. The training programs were in areas such as WID issues, leadership, business management, marketing, international accounting standards, small business operation, horticultural topics, and animal breeding.¹⁷⁰ Without the availability of surplus funding through CIDA's Program Development Fund, this successful and relatively inexpensive training program would not have been possible.

3.3.2. Institutional Development

Consulting Office

To reinforce the practical applications of the programs

169. The project supported faculty professional development by covering the costs of training, course materials and coordination. ACCC (Asia Division), "Chengdu Management Project 94/95 Annual Work Plan," (Ottawa: ACCC, May 1994). p. 10; ACCC (Asia Division), "Chengdu Management Project 95/96 Annual Work Plan," (Ottawa: ACCC, May 1995). p. 7

170. ACCC, "End of Project Report," pp. A17-A19.

offered at the CEMTCC, the project planned for the Chinese faculty who had received training in Canada to assume the dual responsibility of teacher and consultant. The consultancy idea had been conceived in Phase I, though with all of the initial start up activity, it was not aggressively acted upon until later in Phase II. With the preoccupations of Phases I and II on the construction of buildings, the training of faculty and interpreters, and the purchase of equipment, operational attention was not focused on the development of the Consulting Office. In Phase III this became one of the primary thrusts. However, the process of building the Consultancy Office was fraught with challenges because the western idea of business consulting was completely foreign to the staff at the Consultancy Office. Their perception of the function of a consultant was that of an award giver, of one that provided glowing assessments attendant with plaques, trophies, and the like.¹⁷¹ This emerged from their experience with political reporting of inputs and outputs according to centrally planned production levels set by the Party apparatus. The transition from this conception to one that emphasized consulting services as a viable business investment was difficult, particularly as the mandate of the Centre shifted throughout the project.

Initially established to provide practical skills to faculty, the Consulting Office's mandate was expanded in the early 1990s to include the encouragement of trade and

¹⁷¹. Interview d5.

commercial relations between Canada and China. This latter objective was imposed on the Consulting Office by ambitious CEMTCC administrators anxious to improve their visibility, image, and financial situation, all of which was quite compatible with the China Program's objective of maximizing the economic impacts of their projects for Canadian business. The Consulting Office had to strive hard to establish its reputation and credibility beyond traditional conceptions. Shifting the emphasis to the development of commercial relationships compromised the Consulting Office's ability to conduct its services as a practical complement to faculty training.¹⁷² CEMTCC project management was not able to negotiate these contradictions well for there was no clearly articulated management plan in place to guide the Consulting Office's development until Phase III.

In establishing its reputation as a legitimate management consulting office, project management struggled with the local perception attached to the CEMTCC as a facilitator for joint ventures between Canada and China. In Phase II, under the auspices of CIDA's Industrial Cooperation Division (INC) and the Development and Trade Sections of the Canadian Embassy in Beijing, several Canadian business missions visited the Centre and initiated a few joint venture discussions. However, there has been no evidence to date of any official agreements being signed or joint ventures actually being developed as a result of contacts developed

172. ACCC (Asia Division), "1994 JPSC Meeting Minutes," (Ottawa: ACCC, April 1994). p.2.

through the Consulting Office.¹⁷³

In light of the activity in 1988 and 1989 and in a spirit of optimism and good will, the Consulting Office, reorganized into the Consulting and Research Division of the Centre, signed an agreement in February 1990 with the Canadian Embassy Commercial Section to act as Canada's official agent in Sichuan Province.¹⁷⁴ The Centre therefore became more of a source of interpreters for trade missions, and for the facilitation of joint ventures and trade delegations, rather than a source of business expertise. However, as the project moved into the latter stages of Phase III, making the Consultancy Office a source of revenue generation for the CEMTCC became a critical objective.

The Canadian project management team in China continued its efforts to improve public relations with local enterprise managers. The team had long discussions with enterprise managers, encouraging them to try some western approaches to address particular problems in their facilities. The team also encouraged enterprise management to apply some of these methods to improve production, employee relations, advertising effectiveness, and so on. It was incredibly difficult to get the Consultancy Office to adopt this methodology, but with the development and implementation of a staff training strategy, there was a gradual adaptation.¹⁷⁵

173. ACCC, "Final Report: Mid-Term Evaluation," p. 6-2; ACCC, "End of Project Report," p. A13;

174. ACCC, "Proposal for Canada-China Management Training Institution Development, Phase III," p. 52.

175. Interview d5.

The Centre was able to provide support services for several Sichuan Trade Fairs, as well as consulting services to the Sichuan Cable Works and Patton & Cooke Joint Venture Project, a proposed joint venture between Chengdu Brewery and the Upper Canada Brewery, the Sichuan Salt Company, the Sichuan Switchgear Works, Chengdu Electric Arc Welding Machine Factory, and more than twenty other domestic consulting projects undertaken by Chinese faculty at the Centre.¹⁷⁶ With this consultancy background, one would assume that the Consultancy Office was developing the expertise and capacity to increase its profile as a centre of management excellence in the region, but this was not the case, for there was very limited follow-up to the technical and managerial recommendations provided, and very little enthusiasm on the part of teaching staff to engage in non-compensated consulting.¹⁷⁷ It took considerable intervention by Canadian faculty and short-term managerial consultants to bring about a shift in thinking, paralleled by some organizational and promotional changes that served to make the Consulting Office more profit-oriented.

The Chinese had little expertise in the consulting profession so the real initiative lay with the Canadians who had come to teach. When they could find time, it was hoped that they would be able to consult. With the consulting aspect

176. China Enterprise Management Training Centre at Chengdu: Consulting International, Attachment to "Draft Management Plan for Chengdu Phase III," (ACCC: Ottawa, July 1990).

177. "Final Report: Mid-Term Evaluation Enterprise Management Training Program/Chengdu, Phase II," p. 5-22 - 5-27.

included only as a possibility, it often fell by the wayside. In the latter part of Phase II and into Phase III, as the project sought to upgrade the consulting capabilities of the CEMTCC, consulting responsibilities became integral in the recruitment of Canadian faculty. Acting on the recommendations of the mid-term evaluation for Phase II, the Canadian Co-Director brought significant weight to bear on the necessity of strengthening this office for the future sustainability of the Centre.¹⁷⁸ With a considerable amount of public relations effort, the CEMTCC was able to give the Consulting Office a higher profile in Chengdu and the surrounding area. Promotional brochures were developed and distributed throughout the region, advertisements were put in the local papers, and free management and technical seminars were offered, as part of an overall media relations strategy to "strengthen linkages with the local and national media to facilitate expanding public awareness of the major events and progress achieved through [this] Sino-Canadian project."¹⁷⁹

Despite difficult beginnings, faculty did take advantage of the applied research opportunities consulting offered so that, by the time the project finished, faculty members had generated a wealth of case studies which were integrated into course curricula. The Centre demonstrated its managerial maturity in 1994 when it transferred the operations of the Consultancy Division to a newly incorporated (1994) business

178. Ibid. Executive Summary, p. 7; Interview d4.

179. ACCC, "Minutes of 5th Joint Project Steering Committee Meeting: CEMTCC," (ACCC: Ottawa: May 31, 1995). p. 16.

development company, Consulting International. With this development the Centre's revenue generation included, as well as consulting services, investments, facilities rentals, catering, events management, and advertising. In essence, what has emerged is a sustainable organization with the capacity for continued growth and development.

Management Development and Change

The CEMTCC's managerial maturity in other areas has been achieved through concerted and sustained efforts of the ACCC to bring about institutional growth, development, and eventually full project responsibility through an aggressive HRD plan. As has already been detailed above, the training and professional development of faculty consumed the project's focus for the first two phases. However, the sustainability of Canadian and Chinese investments were in jeopardy without the development of the Institute's and Centre's staff and management. Extending projects into a third phase was not a standard procedure in CIDA funding, but ACCC was able to make a convincing argument that this extension was critical. Where in Phases I and II, over 70 faculty members had received professional development training, this was limited in Phase III to only one or two. Staff and management numbers on the other hand increased to over three hundred.

The training was intended to provide for a smooth transition from ACCC to CEMTCC management responsibility and

in all seems to have proceeded quite smoothly. The critical dimension was ensuring that the CEMTCC's management not only had the skills to assume full fiscal and administrative responsibility, but also the autonomy. Staff of the project management office received training in Canada and China. Support staff received a broad range of development in areas such as academic upgrading, financial and general management, administrative systems, word processing, and other clerical skills. The intensity, scope, and effectiveness of this training and development demonstrated ACCC's own professional development in the administration and management of educational institutional development. In only five years they were able to accomplish something larger than that which had taken ten, i.e. faculty development.

The eventual assumption of all teaching functions, from the development and generation of course curricula to applied research and teaching, by Chinese faculty was paralleled by plans for the Centre's management. This was done in stages. First, the Canadian co-manager in China delegated increasing administrative responsibilities to the Chinese co-manager. His capacity for administrative and financial authority had been constrained by the Sichuan Institute's executive role in the Centre's management. The Institute's Executive never was comfortable with releasing full control over the Centre but compromised with appointing the Centre's manager to its own Executive body. This permitted a great deal more autonomy for the Centre's management while at the same time preserving

the executive autonomy of the Institute. With this substantive shift in the Centre's capacity and the effective demonstration of administrative capability on the part of the Centre's manager, ACCC in the last year of the project turned over its financial responsibilities. A Canadian co-manager on site in Chengdu was phased out at the end of 1996 and the Centre assumed full administrative and managerial control.

A similar process had unfolded in the relationship between the China Program and the ACCC. Funding for this project in Phase I was initially provided through the Institutional Cooperation and Development Support unit (ICDS) of what was once the Special Programs Branch (now Canadian Partnerships). This arrangement provided scarce project funds while allocating overall project responsibility to the China Program. With the China Program's institutionalization, the significant increase in its budget, and the project's expansion into several more phases, the program assumed full financial responsibility for the project. Though the function of the ICDS unit was primarily related to the development of Canadian NGOs, China Program officers sought its advice on facilitating the development of the ACCC and the CEMTCC.

As the China Program expanded and project officers were called upon to take on responsibility for more projects, their involvement in project implementation became more of a management function. Their title changed to Project Team Leaders (PTLs) to reflect the reality of managing a team as

opposed to managing a project. The project team consisted of representatives from the Canadian Embassy in Beijing, the ACCC management team, the management from ACCC's partner institutions in China, and the monitor. For instance, at the annual Joint Planning Steering Committee (JPSC) meetings there were generally no less than twenty-five people participating, all of whom ultimately were accountable to the PTL. With little experience in the field and a two to three year project rotation cycle, PTLs came to rely heavily on ACCC administrators for project development and implementation. On the CEMTCC project, there have been no less than five PTLs in the course of thirteen years. Each of these PTLs worked on the project for a term of approximately two years. The PTLs may be professional administrators, but they have over the life of the China Program become less and less familiar with China per se, so that they are heavily reliant on the professional integrity of CEAs like the ACCC. This reliance is mutual as ACCC depends on CIDA not only for financial resources but also for legitimating ACCC's organizational reputation for excellence in the development and implementation of large bilateral ODA projects. The high degree of interdependency between the organizations decreased the autonomy of each though not at the expense of a strong sense of collegiality. This collegiality tempers the predominant position of CIDA officers in project steering committee meetings where key decisions about the project are

made.¹⁸⁰

The level of confidence in the quality of this professional relationship has been critical for the effective operation of this project. For instance, even though ACCC had little experience with the development and administration of an ODA project, the China Desk delegated a significant degree of authority and responsibility to the representatives of ACCC on the first Project Development Mission (PDM). Likewise, in the JPSC meetings which were composed of representatives from SCRES, SPEC, CIDA, ACCC, and CEMTCC, ACCC and CEMTCC were represented as ex-officio members though they had been the principal planners and managers of the overall project. SCRES, SPEC, and CIDA were kept abreast of the work plans as they unfolded and as any proposals for change were being developed, but their involvement in the project occurred at a level far removed from its actual implementation. The JPSC met at least once a year to discuss the progress of the project's implementation. This was largely a formality for the signing of the requisite documents for revisions to the Management Plan, possible changes to the project's design, and the review of progress reports presented by the monitor. These had all been well discussed and decided upon by project management in consultation with the organizations involved prior to the meeting.

At the mid-point and towards the end of each Phase, CIDA

180. See Table 2.2 and 2.3 for a visual depiction of the decision making flow of a typical China Program project.

contracted an external monitor and evaluator to review the project and provide recommendations. It is not clear whether the Chinese had parallel mechanisms for evaluation and feedback, though students and faculty prepared and conducted evaluations that were utilized by the Co-Directors. As the Auditor General and the Department of Finance required more accountability for ODA expenditures with the introduction of Results Based Management in 1993, demonstrating actual increased institutional capacity of the CEMTCC became a more prominent feature in the project's final stages of implementation.¹⁸¹ Senior project management at ACCC, by now well familiar with Agency expectations, worked closely with the CEMTCC's senior management to bring about key organizational changes that strengthened the institution's sustainability as a centre of management excellence in the Sichuan region.¹⁸²

As ACCC has become more familiar with CIDA's progress and financial reporting systems, project documentation has reflected its professional development and increased capacity to manage such large scale projects. This demonstrated capacity has been rewarded with several other China projects, e.g. the College Linkages Project, the Women in Development project, and more recently a project for training Women

181. See www.acdi-cida.gc/perform-e.html; Auditor General, Report of the Auditor General of Canada to the House of Commons, (Hull: Minister of Supply and Services, 1993). p. 311-330.

182. The CEMTCC is the only management education and training facility established by the State Economic and Trade Commission (SETC) in the five provinces and regions of southwest China. It was the only post secondary education institution in Sichuan to win several key research funding projects in 1994. ACCC, "Chengdu Management Training Centre Project, China: End of Project Report[Draft]." p. 41.

Judges. ACCC also expanded its activities beyond China and has directly attributed this to the expertise it developed in the administration and management of the CEMTCC. Much like CIDA, the organization has been proactive in its environment, contributing to the change in Canada's ODA environment as well as responding directly to it.

3.4 Conclusions

This project, like most other bilateral projects in the China Program, was designed to be of as much benefit to Canadians as to China. This is evidenced in the number of private and public institutions, academics, and other individuals involved in the project over its thirteen year duration, in the percentage of project funds which were spent in Canada and on Canadians, and in the emphasis placed by CIDA on the need to increase the commercial return on their investment. With the CEMTCC, CIDA's China Program spent over \$12 million dollars, with as much as seventy-five percent of that consumed in the overall administration of the project. Forty-four Canadian educational institutions, fifty-two Canadian corporations, and two hundred and forty eight Canadians participated in the implementation of this project. In terms of "the multiplication of contacts at the thinking level," the CEMTCC was quite successful. How sustainable these contacts are however remains debatable without the external support of agencies like CIDA. What is clear though

is that what has emerged through the implementation of this project, and of others in the China Program's portfolio, is that growth in the organizational constituency is contributing to the development of future Canadian foreign policy towards China.

The China Program's development imperatives and operational logic certainly influenced the manner in which the project was implemented, but the autonomy accorded ACCC permitted a flexibility, the absence of which would have assuredly compromised the success of the project. Gender and commercial objectives imposed by CIDA were integrated into the project, but because of operational autonomy they could be dealt with as befit the institutional and cultural constraints of the CEMTCC. All the organizations and institutions involved acted in a similar manner to buffer their operations from the demands of each other. For example, the Institute and the CEMTCC were able to act with a great deal of organizational autonomy despite the presence of ACCC management on site. ACCC was able to bring its influence to bear through the control of the finances of the project and its tenacity in adhering to a consistent and very focused strategy for the sustainable development of the CEMTCC. ACCC delicately balanced the demands made upon it by the China Program by becoming efficient in meeting CIDA's administrative requirements, e.g. timely and well-prepared financial and progress reports and by fulfilling its project responsibilities in a professional manner. This operational

autonomy in managing the imposition of politically determined program objectives, i.e. WID and commercial, altered the manner in which some elements of the project were implemented but did not alter the operational integrity of the ACCC.

ACCC acquired, as a direct result of this project, expertise that allowed it to establish itself as a future integral part of CIDA's organizational network and enabled it to diversify into the administration of projects of other international ODA programs. ACCC's International section was almost entirely dependent upon CIDA for its financial resources. Recent efforts to diversify this resource dependence have resulted in projects in several different countries in Asia and Africa with the World Bank and Asian Development Bank (ADB). Like the China Program, ACCC's International Division has had to be proactive about diversifying its resource base and maintaining some operational autonomy. Diversification of authority in project implementation was thrust upon the China Program by the Agency as it buffered itself from the political and economic pressures of ODA fatigue, public opinion about China in the aftermath of Tiananmen, and the scrutiny of a foreign policy review process. The China Program proactively built an impressive network of organizations and institutions like ACCC that could demonstrate, at the ministerial level, results that matched the changing demands of the domestic political economy and ensured the program's continued existence.

ACCC's mandate to build the institutional capacity of the CEMTCC was a formidable challenge, particularly in light of the radically different approaches of each institution to administrative management. ACCC's collaborative and interactive system of administration and management directly challenged the hierarchical and authoritarian nature of the CEMTCC. Flexible, autonomous relationships are a primary characteristic of the manner in which ACCC manages its inter- and intra-organizational relationships. CEMTCC's management systems have been characterized by rigid and mechanistic relationships. One promotes creativity and initiative, the other ritualistic compliance with rules and regulations. Though fundamental change in the CEMTCC's administrative management will continue to be contingent, at least in relative terms, upon the overall system of Chinese governance, remarkable progress has been made in shifting institutional perceptions of what constitutes effective leadership in the field of enterprise management. In this respect, CIDA, through the agency of ACCC, can take credit for making this significant contribution to China's modernization.

Chapter 4

The China Open Cities Project: Integrating Commercial and HRD Objectives

4.1 Introduction

Although the China Open Cities Project (COCP) was ostensibly about human resource development, its primary focus on urban development did not categorically fit any of the Program's sectoral foci - agriculture, forestry, energy, telecommunications, and transportation. Jointly managed by a national municipal organization, the Federation of Canadian Municipalities (FCM), and a national business organization, the Canada-China Trade Council (CCTC),¹⁸³ the project raises important questions about the relationship between development and commercial objectives in Canadian ODA policy. How the apparent contradictions between these objectives are resolved can be understood within the framework of organizational processes. Broadly conceptualized as promoting the development of China's municipal institutions with the view ultimately of improving trade and investment prospects between Canada and China,"¹⁸⁴ the project fit well with a foreign policy objective of "...connecting the

183. Changed in 1994 to the Canada China Business Council (CCBC).

184. Canada, CIDA, "Plan of Operation for Assistance to Fourteen Cities and Other Open Areas," (Hull: CIDA, April 1987), pp. i-iii.

Canadian economy to the developing world" and integrating Canada's domestic agenda with international development objectives.¹⁸⁵

The government's overall political imperative with respect to increased commercial relations with China contended with the China Program's objective of the efficient implementation of Agency directives with respect to women in development, the environment, sustainable development, regional parity, tied aid and so on. How the China Program and FCM managed these pressures with respect to the implementation of the China Open Cities project demonstrates some of the key arguments being made in this thesis: That the activities and outcomes of the China Program are strongly influenced by the demands being made by the Program's bureaucratic and political environment; that flexibility in responding to these demands is assured in the loosely-coupled nature of the relationship between the China Program and its environment; and that understanding the nature of this process provides insight into the current stature of Canadian ODA to China.

The manner in which the project was conceived, developed and implemented exemplifies the loosely-coupled relationship between the China Program and its executing agencies that must exist if there is to be coherence, confidence, and trust

185. Department of Foreign Affairs and International Trade(DFAIT), Canada in the World: A Government Statement, (Ottawa: Public Works and Government Services, 1995). p. 40-41; DFAIT, Foreign Policy Themes and Priorities, 1991-92 Update, (Ottawa: DFAIT Policy Planning Staff, December 1991). pp. 8-16.

in the ODA process. FCM, like ACCC, entered the ODA field in China with virtually no experience and proved itself capable of fulfilling CIDA's administrative expectations. In terms of human resources and institutional development, results were not as demonstrable as with the China Enterprise Management Training Centre at Chengdu (CEMTCC), primarily because the project had no specific institutional focus in China. However, FCM's institutional capacity and capability for ODA project development and implementation were significantly enhanced so that, like ACCC, it has positioned itself to administer another project in China, while expanding its expertise into Africa and other parts of Asia as well. Flexibility characterized not only the implementation process, but also the interpretation of the ambiguous results which emerged from two project phases over the course of eight years and \$13 million worth of activity.

4.2 Background and Inception

China's opening to the West in the late 1970s was for the most part predicated on the experimental development of Special Economic Zones (SEZs). Initially located in the coastal cities of Shenzhen, Zhuhai, Shantou, and Xiamen, the SEZs were designed to serve as a conduit through which China could have access to foreign exchange earnings, transfers of foreign technology, and management skills without opening the whole economy to trade liberalization or exposing the Chinese

population to foreign influence. Distinguished from existing provincial and administrative jurisdictions by different economic and legal provisions, the SEZs provided the State Council with a buffer from possible future swings in Party policy. They were laboratories, so to speak, for experimenting with the use of capitalist methods and management.¹⁸⁶ Though there seemed to be a great support in the Party, SEZs were a contentious innovation that required significant political sponsorship. This was obtained through the appointment in 1980 of Gu Mu, a senior member of the State Council and former mayor of Shenzhen, to the Directorship of the special bureau for the administration of the SEZs.¹⁸⁷ Within several years of their development, the SEZs expanded from the few zones cited above to include 14 more coastal cities among which were Shanghai, Qingdao, Dalian, Fuzhou, Tianjin and Hainan Island.¹⁸⁸ At the time of this writing, the SEZs are so profuse in number that they have actually ceased to be special in any sense of the word though the administrative infrastructure of the Special Economic Zones Office (SEZO) within the State Council still remains.

This development in China's political economy presented opportunities for Western nations anxious to do business in China. Officials at the Canadian Embassy in Beijing felt

186. Michael Osborne, China's Special Economic Zones, (Paris: Development Centre of the Organization for Economic Cooperation and Development (OECD), 1986). p. 82-83.

187. Ibid. p. 84.

188. Ibid., p. 85; Su Wenming, ed., Opening the Doors: 14 Coastal Cities and Hainan, Beijing Review Special Feature Series (Beijing: Beijing Review, 1986).

that this presented an enormous opportunity for Canada. By some accounts, the China Open Cities project was initiated in Beijing with informal conversations between a senior MOFERT official and a senior CIDA official who, having established a good relationship based on shared personal experiences, discussed how Canada could contribute to the development of the newly instituted management training centres and special economic zones. This is reported to have been the informal inception of the both CEMTCC and the China Open Cities project. Steps to provide CIDA funding began with discussions between Chinese government officials and officers at the Canadian Embassy in Beijing in 1984-85.¹⁸⁹ As part of the overall strategy for the SEZs, the Chinese government had already initiated training programs in urban planning and foreign investment for senior municipal cadres at some of the more prominent universities like Nankai University in Tianjin. Early discussions between Embassy staff and MOFERT raised the suggestion that CIDA might assist by providing funding for supplementary training by western experts. There was a certain amount of trepidation about considering such a project, given the Agency's lack of experience with urban projects.

The budget increases for the China Program in 1986 generated a pressure to spend which was greater than the reluctance to begin such an undertaking.¹⁹⁰ This pressure,

¹⁸⁹. Interview a13.

¹⁹⁰. This feeling about the pressure to spend the budget was corroborated by several interviewees. Interview a7, c4, c6, c8.

combined with the government's emphasis on intensifying commercial relations with China, highlighted the potential complementarity between Canadian aid and trade, making this an ideal pilot project for the China Program. Increasing the urban planning and management capacity of the SEZs' leading cadres was a mammoth task and CIDA, with its limited financial and human resources, could only hope to make a minor contribution.

The project's management was able to overcome some of these limitations by utilizing its network of Canadian organizations and institutions. For instance, with the CCTC's mandate of promoting and assisting Canadian industry in China and the high level of private sector interest in China at the time, a number of its member organizations were willing to contribute services to various aspects of the project. Similarly, FCM's national constituency of urban administrators, enthusiastic about expanding commercial opportunities for their cities, was also willing to contribute services.¹⁹¹ At the same time, the China Program was in the process of planning for its second generation of projects after 1984 and was moving away from large numbers of small, administratively intensive HRD projects to umbrella type arrangements where a central coordinating body like FCM would assume these responsibilities. Rather than have China

191. The Federation of Canadian Municipalities membership includes the senior executive of Canadian municipalities. This includes mayors, chief financial officers, municipal development, and corporation executives. FCM's function is to be the national voice of municipal governments representing their interests on policy and program matters within federal jurisdiction.

Program officers manage a multitude of small projects, this responsibility was delegated to CEAs like FCM which would manage and coordinate a variety of different activities with a number of different institutions. Program officer responsibilities, therefore shifted from project management to that of managing the CEAs. The COCP was one product of this multi-pronged umbrella arrangement.¹⁹²

Planning commenced with the primary activity of augmenting Chinese programs in urban planning and foreign investment. This could be achieved with lectures by Canadians conducted in Chinese universities and training institutes. It had been decided quite early in the planning stages that Nankai University in Tianjin was to be the lead institution because it already had established ties with a Canadian university.¹⁹³ From the base of this institution, selected Chinese professors would be chosen for training in Canadian universities or be attached to a municipality for training in particular areas such as business development, infrastructure management, historical site management, and waste disposal systems. Study tours to Canada would be

192. The China Open Cities Project was a small example of this umbrella arrangement. The Canada China University Linkages Project (CCULP) implemented thirty four university linkages through the International Office of the Association of University and Colleges in Canada (AUCC). AUCC was also the executing agency for the Canada China Management Education Project which facilitated over thirty partnerships. Similarly, the International Bureau of the Association of Canadian Community Colleges (ACCC) was the implementing agency for the College Linkages Project which facilitated thirty partner relationships between Chinese and Canadian community colleges. Appendices 13 & 14, Martin Singer, Academic Relations Between Canada and China, 1970-1995. pp. 131-133.

193. Nankai University already had established links with York University's International Program through the Canada China Management Education Program (CCMEP).

organized for senior administrators of the SEZs, and regional seminars in China would be conducted on contemporary municipal issues. A primary study tour objective was to provide a practical demonstration of Canadian municipal management and opportunities for commercial development. The production of audio visual material and manuals for training classes and individual study in China was another planned component. These preliminary plans were confirmed with a study tour to Canada by senior Chinese officials from several SEZs, SEZO, and MOFERT in June 1986.¹⁹⁴

Though each of the components appeared to be making a sound contribution to the development knowledge of SEZ administrators, they were designed as separate entities and lacked a coherence or unifying focus. There were no plans to integrate or coordinate them, even on a municipal basis, until much later on in the project's implementation when it became increasingly clear that results were too disparate to make any significant contribution to the institutional capacity of the SEZs. Individual urban administrators at the junior and senior level, though trained on thematic issues such as international financial management, urban renewal, and so on, were never from the same city or even the same region. A thematic integration by work unit or municipality would have made a greater contribution to strengthening

194. The issuance of a Project Inception Mission (PIM) in May 1985 led to a Project Definition Mission (PDM) to China in late August to identify municipal training needs and negotiate with the pertinent Chinese agency. The PDM was officially signed on April 17, 1986, just prior to the study tour to Canada. A Project Approval Memorandum (PAM) was signed in August 1986.

institutional capacity than had been realized in this project. This disjuncture with that which was being emphasized by the China Program - institutional capacity building along with building maximum human and institutional contacts between Canadians and Chinese in key areas of the Chinese economy - was only addressed as the project neared completion at the end of Phase II.¹⁹⁵

This type of project planning demonstrates the emphasis on the generation of numbers trained with limited strategic consideration for actual development impacts. These were assumed to be taking place though they were never built into the project's design because different institutions were responsible for the different project components, and there was no coordinating mechanism between them. However, as urban development was fairly new to the China Program and, with the latent commercial possibilities it seemed to offer with a partner like the Special Economic Zones Office, this programming weakness was overlooked.

Senior FCM executives were enthusiastic about being involved in a program of this nature because it presented an opportunity for Canadian municipal professionals to be involved more actively in international development issues. FCM hoped that the project would expose Canadian municipalities to new ways of solving urban problems while at the same time providing an opportunity to share their experience with Third World communities trying to cope with

195. CIDA, CIDA Programs in Asia: China, (Ottawa: CIDA, Asia Branch, 1993). p. 4

dramatic urban growth.¹⁹⁶ FCM had already begun to demonstrate its capacity to implement such projects with some developing country municipal partnership initiatives through its Municipal Partnership Exchange Program (MPEP) which was being funded by the Management for Change (MFC) unit within CIDA's Special Programs Branch.¹⁹⁷ The Management for Change program provided short-term funding support to organizations and institutions managing the process of economic and social change.¹⁹⁸ The MPEP provided short-term in-Canada training, study tours to Canadian municipalities, and facilitated municipal twinning arrangements for municipalities in Africa and Latin America.

FCM's reputation on the MPEP and the organization's interest in international municipal activity ultimately contributed to the organization hosting the initial study tour in June of 1986.¹⁹⁹ The Chinese officials - Madame Wu, Mayor of Shenzhen, Mr. Shi, Mayor of Guangzhou, Mr. Chen, Mayor of Ningbo, Mr. Li, Mayor of Tianjin, and representatives from the Special Economic Zones Office and MOFERT - were favorably impressed with the presentations made to them by the executives of FCM and so began the more formal project planning process²⁰⁰ .

196. Federation of Canadian Municipalities, International Program, Success Stories: FCM Members' International Program Experience. Paper VII. June 1991. p. 31.

197. Interview c6.

198. CIDA, Guide for Project Submissions: Management for Change Program, Special Programs Branch, (Hull: CIDA, July 1989). p. 1-4

199. Interview c4.

200. Only surnames are provided here because full names were not recorded in project documents.

Almost one year after the initial study tour in June, the Memorandum of Understanding (MOU) for the project was signed on March 19, 1987 by the Minister of Foreign Relations and Trade, Mr. Zheng Tuobin, and the Minister for External Relations, the Honorable Monique Landry.²⁰¹ The Project's description remained basically unchanged throughout its duration as

...promoting the transfer of municipal systems information between Canada and the 14 Cities, 4 Special Economic Zones, 3 Delta Areas and other open cities in order to strengthen China's municipal development institutions...with the view ultimately of improving the trade and investment prospects between the two countries.²⁰²

The description and budget remained essentially the same, but in Phase II (1993-1998) the geographical area was expanded to reflect the opening of upwards to two hundred and seventy-five coastal cities and the Chinese government's move to expand the focus of development from the coastal regions to the interior. To reflect these changes, the Project's name changed from the China Open Coastal Cities Project to the Open Cities Project in Phase II. The expansion of the special economic zones to two hundred and seventy-five coastal cities demonstrates the Chinese government's satisfaction with this economic reform model, but it widened the scope of the Project to such a degree that it compromised any significant or quantifiable impacts that may have been

201. Interview c2; Canada, CIDA, Memorandum of Understanding Between The Government of Canada and The Government of the People's Republic of China Concerning The Assistance to the Fourteen Cities And Other Open Area Project, (March 19, 1987). p.12.

202. Ibid. p.3.

attributable to the Project.

Table 4.1: COCP Phases I & II (1986 1998)

Phase I - Assistance to 14 Cities and Open Areas

1986-1993

Operating Budget - \$7.9 million

Goal and Purposes - to upgrade the municipal planning and management skills and the foreign investment and trade skills of leading senior municipal officials from the 14 open cities, 4 special economic zones, and 3 delta areas. Training of these officials occurs both in China and Canada through a variety of programs.

A portion of project implementation had been subcontracted to the Canada/China Trade Council.

Phase II - Assistance to Open Cities

1993-1998

Operating Budget - \$8.0 million

Goal and Purposes - to provide specialized training for senior municipal officials (Mayors, Vice-Mayors, Directors) in the open cities and special economic zones of China. The project's focus was on urban management issues, specifically those related to the environment and trade/investment opportunities.

The Canada/China Trade Council offices in Beijing assisted as a sub-contractor

FCM had hosted the first study tour of Chinese officials to Canada and appeared to be the natural choice for the executing agency, but there were several other well-qualified organizations and institutions that could have conceivably taken on the contract. York University was under consideration because its MBA Program was already linked to Nankai University through the CIDA funded Canada-China Management Education Project (CCMEP). The University of Toronto had a strong urban planning and development department and was also involved in several linkages in China. The Canada China Trade Council's (CCTC) mandate to promote Sino-Canadian trade placed it in an excellent position for the contract though it had none of the municipal resources required for the Project. The CCTC made a strong argument for the contract because it felt it could best meet the international trade and investment mandate of SEZO. Although still in the membership recruitment stage of its development, the CCTC was well connected in Canada so there was considerable political pressure on CIDA to include this organization in the Project.²⁰⁴ Although sensitive to this pressure, the Desk was also concerned about meeting the other aspect of SEZO's mandate - to build up municipal management capacity in the open areas in order to help attract foreign investment.²⁰⁵

204. CCTC is a Power Corporation creation, under the chairmanship of Paul Desmarais, a wealthy, well connected Liberal. For an in-depth description of Paul Desmarais' political and economic power in Canada see Peter C. Newman, The Canadian Establishment, (Toronto: Seal Books, 1979). pp. 29-36; pp. 46-92.

205. POP, p.1; Interview c6.

FCM, and its Association of Canadian Mayors, although less well-established than York and the University of Toronto, was a strong contender because of its municipal resources and skillful management of the first study tour.²⁰⁶ CIDA President, Margaret Catley-Carlson, and the executive of FCM had an established professional relationship having worked together in other capacities, and this predisposed the Federation for primary consideration. FCM had a national membership of both elected municipal politicians and municipal administrators, which appealed to Senior Program Officers on the China Desk. However, in the end it was decided that the CCTC would conduct the business side of the Project and FCM the municipal management side.

CIDA took a risk by lodging the Project in two organizations with two fairly different mandates and constituencies, but the compromise seemed to fit SEZO's dual mandate of SEZ administrative and economic development. Though this was an unusual management structure for the project and quite experimental, the synergy between the key people in FCM, the CCTC, and SEZO created a sense of optimism about the project's effective implementation.²⁰⁷ The choice of executing agency, therefore, made sense in terms of addressing commercial foreign policy objectives and linking these to the domestic agenda, but as will be demonstrated, the broad geographic parameters and lack of integration

206. Interview c1. "PDM," p.2

207. Interview c4, c6, c7, c8.

between program components compromised the effectiveness of the Project.

The contract with FCM as the primary executing agency and CCTC as the sub-contractor was signed in August 1987, and plans were developed immediately for an Inception Mission. The Project Director at FCM recruited a manager from within the ranks of the Federation who had absolutely no international experience and had never worked with the Chinese. She brought to the project's management strong organizational, analytical, management, and team building skills.²⁰⁸ Her lack of China specific knowledge or international experience was compensated by the China background of other members on the initial Project management team. A Sinologist from the University of Toronto, fluent in Chinese, was chosen to accompany the first Inception Mission as the Training Advisor to the Project. The Executive Director of the CCTC, who had been seconded from External Affairs, was fluent in Chinese and worked closely with the FCM team and CIDA in developing the Terms of Reference for the Inception Mission. Another member of CCTC who was fluent in Chinese became invaluable in setting up the Project Office in China. Remaining staff were taken on after the Inception Mission and the elaboration of work plans.

The Inception Mission Terms of Reference followed very closely the framework laid out in the Plan of Operation. With the Project fairly well sketched out over the informal

208. Interview c4, c6.

and formal meetings of CIDA, SEZO, and FCM officials in the preceding year or so, the FCM/CCTC management team went to China with a fairly strong idea concerning how the various components of the Project would be implemented, but the details had to be discussed and negotiated in China with representatives of MOFERT, SEZO, and the State Education Commission (SEDC). The team conceptualized the arrangement of the components as a series of steps in training in municipal management that would eventually lead to certification, perhaps with a specialization in international finance or public administration. They thought they could deal with a number of educational institutions in China to strengthen their institutional capacity to develop programs in municipal management, but the Chinese had other ideas. They were more interested in having as many senior municipal officials as possible exposed to Canadian municipal government and in the intensification of trade and investment than they were in the intensification of training.²⁰⁹

Traveling throughout China over three weeks in formal and informal conversations and discussions, the Project team and representatives from SEZO were able to come to a mutual agreement on implementation details. They had to work hard to convince SEZO about the viability of a comprehensive training program such as the Executive Development Program at Nankai University in Tianjin. Established relations between senior academics at Nankai and at the University of Toronto

209. Interview c6.

and York University contributed significantly to agreement on this component. Candidate selection for training both in China and Canada was a contentious issue because SEZO thought it inappropriate for Canadians to interview Chinese government officials, especially Mayors and Vice-Mayors for the study tours. The FCM/CCTC team negotiated for a minimum level of English language skills and management qualifications for short-term trainees in Canada which was to be determined in an interview process conducted by project staff. SEZO maintained, and the team agreed, that it would be too great an intrusion for Mayors and Vice-Mayors to be interviewed, but compromised for the short-term trainees who would be less senior.

On this Inception Mission, the team was able to negotiate the details on each of the training components, come to an agreement on an appropriate five year workplan, and finalize the budget at the first Project Steering Committee meeting at the end of the Inception Mission.²¹⁰ The ease with which FCM and SEZO came to this agreement reflects the overall tone of mutual trust and confidence with which the project was implemented.

The following six agreed upon components were designed to provide flexibility in responding to changing training needs over the five year period of Phase I of the Project:

- 1) Study tours in Canada for Mayors, Vice-mayors, and senior administrators;

²¹⁰ Federation of Canadian Municipalities and Canada-China Trade Council, "China Open Cities Project Inception Mission Report," (Ottawa: FCM, December 1987). p. 8.

- 2) Training in Canada for teachers from Nankai University and other Chinese training centres as well as for officials and administrators of the Chinese government and municipalities;
- 3) Seminars, lectures and workshops at Nankai University;
- 4) Conference/Symposium in China;
- 5) Support to municipal twinning; and
- 6) The preparation of audio/video materials.²¹¹

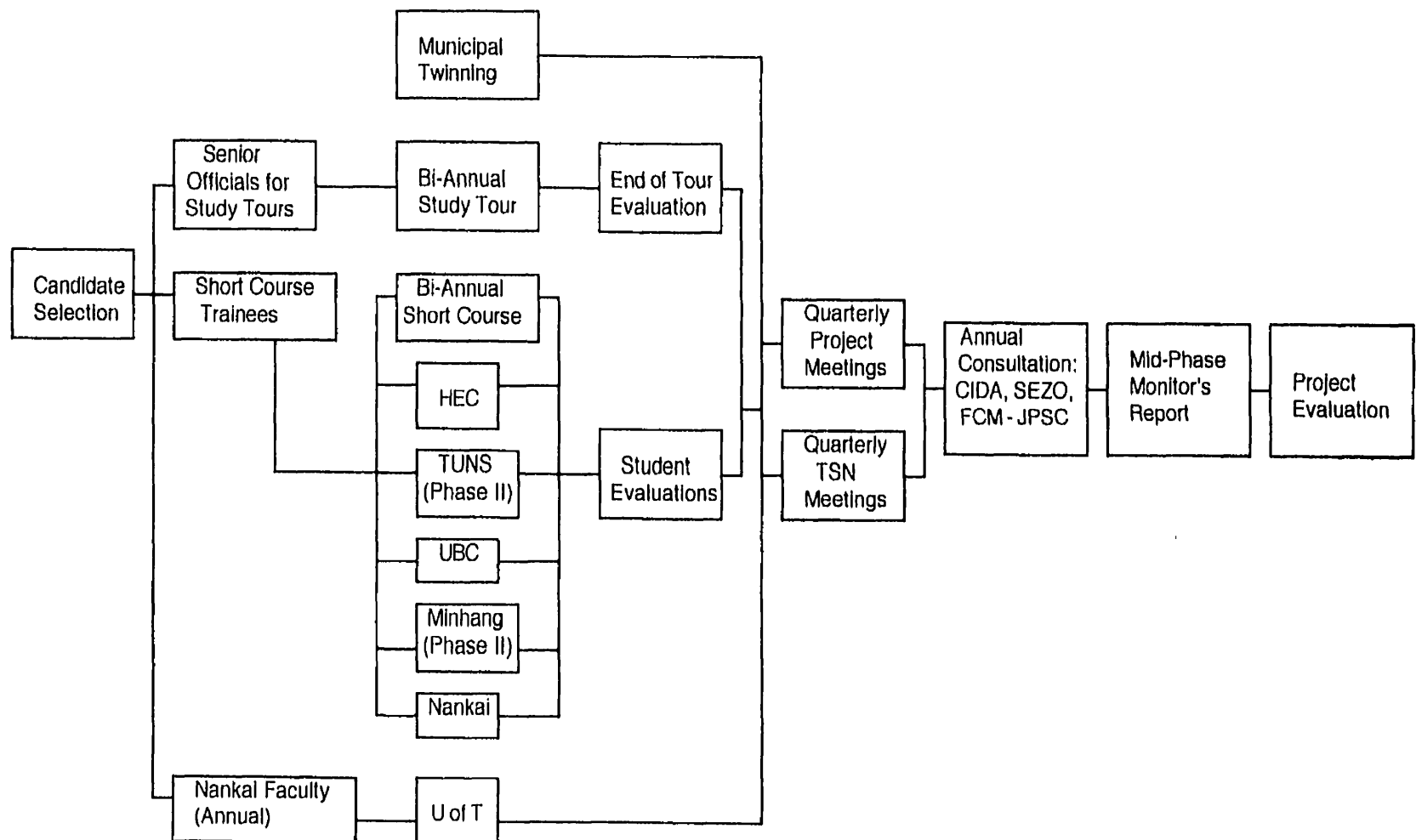
Diagram 4.1 sets out a visual depiction of the manner in which the project was to be implemented. Emphasis on certain components was adjusted when the situation warranted it and when the adjustments were agreed upon by the SEZO and FCM. The standard mechanisms of evaluations and the report of an independent monitor would provide the necessary feedback for making these determinations. In conjunction with an independent evaluator, a technical monitor was required to conduct a mid-term evaluation in the third year of the project. A Project Steering Committee (PSC) meeting of three CIDA officials and three SEZO officials was to be held annually, alternating between Beijing and Ottawa. The

211. "China: Plan of Operation for Assistance to Fourteen Cities and Other Open Areas." Appendix 4, p.2.

committee's mandate for the COCP was to provide overall policy guidance; review project implementation; set annual work plans; and resolve differences between the Canadian and Chinese CEAs. These mechanisms were supported in the first year by monthly reports to ensure that all CIDA procedures were being followed.²¹² As FCM demonstrated its capacity to manage the project, i.e. keep financial records in accordance with CIDA and Treasury Board guidelines and comply with CIDA's other reporting requirements, monthly reporting was eliminated.

212. Canada. "Articles of Agreement - Consulting and Professional Services Long-Term," Annex D, p. 14.

Diagram 4.1: COCP Work Flow Chart



4.3 Implementation: The Precarious Balance Between Municipal Management Education Training and Commercial Opportunities

China Program officers were closely involved in the initial stages of the project because there was so little international or project management experience in FCM. Though FCM had been involved in municipal politics and administration for over a hundred years, its International section was fairly new and had only just begun experimenting with municipal exchanges.²¹³ Therefore, the project team in FCM relied heavily on the China Desk in the early months for guidance on meeting all the administrative requirements of the Agency. For the training aspects of the project, project management relied on the two China experts from the University of Toronto and the CCTC. The implementation process accommodated a steep learning curve with a flexibility that permitted changes in some of the project components.

Flexibility was engendered through very broadly articulated objectives. For instance, with an objective like contributing to the modernization of China's open areas, any one of the components, regardless of its form, could have been construed as making a contribution. Trainees who received professional development training in China and

²¹³ The International Program formally began in 1986 with the Municipal Professional Exchange Program(MPEP) and the the China Open Cities Project. See FCM International Program, Success Stories: FCM Member's International Program Experience, (Ottawa: FCM, June 1991). Interview..c4; c6; c7.

Canada, contributed to improving and upgrading the capacities of Chinese economic development and municipal management, education and training systems. To what extent, however, was never a critical dimension. Just by the inclusion of the CCTC as a sub-contracted executing agency, it was assumed increased trade and development between China and Canada would materialize. The project facilitated greater understanding and exchange between municipalities in China and Canada, but not in any systemic manner.²¹⁴ These broad objectives were easily agreed to because they addressed the interests of everyone, i.e. the constituencies of the China Program, SEZO, the CCTC and FCM.

How these objectives were to be attained and measured within the logistics of the various Project components was far less clear and remained ambiguous throughout the Project's implementation. It is my contention that these goals and objectives were purposely broad (and therefore subject to ambiguous interpretations) because the implementation process required a high degree of adaptability. There are always a complex array of unknown variables in the administration of ODA, so that it is rare to find high levels of specificity in these projects. Broad goals and objectives, plus a flexible implementation process, ensure that almost any project activity can be seen as meeting a project's mandate. There is a trust and confidence

214. FCM & CCTC, "China Open Cities Project: Inception Mission Report," (Ottawa: FCM & CCTC, December 1987). p. 3.

in the professional relationship between the China Program and its CEAs like FCM which is premised upon mutual resource dependency and shared understandings of what is acceptable and expected within a broad range of possibilities.

Study Tours

FCM, CCTC, and SEZO worked diligently to implement as many of the training components as possible. The biannual study tours, with foci that alternated between either foreign investment and trade or urban planning and management, were the most labour intensive, requiring the planning, organizing, and coordinating of three week itineraries for delegations of fifteen. Given FCM's constituency, study tours were arranged so that all major urban centres in Canada were included in each tour. Because these study tours served the dual purpose of both facilitating commercial opportunities and providing exposure to Canadian municipal management systems, FCM depended heavily on the goodwill of organizations and corporations to host information sessions for the delegates. For instance, the City of Scarborough's Engineering Department was asked to provide detailed information sessions on geographic information systems (GIS) on several study tours.²¹⁵ Senior officials in the Canada Housing and Mortgage Corporation (CMHC) in Ottawa also participated in several study tours, explaining the mandate

²¹⁵ Geographic Information System (GIS) is a highly sophisticated, computerized planning technology for which the City of Scarborough is well-renowned.

and systems for providing affordable housing for all Canadians. In Vancouver, Bing Tom, a distinguished Canadian architect, opened his offices to several delegations to explain recent planning technologies and plans for Vancouver's waterfront development. Philips Electric, the Atom Energy Commission, Laidlaw Waste Systems Inc., McGregor Socks, numerous legal firms, Montreal's whole urban planning department, the Calgary Development Authority, and the City of Regina are but a few that were prevailed upon to meet with these delegations.

Hosting an information session on some aspect of foreign investment or urban planning provided an opportunity which would not otherwise presented itself, to interact with senior Chinese officials. For others it was clearly an opportunity to develop contacts for conducting business in China. It was rare, however, if a Canadian corporation involved in these tours actually conducted any business with China as a result. Although commercial benefits to Canadian business were an intended objective, demonstrating this outcome was peripheral to the process of organizing and effectively managing the study tours, at least until the end of Phase II when the China Program came under Agency pressure to demonstrate results to senior CIDA management. Follow-ups on possible business opportunities emerging from the study tours were non-existent until economic impact analyses were commissioned in the final year of the Phase II. These economic impact analyses revealed little or no commercial activity as a

result of the study tours.²¹⁶

One possible explanation for the lack of commercial activity as a result of the study tours was the language barrier. Often the interpreters accompanying the delegation had some English language skills. However, interpreters were selected by SEZO, and though interpretation skills should have been an obvious criteria, the quality of those chosen to accompany the study tours was often below standard. The Canada-China Language and Culture (CCLC) project had a number of qualified interpreters, but these were rarely chosen, making it clear that there were probably other criteria involved in choosing interpreters. Inconsistency in quality interpretation, therefore, compromised the ability of the delegates and Canadian business and municipal officials to communicate effectively with each other. This remained a problem for almost all the study tours, despite FCM's efforts to pressure SEZO to choose interpreters with demonstrated excellence. Though this was a significant element in the effective transference of Canadian expertise and technology on the study tours, given the inconsistent quality of interpretation, it is surprising that it was not given more importance. It may not be so surprising, however, given that CIDA and FCM were more concerned in developing and maintaining good relations with SEZO than with what seemed to be a comparatively insignificant element like interpreters.

216. Maire O'Brien, China Open Cities Project: Economic Impact Analysis. (Ottawa: FCM, July 1996).

Each study tour had a delegation of twelve mayors, vice-mayors, senior municipal officials, two interpreters, and an FCM staff member. In the beginning, delegates came from the small number of SEZs and Open Cities, generally sent in clusters from contiguous areas. As more cities opened up, there was more representation from these areas, and though there were some attempts at regionalizing the delegates on each study tour, more often than not they came from disparate locations, Yunnan and Heilongjiang for instance. FCM was never involved in deciding who was to be chosen as a delegate on these tours. This was the exclusive right of SEZO officials. There were occasions when, having seen the profiles of the delegates chosen, FCM expressed concern about the appropriateness of the choices made for example, on one occasion a delegate was past the age of retirement so it was obvious in this case that the study tour was just a perk providing no value whatsoever. In other cases, only after the study tour commenced did it become evident that some of the delegates, although holding the appropriate positions, were really on the study tour because it afforded a chance to travel to Canada and the United States. In these instances, it could be argued that though the chosen delegates would make no contribution to the project per se, SEZO was indeed building and supporting its *guanxi* network. While not in the sense that China Program objectives had intended, this could be construed as a form of institution building.

CIDA's gender equity strategy, updated during the course

of this project's implementation, required Project management to make an explicit commitment to promoting gender equity and women's empowerment in all the project components.²¹⁷ The equal participation of women was also identified in the Canadian government's foreign policy statement of 1995 as one of the priorities for development assistance.²¹⁸ Though CIDA's gender, or women in development (WID), policies were articulated in 1984, they were not integrated into the China Program until 1995 when projects like the COCP were required to be more proactive in meeting WID guidelines. FCM, with no formal gender equity strategy, or experience with affirmative action programs, committed itself at least to implementing gender quotas. Women were included on study tours, primarily in the form of the delegation's interpreters. Though a significant number of Chinese mayors and senior officials are women, SEZO consistently argued that women holding senior posts in municipal government in China did so in portfolios of health and education and were marginal to the 'real' politics of foreign investment and urban planning. Though FCM pressured SEZO to include more women on the study tours, there was no change except once when an entire study tour (out of a Project total of nineteen study tours) was comprised of women only.²¹⁹

217. Linda HersHKovitz, China Gender Equity Strategy, Prepared for CIDA's China Program, (Hull: CIDA, May 1995). p.1

218. Ibid. DFAIT, Canada and the World: Government Statement, (Ottawa: Public Works and Government Services, 1995). p. 40.

219. Máire O'Brien, China Open Cities Project: Gender Impact Analysis, (Ottawa: FCM, July 1996). p. 2

This gender component is a clear example not only of the imposition of DFAIT and CIDA's political agenda on that of its CEAs, but of western political values on developing country agendas through the mechanism of ODA. CIDA's WID policies became an integral part of all its Country Programming in the 1990s, and most CEAs have adapted to them by fulfilling gender quotas rather than attempting to strengthen the capacity of women to participate fully as decision makers and agents of developmental change. SEZO continued to resist the implementation of this policy though, to its credit, did send more women to the training sessions at the University of British Columbia (UBC), the Technical University of Nova Scotia (TUNS), and École des Hautes Études Commerciales (HEC).

The early study tours tried to fit in as much subject matter in as many Canadian cities as possible. Over time, however, FCM and CCTC project staff became skilled in planning comprehensive, cohesive itineraries. The scope of subject matter was reduced and integrated more effectively with presentations made by Canadian organizations and institutions. The number of host organizations and institutions was reduced, as was the number of cities visited. These changes made the study tours one of the more successful components of the Project (i.e. in terms of effective implementation) though questionable with regard to the expectation of increased business between the two countries. It has never been conclusively demonstrated in

any of the project's evaluations whether the delegates were able to utilize information provided during the tours, for there were no follow ups. Though logistical improvements in the manner in which the study tours were conducted brought high visibility to the Project, demonstrable measures of effectiveness were few. SEZO officials made claims about the excellence of the outcomes of these activities, but these remained largely unsubstantiated.²²⁰ The increasing pressure on CIDA, and hence the China Program, to use results based performance criteria made little impact on FCM's and SEZO's efforts in this respect because, aside from basic numerical calculations, no real follow-ups could be produced in China.

Training Programs

The long term attachments of senior Chinese cadres to Canadian private and public municipal organizations were phased out after several years because of difficulties matching the needs and expectations of Chinese cadres to Canadian organizational capabilities. One critical requirement for placement in a Canadian organization was proficiency in English. Testing for language proficiency was not one of SEZO's primary considerations. But without a common basis of communication there was little likelihood of success. Though language competency was a significant obstacle, it was compounded by the ad hoc way in which

220. M.B. Decter and E.T. Jackson, Common Understanding, Common Benefit: Report of the Mid-Term Evaluation of the COCP Phase I, (Ottawa: E.T. Jackson and Associates, January 1991). pp. 1-6.

placements were decided. With the constraint imposed by SEZO on interviewing senior cadres, FCM had virtually no input on selecting trainees. Federal, provincial, and municipal departments, as well as private organizations chosen from FCM's network and CCTC's membership were contacted and offered the opportunity to take on a Chinese placement. Only very basic profiles were provided by SEZO, so it was difficult to structure training plans in advance.

Canadian organizations expected a degree of technical and administrative experience from the trainees, but they were often disappointed. Neither did these organizations have the institutional capacity to provide the kind of training the Chinese expected. Certainly some of the placements were useful and interesting for broadening the experience of those cadres who came, but it was never quite clear how their experiences would translate into action upon return to their units. In some instances, the cadres were too junior to effect any changes in their units. In others, though trainees were enthusiastic about applying the knowledge and skills they learned in their placements, they met with resistance from their work units because they were the only ones who had received any training. Their work units were understandably ambivalent about the knowledge these trainees attempted to share.

SEZO reported results about the trainees' activities upon their return, but these reports seemed very unrealistic. For example, a senior administrator, after a placement in a

Canadian municipal economic development office, returned to China and allegedly built a worker's square, a cultural square, and a group of beach sculptures.²²¹ Overall, the exercise of ascertaining results was one in futility. Measurable results were not demonstrable enough to warrant continued Project expense. Expectations with respect to increased business volume, for either country, were not realized. Conceptually the idea of placements in Canadian business was innovative, but it was based on false assumptions of adequate language capacities, optimal conditions of knowledge transfer, and Canadian organizational apprenticeship capabilities. Rather than depict the lack of demonstrable success in this component as the result of poor planning or project design, it was considered as part of the learning curve with respect to China. Administratively, everything was carried out to the letter so there was no question about the professional integrity of either FCM or SEZO. Each organization performed its functions responsibly and professionally. However, one would have expected that knowledge of China's political economy and system of governance, along with the institutional constraints of Canadian public and private organizations, would have preempted consideration of this training component.

Other training components in Canada, though subject to the same overall constraints of language competency and professional development, were more successfully implemented,

221. Ibid.

because there was a very clear focus on objectives and program design. Courses were conducted semi-annually: in International Business at HEC; in Urban Planning and Economic Development at UBC's Center for Human Settlement; and in Phase II in Environmental Management at TUNS's Centre for Water Resources Studies. An Economic Development course was offered annually at UBC.

Trainees who met CANTEST proficiency levels were chosen to attend these courses. The only drawback in this approach was that it excluded a wide range highly qualified candidates solely on the basis of language capability. Plans were under way in the latter portion of Phase II to conduct the Economic Development course in Mandarin to circumvent the language problem. Unfortunately there were no plans to extend this to the HEC and TUNS because sufficient resources were not available at those institutions.

CIDA's objectives on gender equity, the environment, and the development of institutional capacity were also included in the training component design. FCM was consistent in its pressure to have equitable representation among men and women and in this there was significant progress. On average, the women's representation increased from fifteen percent in Phase I to over forty-five percent in Phase II with training curricula integrating gendered perspectives.²²² Though environment was only a tangential aspect of the curricula in the course at UBC and HEC, at TUNS it was the central

²²² Maire O'Brien, China Open Cities Project: Gender Impact Analysis. pp.3-4.

component of the Environmental Management courses. Ten Nankai University faculty members were trained in a number of Canadian universities over the course of the Project, contributing significantly to the institutional capacity of that university.

Initially, the trainees selected for these courses were chosen from the designated coastal areas and open cities of the Project's focus. However, with the expansion of the mandate of SEZO, trainees were increasingly selected from several internal cities as well. On exceptional occasions, a group of trainees was chosen from one particular region. This provided the potential opportunity for them to establish a network upon returning to their respective units. However, networking was never carried out for there were no mechanisms or resources in place to facilitate this activity. For the Project, SEZO, and FCM this was a missed opportunity to reinforce and disseminate the knowledge learned in Canada and represented yet another weakness in project planning for sustainable capacity building.

Attempts were made in Phase II to focus on particular regions in candidate selection, but SEZO's political objective was to choose trainees from different parts of China rather than to integrate or intensify the training process. There is no evidence that the project integrated the training components to maximize training experience in terms of a municipality's institutional capacity. It might have been more effective to concentrate representation on

the training modules with, for example, the Mayor, Vice-Mayor, or senior representative from Jinan on a Study Tour; senior bureaucrats from Jinan on in-Canada training courses at UBC, TUNS and HEC; senior cadres from Jinan in training at Nankai; in complementarity with activity from the Regina-Jinan twinning. Rather, each of these training components generally was comprised of trainees from different areas. In those instances where there was a regional focus in a training component, lacking a framework within which to network and transfer knowledge, implementation of what was learned was impossible. Follow-ups could have called attention to this weakness, but they were conducted fairly sporadically and only then coincidental to the preparation of Project evaluation reports.²²³

In-China training was conducted predominantly at Nankai University, though in Phase II there were attempts to establish a training module at the Minhang Training Facility in the Shanghai area. Three professors from HEC, University of Toronto, and McMaster developed short courses in trade and investment and in urban planning and development to be taught at Nankai and, at some later unspecified date, at other institutions.²²⁴ Project resources in this component focused for the most part on building the institutional capacity of

223. Follow-up information on trainees was collected by one project staff member on a two week trip to several cities in China in preparation for FCM's end of project report. The same information was also used by the monitor in their independent end of project report. [This information is not formally documented, but was obtained through my experience as a project officer on this project in 1997.]

224. "POP," p. 6; "Inception Mission Report," p. 6.

Nankai, though attempts were made in Phase II to strengthen the capacity of Minhang. This proved to be disappointing, and comparison with the success at Nankai may provide useful insight.

Nankai is a renowned university in Tianjin that had already established relations with York University in Toronto, prior to the establishment of the Open Cities Project, through the Management Education Program (MEP). Though there were a number of curricular and administrative details that required adjustments at Nankai for the development of the short courses, earlier administrative, academic, and personal relations made this a relatively straightforward process. Those involved were clear about what was expected in terms of the training modules. Attention was paid to having current Chinese case studies for discussion. Textbooks were translated and interpreters were selected. Two of the three professors were proficient in Chinese so even though there may have been inconsistency in the quality of interpreters, it was not as critical a problem as with the short and long term placements. There was always a certain amount of adjustment involved for the trainees as they became accustomed to a western, interactive teaching style. These arrangements were increasingly improved upon with the dedication and commitment of senior academics both in Canada and at the School of Business at Nankai. In an attempt to meet the expanded geographical focus of the Project and in view of the demanding schedules of senior

municipal cadres, an intensified version of the courses offered at Nankai by Canadian experts was offered in Minhang.²²⁵

The Minhang Training Facility experienced much less success than Nankai because there was no established faculty or institutional commitment to the facility at Minhang. In the periods interim to the conduct of training sessions, the facility either lay idle or was used for commercial purposes. Conducted consecutive to the Nankai courses, the program offered at Minhang was condensed to accommodate the time constraints of senior cadres. Much to the embarrassment of SEZO and FCM, generally only a few cadres out of an original commitment of at least twenty ever actually attended the program. SEZO's decision to locate a training facility at Minhang was designed to secure institutional strength in the Shanghai area, but its efforts were not grounded in established principles of institution building, and FCM was not in a position to impose a different agenda. Questioning SEZO's reasoning for this decision would have created tension in otherwise very smooth relations. As it became increasingly clear to the Project's management in FCM that the Minhang facility was not working out, the challenge was how to avoid expending any more Project funds there without placing the Project management at SEZO in a compromising

225. Again, as with the in-Canada training components there was so little follow-up that a determination of the effectiveness of these courses in changing the manner in which these officials conducted municipal affairs has been based on sporadically collected anecdotal evidence and conjecture.

position vis-a-vis their superiors. In other words, it was difficult to pull out of support for this component without the Project Director at SEZO losing face. Lessons learned from the conduct of courses at Nankai, UBC, TUNS, HEC, or any other CIDA project focusing on institutional capacity building could not be applied here. It was preferable to avoid making arrangements at Minhang than deal directly with the problems. This was possible because of the loosely-coupled relationships between CIDA, FCM, and SEZO.

The coastal city seminars or conferences were conducted annually as scheduled and covered a range of topics related to municipal economic development, urban planning and management, and international finance and trade. An average of several hundred senior municipal officials attended these conferences over the course of the project. High profile business and political leaders were the featured speakers at these conferences, for senior Chinese officials were more likely to attend the venue. The congregation of so many senior officials in one place at one time, outside an official forum like the National People's Congress or some other highly political event, presented an opportunity to share experiences in municipal development, expansion, and management, though it was difficult to design a Project mechanism that could maximize this opportunity. The logistical and time constraints of conference organizers, presenters, and delegates prevented small follow-up meetings where issues raised on primary conference presentations could

be pursued in depth.

This was compounded by the language barrier which prohibited informal discussions between the presenters and delegates. Interpreters were often inexperienced, expecting to translate from texts prepared and sent in advance by the presenters. A certain amount of confusion was created when presenters diverged from the text, as is often the case when presenting a lengthy conference paper. Spontaneity and open or interactive discussion therefore was discouraged. At one time it was thought that the proceedings of the seminars could be video-taped and distributed throughout the SEZs and open cities as a way of disseminating the information presented there, but this never materialized because that component of the Project never progressed much further than the planning stages.²²⁶ SEZO did publish the proceedings of some of the conferences and distributed them to major Chinese municipalities, but this was not consistently done. Even though SEZO was a high profile government department, there were minimal financial and administrative resources allocated to this particular project component. The resources were just not available to develop certain aspects of the project, i.e. the development of audio-visual materials and the wide distribution of conference proceedings.

226. The development of audio-visual materials, though a project component, was never developed because there was no will to do so either in SEZO or in FCM. It was an early project conception that was not well thought out and so, rather than deal with it directly, it was marginalized and funds allocated to this were re-directed in the latter part of Phase II to conduct impact analyses.

Twinning Program

Given that the initial negotiations for the Project were premised on the fact that Canadian expertise on urban economic development, planning, and management were untapped resources that could make a significant contribution to China's development, it is surprising that so little has been accomplished. To be sure, because of the study tours and earlier training attachments, there is an increased awareness on the part of some Canadian municipal officials of the complex dynamics of the Chinese urban context, but this has not translated into any tangible, commercial benefits. There were already several twinning arrangements in place between Canadian and Chinese municipalities at the time of the Project's inception. It was expected that these would blossom with appropriate interventions by either FCM, the CCTC, or SEZO, but beyond exchanges of gifts and visits between senior officials, there was little other activity.²²⁷ The following table lists known twinning arrangements though only a few are a result of the COCP.

227. M.B. Decter and E.T. Jackson, Common Understanding, Common Benefit: Report of the Mid-Term Evaluation of the Chinese Open Cities Project, Phase I. p. 94.

Table 4.2: Canadian-Chinese Twinning Arrangements 228

Prince George, BC	Yanji	1985
Vancouver, BC	Guangzhou	1985
Victoria, BC*	Suzhou	1980
Surrey, BC*	Zhuhai	1987
Calgary, Alberta*	Daqing	1985
Edmonton, Alberta	Harbin	1985
Edson, Alberta	Yichun	1988
Moose Jaw, Sask.	Chifeng	1988
Regina, Sask.*	Jinan	1984
Saskatoon, Sask.	Shijiazhuang	1985
Winnipeg, Manitoba	Chengdu,	1988
Hamilton, Ontario	Ma'Anshan	1987
Toronto, Ontario	Chongqing	1986
Windsor, Ontario	Tianjin	1988
Montreal, PQ	Shanghai	1984
Ottawa, Ontario*	Beijing	1987

A great deal of time and effort went into the development of extended relations between these municipalities but nothing of substance ever materialized. Attempts by consulting firms in several Canadian municipalities to work cooperatively with their Chinese sister cities in the upgrading of municipal infrastructure were frustrated by lack of financing on the part of the Chinese. For example, in the Surrey/Zhuhai and Regina/Jinan twinings, significant time and expense went into development plans for the upgrading of water and sewage infrastructure. The EDC funded the cost of the pre-engineering studies, approximately \$35,000, for the development of some of the

228. Ibid.; "Memorandum of Understanding between the Mayor of the City of Ottawa and the Deputy Mayor of People's Municipality of Beijing on the Friendly Relations Between the Two Cities," (Ottawa: October 1987); "Agreement to Establish a Friendship City Relationship between The Corporation of the District of Surrey of Canada and the City of Zhuhai of the People's Republic of China," (Surrey, BC, Canada, July 1987). * indicates FCM facilitation.

Canadian proposals. Implementation feasibility required the Chinese municipality to make matching financial and administrative contributions. To date these plans lie dormant because Chinese municipalities either do not have the resources or are unwilling to commit them to these projects.²²⁹ For the most part, the Chinese perception was that by twinning with a Canadian city under the auspices of the COCP, they would be eligible for large development grants. When an infrastructural project was discussed in the twinning arrangements, the Chinese were unwilling to undertake debt financing. Similarly, the Project's budget for twinning was quite small and provided mostly for transportation and accommodation costs in the initial exchange of delegations. Project management at FCM assumed that subsequent costs in establishing and expanding sister city relations would be absorbed by the relevant municipalities.

A significant amount of good will has been generated through municipal cultural exchanges, but these are not the expected economic results. It is not surprising, that, even though the twinings achieved limited tangible results, they remained a component of the Project given that Canadian municipalities are the very *raison d'être* of FCM. Within the same offices at FCM, twinning arrangements between African and Latin American countries are the very core of the Partnership Program also funded by CIDA through the Partnership Branch. In those twinings, efforts are much

²²⁹. Máire O'Brien, China Open Cities Project: Economic Impact Analysis.

more collaborative than they are in the case of the COCP. Efforts to utilize the twinning expertise accumulated in the Partnership Branch of FCM were generally resisted by COCP management on the grounds that China was 'different' and so any lessons learned were not integrated into the COCP's twinning efforts.

Audio-Visual

The audio-visual (A/V) training component of the Project was never clearly identified in early documents, though a substantial sum of money was allocated to this part of the project and agreed upon by the Steering Committees that met in the first two to three years.²³⁰ At one point it seemed that this component might take the form of an A/V studio with appropriately trained technicians from Nankai University staffing the facility.²³¹ This was never agreed upon though SEZO became adamant about the transfer of equipment to Nankai. A monitor's report midway through the Project recommended that this component not be pursued further and that the funds be reallocated to other Project activities.²³² However, no firm decision was ever made on how to reallocate the funds, and this became an occasional irritation

230. POP, Appendix 5, p.3 quotes \$1,285,500 as being allocated to this item; "Inception Mission Report," p.15 notes the difficulties inherent in arriving at a workable compromise; the 1988 and 1989 Steering Committee Working Papers recommend FCM's ongoing commitment to implementing this component, primarily at SEZO's insistence.

231. Interview c3.

232. John Carson, "Fourteen Open Cities Project - China: Monitor's First Report," Submitted to CIDA, December 1989. p. 6.

throughout Phase I. FCM acted informally to placate SEZO by using funds earmarked for A/V equipment to support a number of elements in the Project's communications strategy.²³³ For instance, SEZO published the proceedings of several of the Coastal seminars and distributed 30,000 copies throughout China.²³⁴ In Canada, information about project activity was published in FCM's quarterly magazine, Forum: The Voice of Canadian Municipalities.²³⁵ Another use of this budget item was a short-lived newsletter which was developed and distributed to FCM's member municipalities as a means of increasing awareness about the progress and accomplishments of the Project.

With no agreement on what contributed a viable audio/visual component and no subsequent institutional commitment on the part of FCM or SEZO, this budget item remained outstanding. SEZO and FCM agreed that funds could be expended on an educational publication that would describe the economic development strategies of Canadian municipalities.²³⁶ The publication was commissioned for distribution throughout China's open cities, but it was never translated or distributed.

233. This was formally recommended as a way of breaking the deadlock on this issue between CIDA, SEZO and FCM in Phase I's mid-term evaluation. See "Common Understanding, Common Benefit: Report of the Mid-Term Evaluation of the Chinese Open Cities Project, Phase I," p. 110-111.

234. Ibid. p. 76.

235. See for example, FCM, Forum: The Voice of Canadian Municipalities, (Ottawa: FCM, May-June 1996). Vol. 20, No. 3. p.36

236. Maire O'Brien, Canadian Municipal Economic Development in the International Context, on behalf of the People's Republic of China, Special Economic Zones Office by the Federation of Canadian Municipalities, (Ottawa, November 1996).

3.4 Coordination and Control

Though FCM's administrative management of the project was efficient, there were a number of weaknesses with respect to increasing the overall institutional capacity of Chinese municipalities. These weaknesses were cited in the first monitor's report and reiterated in the mid-term evaluation which indicated either a reluctance or an inability to respond. The range of project activities was far too complex and diverse to be effective in any meaningful sense and far too costly in administrative expenses. Municipal twinning needed to be reevaluated and either postponed or deleted. The choice of trainees and the monitoring of their professional development was problematic. The necessity of having to deal exclusively with SEZO preempted the possibility of developing relationships with other institutions involved in municipal affairs.²³⁷ Linkages across project components were marginal. Monitoring the effectiveness of the various training components was not performed consistently; neither was the documentation of special initiatives by trainees in their work units in China.²³⁸

With almost five years of the project's management behind them, the second Phase of the Project went more smoothly than the first. Because project staff had become

237. "Fourteen Open Cities Project - China: Monitor's First Report," pp. 1-8; It was reported by one interviewee that because these recommendations fundamentally challenged the logic of the Project's structure, another monitor was contracted. Interview c3.

238. "Common Understanding, Common Benefit." p. 162-63.

skilled in organizing and coordinating the various logistical and substantive aspects of the study tours, these were more efficiently managed. The in-Canada training component developed with continuity in institutions, faculty, curriculum, and timing. A set curricula at UBC, HEC and TUNS taught by the same faculty members on a regular bi-annual basis emerged not so much as a result of good project management, but from the already existing pedagogical capacity of these institutions.

In-China training at Nankai University continued to run smoothly because of the continuity in the Canadian faculty who conducted the Executive Development Program (EDP) every spring and the improved institutional capacity of Nankai to facilitate this. Dr. Victor Falkenheim of the University of Toronto, Dr. Luke Chan of McMaster University, and Dr. Gunnar Sletmo of the University of Montreal team taught the Nankai courses during both project phases, developing strong personal and institutional relationships with Nankai faculty. Nankai University had been expanding and upgrading its physical and curricular capacity throughout the same period as part of China's overall modernization program, and this greatly facilitated the increasing effectiveness of the Executive Development Program. Conferences continued to be held annually in several different coastal cities and the twinning component remained operational though it made marginal contributions to the project.

Acknowledging perhaps that there was insufficient China

expertise on the project management team, CIDA suggested that FCM consult with a Technical Support Network (TSN) of experts in urban planning, environmental issues, Chinese politics, and gender. This expertise was already available among the Canadian academics teaching at Nankai, UBC, HEC and TUNS. Linda HersHKovitz, a specialist in Chinese urban planning and the gender consultant to the China Program was also included in this small group of advisors. The TSN met regularly to advise project management on issues relevant to the various components and to coordinate the policy positions of CIDA, FCM, and SEZO. Substantive matters dealt with in the TSN meetings were: methodological concerns on the inclusion of gender considerations; ways in which to move beyond the exclusive relationship with SEZO; developing reports that addressed CIDA's emphasis on results-based management; and as the project wound down, how to position the project and FCM for future CIDA funding. Though the TSN formally met three to four times a year throughout Phase II, project staff and the members of the TSN had been working with each other for years and were accustomed to speaking with each other on a regular basis on any number of the training components. The TSN formalized these mutual consultations and provided a venue for a concentration of the project's knowledge base giving a stronger sense of coherence and cohesion among the various components.

The CCTC, quite involved in the inception and early development of the project, had become for all intents and

purposes a silent partner in the ongoing implementation of the project. Its role and responsibilities had been relegated to facilitating meetings with its membership and Study Tour delegates. Aside from providing this opportunity for its membership to meet with senior Chinese municipal officials, the CCTC's offices in Beijing provided logistical and administrative support for trainees and Study Tour delegates coming to Canada. The support staff of two in CCTC's Beijing office processed visa applications, monitored language proficiency results, translated and relayed messages to SEZO and other relevant offices as the need arose. In their role as support staff they had no input into project design, implementation, or evaluation, but then neither did CCTC in Canada, for FCM had assumed full responsibility for the Project's implementation.

The COCP was only one of an increasing number of opportunities for the CCTC to facilitate Chinese commercial initiatives on behalf of its members but it was on such a small scale relative to the Chinese portfolios of some of the CCTC's members that it quickly became insignificant. The CCTC's access to people in positions of power in China made the access available through the study tours and training courses quite marginal, and so the move to a silent partner position in the project's implementation was fairly logical and simplified the project coordination and control

process.²³⁹

The Open Coastal Cities Project was only one of over thirty projects in the portfolio of the China Program in the 1980s. Program officers were responsible for four to six projects on a rotating basis of two to three years. There was, and continues to be, a significant amount of interdependence between the executing agencies and China Program officers because of the delegation of responsibility for project implementation. Interdependence was evident in program officer reliance on FCM for its professionalism in implementing the project according to CIDA standards and in FCM's reliance on program officers for policy direction, administrative guidance, and critical financial resources.

Though some attention was given to the operational aspects of project, a CIDA officer's primary concern at any given time is that the proper documentation, especially financial, is up to date and adheres to CIDA procedural guidelines. In its initial phase, project management at FCM received a substantial amount of direction on the procedural aspects of the project. FCM delegated responsibility for the specificities of the various components, like training at

239. At trade fairs and trade missions organized by the CCTC to promote economic cooperation between China and Canada, CCTC Board and General members often met with senior government and business officials. For instance, one trade mission to China for the Seventieth Canton Trade Fair in 1991 led by Andre Desmarais, then Vice Chair, President and CEO of the CCTC, met with Li Lanqing, Minister of MOFERT (1991), Gu Yongjiang, Vice Minister of MOFERT, Li Ruihua Vice Governor of Guangdong, Rong Yiren Chair of the China International Trust and Investment Corporation (CITIC) and Vice Chair of the National People's Congress, Hu Guangbo, Deputy Director of SEZO, Bo Yibo, Vice Chair of the Central Advisory Committee of the Chinese Communist Party. CCTC, CCTC Newsletter. (Toronto: CCTC, Nov./Dec. 1991), p. 2. Annual business meetings of the CCTC to which China's senior business and government leaders are invited, are held in China's largest commercial centres like Shanghai, Guangzhou, Beijing.

Canadian institutions and at Nankai, to academic and professional experts. The instruments of coordination and control were initially monthly reports. Subsequent to the demonstration of capability, these were reduced to quarterly reports.

As standard reporting measures for all CIDA projects, these reports tend to be quite general. They indicate the numbers of trainees sent to UBC, TUNS, HEC, and Nankai, provide an overview of the study tours, present any twinning activity there might have been, and other miscellaneous information. Obvious difficulties like complications with implementing the A/V component had been noted, but the overall picture presented is that of incrementally successful implementation.

Annual JPSC meetings provided a forum where the project's components could be reviewed and decisions made about changes to the implementation timeline. These meetings were more of a formality than of any substantive value since, in the period leading up to the meeting, agenda items would have already been raised, discussed, and decided by the project's management in FCM and SEZO. For instance, meeting CIDA's gender quotas in the training courses or study tours was the subject of ongoing discussions and not reserved for the JPSC meetings. Similarly, in the latter stage of Phase II, FCM was considering choosing one of the Open Cities on which to focus its training strategies as a way of demonstrating to CIDA its strengths in creating linkages

among all the project's components. Discussions between FCM and SEZO on this demonstration city were ongoing for at least six months prior to the JPSC where the preliminary agreements were formalized. FCM consulted closely with the independent monitor for the project to design this component in a way that would fit with future programming directions in the China Program. The intended objective was to position the organization for future project funding with only marginal consideration given to the making an actual contribution to building the institutional, administrative, and commercial capacity of the municipality in question.

4.5 Conclusion

Each component of the Open Cities Project, in and of itself, may have run smoothly and efficiently in terms of meeting financial and other logistical standards, but there was very little linkage among these. Only as the project was winding down Phase II did FCM make attempts to draw linkages or establish the impacts made. The study tours were meant basically to expose senior officials to Western urban and foreign investment management, though it was hoped that they would also facilitate commercial exchanges. They were very expensive to administer, the commercial exchanges never materialized, follow-up on the activities of the participants was sporadic and ad hoc, and no cross-linkages were made with the trainees at UBC, TUNS, HEC, or Nankai. Nevertheless, the

tours received a great deal of attention because they made a contribution to the development of good relations between SEZO, CIDA, and FCM and by extension between China and Canada. For CIDA and FCM, they provide a high profile for their activities in China. For SEZO, the study tours were very important for the maintenance of good *guanxi*. As project activities crested in the mid-1990s, there were very few areas in China that were not open to foreign trade and investment so that the Office's position in the State Council was actually becoming obsolete. SEZO's ability to offer senior officials trips to Canada for 'training' was not insignificant because, though position might mean power in China, it is not necessarily a measure of wealth, and opportunities to travel overseas are relatively scarce. Loss of that ability for SEZO would be a tremendous loss of face and, consequently, power.

The contribution the project has made to the institutional capacity of SEZO remains conjectural. SEZO's operations with respect to this Project, and otherwise, are almost as obscure today as they were at the Project's inception. As FCM's partner institution in China, SEZO continued to block every opportunity there was to expand relations with other government organizations that could be more useful in terms of urban development. For example, the Department of Rural and Urban Construction has a much wider mandate and scope of activity than SEZO's, and a relationship with this department was extremely difficult to establish for

FCM.

Though substantial improvement in the candidate selection process was achieved, problems remained with trainees who either had insufficient English language skills or inappropriate levels of technical expertise. Twinning received sporadic attention as project management sought to appease grumblings about the ineffectiveness of this component by some of FCM's constituency.²⁴⁰ Previously established twinings were largely symbolic with no extended activity beyond the actual twinning effort so that this component lay largely dormant. The communication strategy which was to have been put in place was only halfheartedly implemented because FCM's and SEZO's primary focus was on the study tours and the training programs. SEZO did not have the expertise, nor the budget, to pursue this component, though it could have contributed significantly to its image within the central and provincial governments. Where the most significant impacts could have been recorded, i.e. with project participants' application of the knowledge acquired in Canada, activity was ad hoc. The World University Service Corporation (WUSC) keeps records for all of CIDA's trainees, but FCM made limited use of this information as a way of following up on the activities of project trainees. Follow-up was not built into the project's implementation.

²⁴⁰. The Mayor of Regina in particular was disgruntled about the lack of activity between the City of Jinan and Regina. Efforts to arrange mutual cultural, educational, commercial or political exchanges were non-productive primarily because both sides were faced with prohibitive financial constraints and the COCP did not have the budget to make any significant contribution beyond cursory travel subsidies.

In the latter part of Phase II, some effort was made to track trainees in China, but the activity was ad hoc and not sustained. While in Canada, trainees had expressed on many occasions the possibility of maintaining an alumni network of information exchange, but again there was no institutional support for this from either FCM or SEZO. It was a critical component of assessing project effectiveness that really just fell through the cracks. Were it to have materialized it would have had to have been initiated and sustained by the trainees themselves. This does not seem to have occurred, though it would have generated a network of knowledge in line with the objectives of CIDA's China Program for "the multiplication of contacts at the thinking level."

Those initiatives by project participants which have been recorded have been presented at various times to the Board of Directors of FCM, to justify continued activity in this area, and also to the general membership at its annual general meetings to demonstrate the kinds of successes generated by these activities. Unfortunately, the information on these follow-ups is just too sporadic and ad hoc to represent a reliable set of data against which to measure the project's contribution to building municipal planning and management capacity.

The fiscal constraints of the 1990s did not directly affect the implementation of the project, except as the project neared the end of Phase II and CIDA imposed more stringent accountability measures in its overall programming.

As the Project wound down its second phase, there was a lot of scrambling to gather the data which would demonstrate results in terms of the specific objectives of increased participation of women; the integration of an environmental and gendered perspective on urban planning and development; the documentation of initiatives taken in China by Project participants; and the Project's economic impact on Canadian business. A recommendation of the mid-term report of 1991 for leverage strategies, i. e. demonstration projects and assistance to a model development zone, was only followed up in 1997 in the hope that it could position itself for consideration in another Project since there was little likelihood of a Phase III.²⁴¹

FCM International emerged in response to the international inclinations of some of its more prominent member municipalities. The opportunity to expand the institutional capacity of FCM was quickly grasped with the availability of financial resources from CIDA. The China Program expanded the organization's ability to operate in the international context, with and on behalf of its domestic constituents, Canadian municipalities. The fervor with which this expansion was grasped increased as more municipalities were exposed to, and participated in, different aspects of the Project. This fervor was later dampened, as it was elsewhere in Canada in the aftermath of Tiananmen, but not enough to disrupt the normal operations of the project. Over

²⁴¹. FCM International did in fact receive a contract to undertake a municipal project in Manzhouli.

time, Canadian municipalities have become quite cynical about the possibilities this Project seemed to offer and are less willing on a formal level to become involved in it directly. The enthusiasm about commercial possibilities has given way to the realities of difficult, protracted, and expensive negotiations.

FCM's International Program does not rely as heavily as it once did on funding from this Project. FCM International has expanded to deal with other parts of the world in a municipal context through the Partnership Branch (formerly the NGO Branch) in CIDA. So, within a ten year period, FCM International has grown from being a small section in the general operations of FCM, dealing with a limited number of developing countries, to a separate division altogether with a multi-million dollar budget financed primarily by CIDA and operational in virtually all of the developing countries of the world.

CIDA helped shape the environment within which this organization was able to reconfigure some of its operations. In the increasingly turbulent environment of ODA in the 1980s, CIDA's China Program was anxious to be seen as delivering on the expectations of the NGO and business communities. The Agency, to a certain extent, was directly involved in shaping the very environment to which it was adapting. Rather than conceptualizing CIDA as an organization that has little control over the environment in which it operates, we can see it actively involved in the

process of its own evolution. Organizations like FCM have been astute enough to take advantage of opportunities that have presented themselves. Even though FCM International is not a typical NGO in the sense of providing assistance to the poorer developing countries, shifting interests within the Canadian ODA framework and the loose connection between the various bureaucracies has created a space, a niche that this organization has been able to fill. In the implementation and evaluation of this project, issues of effectively meeting the planning, management, and human resources needs of Chinese municipalities were secondary to building the perception that CIDA, through the China Program, was meeting these needs. Cessation of the Project on grounds of inefficiency and ineffectiveness, however, was never an option because, even though there was not that much financial investment (in relative terms), too much was at stake in terms of Canada's reputation, CIDA's reliability, the CCTC's ability to penetrate the China market, and FCM's overall organizational credibility.

Chapter 5

The Canada-China Lean Swine Production (CCLSP)

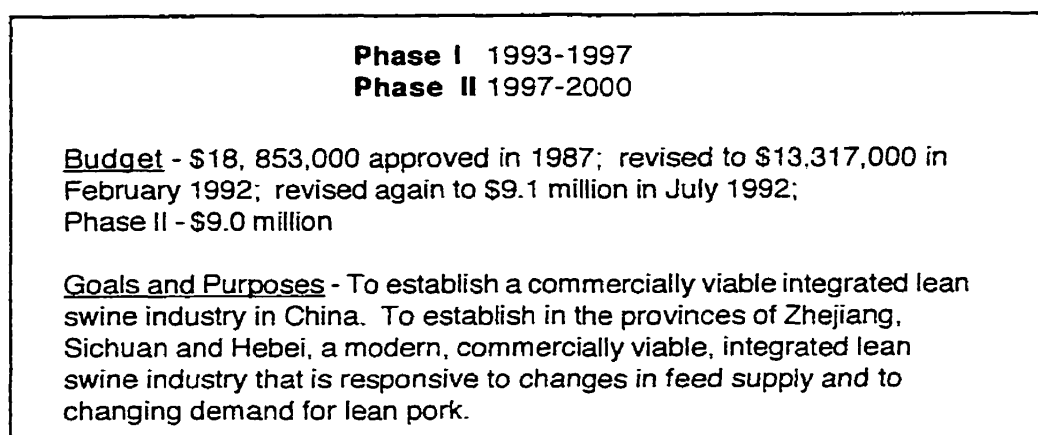
Project: Adapting to Budgetary Constraints

5.1. Introduction

As the China Program adapted to its increasingly complex domestic and international environment, it formalized an improved project cycle which provided the structure for a more efficient and, theoretically, more effective process for attaining policy objectives. As the project cycle was institutionalized with the adoption of Agency standards of financial and administrative project implementation and monitoring processes, informal processes of coordination and flexible adjustment for resolving some of the more glaring inconsistencies and inefficiencies remained in place. The implementation of the highly technical aspects of the Lean Swine Project has depended on a series of rational, objective processes. These have been compromised by the complex organizational and political dynamics of the Chinese context no less than by the obstacles presented by the vicissitudes of political dynamics faced by the China Program. The Canada-China Lean Swine Production (CCLSP) project continued to be implemented in the face of these formidable obstacles and as such is a confirmation of the program's ability to maintain and manage its environment. As will be demonstrated

throughout the chapter, it also points to the resilience of CEAs like Agriteam in adjusting to these vicissitudes.

Diagram 5.1 CCLSP Budget and Objectives



5.2 Background and Inception

Pork production is a major component of the agricultural sector in China, with over 250 million pigs marketed annually.²⁴² Eighty-seven per cent of these are produced in individual specialized households and the remainder in large state farms. A traditional diet of green feed and roughage make these swine a very hardy breed but with a high fat to meat ratio. In the process of modernization and an increased per capita income, demand for leaner meat, particularly in urban areas, has increased substantially. Increased demand for leaner pork products for domestic markets paralleled growing export markets in the Pacific Rim, particularly Hong Kong. The central government responded with subsidies and the relaxation of agricultural regulations, but pork production only increased at an average annual rate of 3.6 percent in the 1978 to 1995 period, with an almost imperceptible improvement in the production of lean swine.²⁴³

One possible solution to this relatively stagnant growth rate initially was to import lean swine stock. A critical flaw in this approach was that, without developing the technical skills and requisite infrastructure, it had very little impact on changing existing conditions. One anecdotal example is the import of lean swine stock from Germany to Jinhua, which had no perceptible impact on local pork

242. Canadian International Development Agency (CIDA), Project Approval Memorandum (PAM): Lean Swine Production Project, (Hull: CIDA, November 28, 1988). Annex A. p. 1.

243. Henry Rempel, Neil Schantz, Phil Thacker, Diane Tyler, Jennie Chang, Project Operational Review & Forward Planning: China-Canada Integrated Lean Swine Project. (Hull: CIDA, November, 1996). p. 48.

production or the development of lean swine industry because there was no technology transferred with the animals. Without the relatively sophisticated technology - for example a nutritional program, a biosecurity system, and veterinary care - the margin for successful integration with China's domestic breeds was slim.

Since the early 1980s, CIDA's China Program has been involved with a number of agricultural projects that have included: cattle improvement, balanced fertiliser use, quarantine procedures, pasture and livestock production, potato research, and dryland research. There have also been twinning projects with agricultural universities and smaller projects dealing with the alleviation of poverty in poorer areas like Xinjiang Province.²⁴⁴ The Integrated Dairy Cattle Breeding Project and the Lean Swine Project had been the two most recent additions to the agricultural portfolio. Canada's demonstrated capability in China's agricultural sector that is, ten agricultural sector projects and an international reputation in swine breeding and production positioned CIDA for consideration by the Ministry of Foreign Economic Relations and Trade (MOFERT) and the Bureau of Animal Husbandry in the Ministry of Agriculture, Animal Husbandry and Fisheries (MAAHF) for technical assistance in this regard. Unofficial discussions between CIDA officials and MAAHF officials culminated in an official request by the

244. A. Dale Ellis, Jiao Qunying, David W. Kidd, Shi Sen Bao, Project Related Training in Six Agricultural Development Projects in the People's Republic of China, A Review for CIDA, (Beijing & Ottawa, July 1992). p. 3.

Chinese government in December 1986 for technical assistance on lean swine pork production.²⁴⁵

The Chinese had become aware of the expected increase in the China Program's budget; therefore the Bureau of Animal Husbandry in the MAAHF, anticipating this, approached CIDA in 1986 with a request for technical assistance in the modernization of swine breeding and meat processing technology at the three specific sites of Yutian, Jinhua, and Neijiang.²⁴⁶ Negotiations and planning for the inception of the Canada-China Integrated Lean Swine Production Project took over six years before implementation actually commenced. Though agreement on the fundamentals of the project's purpose, goals, and objectives had been settled almost immediately after the Chinese request in 1986, bureaucratic and governmental processes compounded by the repercussions of the Tiananmen incident of June 4, 1989 created delays that stretched into 1992.

The project's overall stated purpose was to increase the efficiency of pork production, processing, and marketing in China. Its specific goals in achieving this purpose were to establish in three sites - Neijiang in Sichuan Province, Jinhua in Zhejiang Province and Yutian in Hebei Province - a modern commercially viable, integrated lean pork industry responsive to changes in feed

245. Ibid; Bureau of Animal Husbandry, Ministry of Agriculture, Animal Husbandry, and Fishery (MOAAF), PRC, Application for Project Aid in Collaboration with the International Development Agency of Canada, (Beijing: MOAAF, December 1986).

246. Ibid.

supply and changing market needs.²⁴⁷ CIDA officers accepted these broadly articulated goals as they were presented by the Chinese government rather than adopt ones more suitable to the resources of this relatively small and limited project.

One might surmise that in accepting these broad goals CIDA officers were conscious of creating future opportunities for the Canadian swine industry. Just as likely is that they were acting in the interest of maintaining Chinese confidence and expectations about Canada's capabilities, as reflected in the China Program, again leaving the door open for future opportunities for CIDA in China. These were considerations that were alluded to in early project documents, though not as the decisive elements in the decision-making process.²⁴⁸

Narrowing down the purpose and goals of the project would have limited future opportunities in both respects, and though this was obviously not desirable, it would have made a substantial difference in delimiting the project's expected outputs. The problems which have arisen as a result of the ambiguity in defining the limits of the project have been dealt with reactively and only as the Project approached the Phase I evaluation. After considerable informal discussion among MOA officials, CIDA officers at the Post, and at the Desk in Hull, on the particulars of the project (such as location, specific purpose and objectives, available Chinese resources, etc.) a Project Identification Memorandum (PIM)

247. CIDA, Project Approval Memorandum, Lean Swine Production Project.

248. Confidential Memo.[Annex A, Memorandum for the Minister December 7, 1988] in CIDA, Project Approval Memorandum, Lean Swine Production Project.

approval was signed in March 1987.

With many of the early agricultural projects approaching their final stages, the China Desk was then in the midst of formulating an agricultural sector Planning Mission to go to China in May 1987. A feasibility study for the proposed Lean Swine Project was conducted at the same time by a team of swine production experts (PROs) in the Professional Resources Section.²⁴⁹ With the recommendations of the feasibility study, a Plan of Operation (POP) was drafted and attached to a Project Approval Memorandum (PAM) which then had to be approved by the Treasury Board. Standard operating procedures on ODA project budgets which exceeded the established \$15 million ceiling require ministerial and Treasury Board approval. In August 1987, a project budget of \$18,853,000 was approved in principle by the Treasury Board, subject to study and approval by the Minister responsible for CIDA.²⁵⁰

China Program and MAAHF officers had reached a tentative agreement on the site locations, purpose, and objectives of the project in March of 1988, but further planning was delayed for another eight months because of Chinese quarantine practices which CIDA felt presented an unacceptable risk in the project's delivery. The Chinese were using quarantine tests which resulted in the arbitrary

249. Professionals in the various areas of sectoral concentration, i.e. agriculture, forestry, energy, HRD, etc. - PROs (professional resource officers) were available to Agency staff for advice and consultation in their areas of specialty. This section is no longer in existence; PROs have been integrated into the various bilateral and multilateral branches. Interview a5.

250. CIDA, Project Approval Memorandum.

rejection of up to fifty percent of the commercial shipments of pigs to China, with the result that exporters were required to send more pigs in order to fulfill their contractual obligations. The Chinese refused to provide detailed information on the nature of the decisions and the disposal process of rejected swine. Consequently, there was a great deal of suspicion about the lack of transparency in the rejection process.

As this was a matter which affected all of Canada's commercial shipments of livestock, CIDA refused to accept negotiations which would apply only to this project, seeking rather to find a solution which would generally benefit all Canadian lean swine exports to China. Since the result of these negotiations were important for Canada's agricultural exports, China Desk officers worked closely with the International Trade division of External Affairs and Agriculture Canada.²⁵¹ The importance attached to CIDA's agricultural projects by the Chinese government and CIDA's firm position on the issue led to the successful conclusion of a revised quarantine agreement. Interdepartmental cooperation in the interests of the Canadian private sector, to the mutual benefit of this sector and the implementation of a CIDA project of great importance to the Chinese government, were some of the primary points used in internal documents to the Minister recommending the authorization of

251. Confidential Memo.[Annex A, Memorandum for the Minister December 7, 1988]; Interview a19.

the project.²⁵²

In contrast with the earlier project approval process, the PAM by this time had evolved into a formal three page information and responsibility checklist with attachment of a confidential memorandum detailing the background and implications of the project and a draft Plan of Operation (POP). Another document quite uniformly found in all project files, regardless of the period in which they were initiated, was the Logical Framework Analysis (LFA) which laid out a narrative summary; verifiable input and output indicators and the means for verification; and a listing of the important assumptions made with respect to the provision of inputs and the achievement of outputs. Annexes included a one page checklist for Women in Development (WID) and a one page checklist for environmental considerations; detailed project cost calculations; the Desk's indicative planning figures (IPF) for that five year period; a copy of Bilateral Planning and Recommendation Committee (BPRC) minutes reflecting the nature and depth of discussion on project issues; and recommendations from the Vice-President Asia and the Chairman of the Presidential Review Committee (PRC). So much information delivered in such a compact format enabled the Minister to be fully informed of all the issues in giving her approval. This was definitely not the hasty decision making of the early period of the Program and is reflective of governmental, departmental, and private sector pressure

252. *Ibid.*

for the Agency to be more responsive and accountable.

This was particularly true with the change in government to the Conservatives and their undertaking of an ODA review which over the short and long term made no discernible difference to the China Program.²⁵³ In the process, however, project items like environmental assessments, gender considerations, and so on were dealt with only superficially because of the broad composition and heavy workload of the Bilateral Planning and Recommendation and the Presidential Review committees.²⁵⁴ The essential elements in "the over-management of the process"²⁵⁵ were to be able to rely upon the professionalism of the persons making the various reports and ensure that Program and Agency processes were being adhered to and that overall objectives were being met (i.e. HRD, WID, Environmental Sustainability). Though the process reflected a commitment to inter- and intra-departmental coordination and control, it was cumbersome and produced little in the way of more effective project design, implementation, monitoring, or evaluation.

Having successfully run the gauntlet of the various approval committees, final approval by the Minister, Margaret Catley-Carlson, was obtained in early 1989, after which

253. Senate, parliamentary and public hearings were commissioned and reported upon in Sharing Our Future; To Benefit a Better World; and For Whose Benefit? Canada's ODA Policies and Programs.

254. Interview a19.

255. A term used by several China Program officers to indicate excessive management processes. Those interviewed indicated that there were just too many levels of approval for what appeared to them to be daily matters in the project development and implementation process. Interview a19; a6.

project planning resumed with a renewed sense of urgency.

The Chinese implementing units (CIUs) at the three sites had secured budgets for building construction, were anxious to proceed, and were pressuring CIDA at the Embassy to provide the agreed upon assistance for the design and construction of their facilities. A Design Mission was dispatched to China in March 1989 to discuss these details with the respective site managers and the MAAHF. The managers at each site were eager to begin construction, and in each case, the Design Mission strongly recommended that construction be delayed until the Canadian Executing Agency (CEA) was selected. It was the CEA which would provide the supervision and training in the planning, design, and construction stages.²⁵⁶

The Chinese units at Yutian, Jinhua and Neijiang had become impatient with the delays imposed by the Canadians. It was important for the Chinese site managers to act swiftly on this opportunity, for projects like this occurred infrequently. For these sites, the allocation of state funding with foreign matching funds was a golden opportunity to modernize their production methods, decrease costs, and increase profits. Such opportunities were rare in rural China. The immediate needs of the specific sites took precedence over the vicissitudes of Canadian bureaucratic processes. By the time the Design Mission had arrived, the

256. S. Berg & J. Masson, People's Republic of China, Lean Swine Production Project: Design Mission Report, (Prepared for CIDA by the CIDA Swine Mission, May 1989).

Chinese had already proceeded with construction in direct contravention of the Management Plan to which all parties had previously agreed. Though these units may have been highly skilled in the production and processing of domestic swine, they did not have the technical expertise for housing the purebred Canadian swine which were to be the nucleus herd of the entire project.

Recommendations for caution and delay in further construction were disregarded at Yutian and Neijiang. This had serious consequences for the biosecurity of the nucleus herd.²⁵⁷ In compliance with Chinese central directives to expand pork production and having secured scarce resources to do so, it was entirely logical for the units to have proceeded. Even if the Canadians now pulled out of the deal, the managers at the respective sites had been able to acquire resources for their farm that would have been otherwise unavailable. If the Canadians proceeded they were no further behind, though in this case the sustainability of the project had been compromised in terms of herd biosecurity, cross-breeding schedules, and environmental degradation.

It was unlikely that these site problems would have jeopardized the project process. China Program staff were more interested in smoothing relations with their Chinese counterparts at a time when Canada's relations with China

257. Biosecurity refers to prerequisite environmental conditions necessary for the continued health of the animals being bred. Without these conditions, such as proper waste elimination, efficient climate control, hygienic feed distribution, and so the biosecurity of the herd is compromised.

were under serious strain as a result of Tiananmen in June 1989. By the time the Memorandum of Understanding (MOU) was signed in December 1990, already strained diplomatic relations were intensified because of overall ODA budget cuts that affected the China Program. The budget for this project had been reduced by nearly \$2.5 million to \$16,404,009.²⁵⁸ The Management Plan had been prepared in March 1989,²⁵⁹ but before the tendering process for a CEA could be initiated, the Tiananmen incident of June 4, 1989 occurred and the Canadian government temporarily suspended all project planning. As relations normalized over the next year, a special project review process was initiated by the China Desk to ensure that projects complied with the federal government's policy position that ODA funds continue to support people-to-people exchanges, but not in any way the military or police institutions of the Chinese government.

This process caused some delay in the project's implementation, but a greater impact was produced by the government's subsequent announcement of further ODA budget cuts of \$1.8 billion over the five years from 1990-1995. In real terms, this translated into about a 23 percent reduction for 1989-1990 and 17.3 percent for 1990-1991.²⁶⁰ Officers on

258. Canada. Memorandum of Understanding (MOU) Between the Government of Canada and the Government of the People's Republic of China for the Lean Swine Production Project. December 19, 1990.

259. CIDA. Management Plan: Lean Swine Production Project, People's Republic of China. (Hull, CIDA, March 1989).

260. Robert E. Clarke, "Overseas Development Assistance: The Neo-Conservative Challenge," in Maureen Appel Molot & Fen Osler Hampson, Eds. Canada Among Nations, 1989: The Challenge of Change. (Ottawa: Carleton University Press, 1990). p. 198-99.

the China Desk had to wait several months for confirmation on the levels of funding available for future programming before they could proceed with negotiations with the Chinese.²⁶¹

Having to negotiate budget cuts on previously agreed upon projects aggravated an already tense situation with the Chinese and caused further delays. While decisions with respect to budgetary commitments were being decided by senior decision makers, desk officers occupied themselves with preparing project documentation for this and other projects for which they were responsible. Discussions with the Chinese concerning the budget cuts were difficult, but after protracted negotiations agreement was reached so that the MOU on this project, which had been prepared in August 1990, was finally signed in December. With this accomplished, the tedious and lengthy tendering process for contracting a CEA began, only to be interrupted by yet another round of budget cut announcements by the federal government in February 1991.

In September 1991, seven Canadian firms with international, agricultural consulting expertise were invited to tender proposals for the project. By the end of November, five firms had responded with detailed proposals. These were then subjected to an evaluation process which ranked the proposals according to the experience of the firm, the qualifications of the proposed personnel, and the implementation methodology.²⁶² Agriteam, with extensive

261. Interview..a6.

262. CIDA., "Evaluation Grid/China: Lean Swine Production." (Hull: CIDA, 1991).

international experience in agricultural ODA projects, an impressive list of highly qualified professionals as the project team, and a clearly articulated implementation methodology, was the successful bidder in the tender to be the CEA. The Minister, in approving this selection on February 4, 1992, authorized contract negotiations with Agriteam. Contract negotiations included areas of service like consulting, technical advice and assistance, administrative support, training, and the procurement of equipment and livestock, at the estimated cost of \$13,317,000, a decrease of \$3,087,009 from previous estimates.²⁶³ With the announcement of another round of federal budget cuts later on that month, CIDA was obliged to postpone further contract negotiations until confirmation on programming was clear and until budget reduction negotiations with the Chinese had been settled.²⁶⁴ By the time the formal contract negotiations with Agriteam recommenced in July 1992, the revised budget of \$9.1 million, less than half the originally planned \$18,853,000, led to a very difficult round of negotiations which were not completed until December.

There was no doubt at the time that the budget cuts severely compromised the project's implementation. Negotiations conducted with the Chinese produced very little compromise so CIDA asked Agriteam to make concessions. Suggestions to the Chinese about eliminating one of the sites

263. Confidential document [Treasury Board, "Authorization to Enter into a Contract and Make Advances," (Ottawa: Treasury Board, December 1, 1992). p. 3]

264. Ibid. Annex A

were firmly rejected for substantial sums of money had already been invested in permanent improvements to all three sites. The Chinese also resisted any dramatic cutbacks to in-Canada training and equipment. The opportunity for training in Western institutions is a highly valuable and scarce commodity for the Chinese. The provision of equipment is one of the more attractive features of an ODA project in a developing country and China is no exception. These items were only slightly scaled back.

The major change was the reprofiling of Canadian long-term technical assistance to that of short-term consultancy because it would be far less expensive. Though there was little room to maneuver in the negotiations, settling for short-term consultancy assignments over the long-term presence of seasoned professionals was sure to severely compromise the project implementation process. This reprofiling directly contradicted the findings of a 1986-1987 agricultural sector study which noted that in successful agricultural projects training was the most important component with long-term technical assistance as a major force in the process, especially with a hands-on problem solving approach by the same group of long-term advisors.²⁶⁵ One aspect of managing the awkward and complex dynamics of this project's implementation process was to bypass this constraint temporarily. With long-term technical assistance as one of the most important components for the success of

265. Confidential Memo. [Annex A, Memorandum for the Minister, December 7, 1988]

this project, China Program officers and Agriteam's Project management had to consider renegotiating this item if the project was not to be a complete waste of resources.

The agreement reached then was only a partial settlement in the interests of the overall strategy of maintaining good relations, i.e. Agriteam with CIDA, and CIDA with MOFERT and the MAAHF. Agriteam was aware of these constraints but felt confident that they could be addressed over time. Within a year it became clear that the Chinese did not have the critical capacities required to carry out the project's day-to-day activities with only periodical technical advice from short-term Canadian consultants. Sustained negotiations between Agriteam and CIDA on this component resulted in a return to the original conception of the placement of long-term technical advisors at the three sites. The China Program's discretionary budget contained sufficient funds to support the appeal made by the project team leader (PTL) for reinstatement of long-term technical advisors. Having made a persuasive argument, this appeal was supported by the Program Director and submitted to the Executive Committee for consideration. With this project component there was a measure of flexibility for Agriteam and CIDA because of the PTL's formidable experience in CIDA. His long experience with, and knowledge of, the Agency helped in maneuvering through CIDA's myriad of operating procedures to produce the desired outcome in this project component.

5.3 Implementation: Budgetary Limitations and Project Compromises

The goal was to increase pork production by reducing fat to meat proportions in pigs. The six year cross-breeding programme introduced genetic material from Canadian purebred pigs into the Chinese government's artificial insemination extension programme. As this technology was disseminated to commercial and individual pork producers, it was projected that Chinese farmers would be able to upgrade their pigs in one generation (five to six years).²⁶⁶ A range of activities were identified in order to accomplish this goal:

- 1) A breeding program at the core of which has been the shipment of six hundred and thirty-five Canadian purebred pigs to constitute the nucleus herd.
- 2) A crossbreed production component at the three sites to demonstrate how to create a mixed Canadian-Chinese breed best adapted to available feed supply and market demand. Boar and semen as well as training in the production and care of lean swine to be made available to State farms and individual households through an extension program.
- 3) A nutrition program which would provide training and equipment to the breeding stations and the producers. It would also demonstrate to local feed mills methods for ration formulation required for the crossbred animals.
- 4) The introduction of farm production record keeping systems.
- 5) Contributions to the upgrade of training facilities, equipment and curriculum to be used in the extension system.

266. CIDA, Management Plan: Lean Swine Production Project, People's Republic of China, (Hull: CIDA, March 1989). Annex C, p. 1; Memorandum of Understanding (MOU). p.2.

- 6) A product development component would provide training in butchering and packaging techniques and quality control. A meat processing unit was to be added at the Yutian site.
- 7) A marketing segment.
- 8) An economics component to assist in developing some analytical tools required for lean swine production.²⁶⁷

The original plan was to implement these activities at each site independently. This would have made each site an entire project in and of itself. After Agriteam's Inception Mission in April 1993, the plan was changed to integrate activities between the sites in order to maximize the limited resources available to the Project. This approach could also encourage the development of a network of interdependent cooperation among pork producers, the motivation for which would otherwise not have presented itself. In the presence of such limited resources, this would have been a distinct advantage, especially for specialized households.²⁶⁸

Some of these activities have been implemented as planned, for instance, the shipment of Canadian pigs and the breeding program, the nutrition program, the introduction of record keeping systems, and the marketing and economics components. However, the timing has been adjusted. The implementation of other activities such as the extension

267. Work Breakdown Structure, Lean Swine Production Project, China, Management Plan. pp. 5-13; Memorandum of Understanding.

268. Specialized households raise specific produce and livestock for local consumption. Under the commune system agricultural production was geared for mass consumption. Agricultural reform production is more individual.

program for state farms and individual households, product development, and the meat processing unit at Yutian have not proceeded as originally planned, primarily because they were premised on unrealistic assumptions about the Chinese context. For example, there were assumptions that "...the [Chinese] political will and financial/technical resources exist[ed] to modernize the industry in response to consumer demand; "...that the "PRC w[ould] adopt the Project's economic market analysis; and "...that "farm and feed mill profitability and other incentives w[ould] stimulate rapid expansion in lean pork production."²⁶⁹ These should have been addressed in the early planning stages, but in the rush to spend budgets after such lengthy delays, to maintain good relations with the Chinese ministries and implementing units, and to carve out a niche for Agriteam's pig exporters, these assumptions were not closely scrutinized.

When the project was in the PIM stage in 1988 and proceeding through the various project review committees, several risks were identified and subsequently clarified. For example, at the first Asia Branch discussions of the project concern was raised about the existing institutional framework and pig breeding infrastructure in China.²⁷⁰ The concern was over how the various levels of government would work with each other to produce the intended result of

269. Table 4-1: Logical Framework Analysis in Agriteam, China-Canada Integrated Lean Swine Project, Inception Report: Vol. II Project Implementation Plan, (Calgary: Agriteam, January 1994).

270. CIDA, Asia Branch, Memorandum: Comité d'évaluation des Plan d'opération (CEPO) Minutes, November 9, 1988, Lean Swine Production Project, (Hull: CIDA, November 16, 1988).

establishing a modern, commercially viable, integrated lean pork industry that was responsive to changes in the feed supply and to changing market demand in the three provinces of Sichuan, Zhejiang, and Hebei. In the implementation of the project, CIDA officers and Agriteam's project manager dealt only with the national and provincial representatives of the MAAHF responsible for the project and the site management teams. At the Joint Committee level, cooperation among these representatives was a fairly solid assurance. There were no stipulations in the project's mandate which required action beyond the scope of the JPSC in the implementation of the project.

Realizing the project's objectives were based on an assumption that the Chinese government had fully accepted liberal economic market principles and was prepared to enact legislation to enforce changes in the overall pork production sector, for example, price reforms, carcass grading and feed standards. A related assumption was that this would occur within the six-year time frame of the project cycle. It may have been more realistic for the mandate of the project to have also included a specific mechanism to address national and provincial policies with respect to price reform, feed standards, and so on. With the project's budget relatively insignificant to the pork industry in China, the Project could not realistically be seen as making a significant contribution to the establishment of a viable integrated lean swine industry in China. It was possible, however, to claim

effectiveness with more specific, less grand objectives, like the successful transportation of the nucleus herd of Canadian pure-bred pigs, or that feed analysis standards and formulation techniques would be effectively put in place at the three sites, and that all reporting mechanisms (e.g. mid-term evaluations, quarterly and annual reports, monitor's reports and breeding program records) would be fulfilled on a timely basis.

Making the assumption that the Chinese would develop a meat grading system which increased economic and production incentives for lean swine producers was logical given that the technological systems which were being transferred through this project were premised on a liberal economic model. However, institutionalization is a process that occurs over a lengthy period of time, especially in the context of China's transition to a market economy. From a Western political perspective on the policy development and implementation process, it was fairly logical to expect that appropriate legislation would follow the government's announcement about prioritizing the development of lean swine production. Program experience in China, however, should have raised concerns about the cumbersome and often lengthy process of policy implementation. It was a high risk for the viability of the project at the three sites, which were to be sustained by market (as opposed to state) forces, to think that the desired changes would occur in the immediate short term.

The development of national feed standards for the lean swine industry was contingent upon the institution of a national meat grading system. Meat grading legislation has yet to be enacted and it has been over ten years since the project was first defined and these expectations articulated. The China Desk acknowledged that "...many elements were outside the breeders' control and there [was] a challenge in attempting to successfully transfer the Canadian "system" of pig breeding and marketing to the Chinese context."²⁷¹ It was felt, however, that these risks could be reduced by building "buffers" into the design, planning, and monitoring of the project that permitted a certain amount of flexibility.²⁷² In the process of planning for an extension of the project it was formally recognized that "[t]he successful development of pig breeding farms at the three Project sites that are capable of disseminating the genetic material to the commercial farm level requires the support of government policy initiatives at the national level."²⁷³ Without national carcass grading legislation, it was unrealistic to assume that commercial and individual producers would pay a premium price for lean swine breeding stock and undertake the requisite controlled production conditions. The high costs that producers would incur in the process of adopting lean swine technology seemed a disincentive.

271. Ibid.

272. Ibid. CIDA, Asia Branch. Memorandum: CEPO Minutes, December 7, 1988, Lean Swine Production Project, (Hull: CIDA, December 7, 1988).

273. Project Operational Review & Forward Planning: China-Canada Integrated Lean Swine Project. 1.45, p. 7

The China Program has recently shifted some of its programming emphasis to policy influence, but the focus has been on the environment and the energy sector. The funds allocated for this project were just too insignificant to influence national policy. Coordination with other bilateral agricultural programs might have resulted in some overall policy changes but efforts to this effect were non-existent. Current programming directions in the China Program towards policy interventions, in influencing the policy formation and implementation process, are likely to have greater impacts. Without these mechanisms, there is little likelihood that the successful technology transfers at the specific project sites will be disseminated to other producers without significant, additional financial support.

In the committee review process, other concerns were raised but these were more specific to the Agency's concern for policies like Women in Development (WID) and environmental sustainability which had become important elements in the project planning process.²⁷⁴ In this project, there was no specific budget allocated to the WID dimension, and it was assumed that environmental considerations would be automatically dealt with throughout the project's

274. Ibid.

implementation. Without any documented analysis,²⁷⁵ it was assumed that upwards of fifty thousand women would directly benefit from the project though specific details were not given. Documents record that women managers and professionals at the three sites had been consulted, but there is no record of the results of these consultations. Even though there are no baseline data to refer to in the evaluation process, it was broadly acknowledged that the situation for women in China was changing and that there were many unknown factors in trying to make future determinations about how the project would affect women. It was assumed, nevertheless, that there could be negative impacts.²⁷⁶ What these negative impacts could be, how they would be determined, or in what manner they were to be dealt with, was never addressed. This rather insignificant amount of information was contained in a one page checklist form annexed to the PAM.

Subsequent project documents mention the inclusion of women in some project activities, the most notable of which has been the two Canadian long-term technical assistants at Jinhua and Yutian. Program officers were unaccustomed to

275. The files reveal no gender analysis for this or other agricultural projects operational at the time. That which exists is subsumed in the text of project descriptions and is limited primarily to the notation of statistics. There is no sense of the gender implications of the changes these projects sought to influence. Though CIDA had a Women in Development (WID) policy in place since 1984, CIDA, Policy Framework and Implementation Strategy for Women in Development for CIDA, (Hull: CIDA, 1984), the China Program's gender strategy, China Gender Strategy, was only published in May 1995. This document's recommendations for implementation mechanisms on projects are only recently being considered by project staff.

276. "Women in Development (WID) - PAM Annex," CIDA, Project Approval Memorandum.

dealing with the concept of WID or gender equity and were therefore unfamiliar with how it was to be implemented. Concessions were made to the Agency's requirement that WID considerations be included in project development, but only superficially. It is not surprising to find that, beyond the traditional setting of participation targets, there has been very little other activity in the WID component. The recommendations for an extension of the project, however, do include an aggressive WID strategy, though as yet no budget has been allocated to this activity. Attaching WID objectives to the project indicates, at least at one level, the importance that CIDA places on gender considerations in ODA project planning, giving cause for some optimism in the area of gender equality. The manner in which WID objectives are actually implemented, however, brings the more sobering realization that this is merely political tokenism.

Consideration of the environment in the process of project planning followed a procedure similar to that of the WID component, with an environmental checklist screening report attached to the PAM. From a site reconnaissance mission and sectoral documents in the Agency, it had been determined that there would be some changes to the natural environment of the animals and the soil at the project sites. It was anticipated that any adverse effects could be mitigated with existing technology, so no special measures needed to be included in the project's design. During Agriteam's Inception Mission, however, it was noted that

"[t]he most important of the various environmental issues [was] the management and disposal of manure, because of its scale and potential to contaminate ground and surface water systems."²⁷⁷ At normal levels of swine production, manure management has traditionally taken the form of fertilizer on adjoining farm crop land. Liquid runoff from the farms enriches fish production in the nearby lakes. With the significant increase in swine production planned for the three sites, more stringent measures for manure management needed to be addressed. On the Inception Mission, Agriteam noted that these key issues tended to be viewed with skepticism by the Chinese as an unnecessary expense and were likely to be marginalized as the project became fully operational.²⁷⁸ Environmental protection with respect to manure management is not well understood at the project sites and it is only as the issue reaches near crisis proportions (i.e. flooding, polluted water supplies, inadequate manure storage and removal) that a concerted effort is being made to develop integrated systems of removal and recycling.²⁷⁹ Air pollution related to dust in the feedmills, confined housing of the herds, and from the use of coal to provide supplemental heating to the swine was another concern.²⁸⁰

277. Agriteam Canada Consulting Canada Ltd., China Canada Integrated Lean Swine Project: Inception Report. Vol. 1, Issues and Methodology. Calgary: Agriteam Canada, January 1994. p. vii.

278. Ibid. p. 3-43.

279. Project Operational Review & Forward Planning: China-Canada Integrated Lean Swine Project. 1.18 & 1.19, p. 3; 2.5.1 - 2.5.4, p. 12-13; pp. 44-45.

280. Ibid.

These continued to be addressed reactively because, although effective controls have been developed by the Canadian team, the Chinese managers are constrained by the lack of financial resources.

The imposition of policy mandates, like WID, creates an unavoidable tension for the Chinese project managers who have their own set of domestic policy mandates that must be addressed; for CEAs which may not embrace these objectives; and for CIDA China Program officers who are just being exposed to these new currents in ODA thinking. The CIDA project planning process, however, requires that they be included in the implementation of Canadian ODA projects and so the tensions are dealt with at the margins rather than fully addressed within the context of project configuration. This provides room to maneuver for all the actors. CEAs like Agriteam, with extensive experience in the ODA field, are as aware of the tension this creates in project implementation as are country project officers. Managing the daily work flow in the various activity areas alleviates some of this tension.

Flexibility in implementing these is a key component in the process. In the annual Joint Planning Steering Committee (JPSC) meetings, policy relevant issues come up for discussion and, although activities are discussed in light of the project's overall objectives, decisions are based inevitably on the realizable daily activities at the project sites. Inconsistencies and inefficiencies in some aspects of

the project's implementation are not entirely a problem of poor management and planning, but of the setting of unrealistic objectives given the resource constraints both in China and Canada. Where there was no ambiguity in the nature of the technology being transferred, e.g. breeding and nutrition, any inefficiencies and inconsistencies in the project's implementation were the direct result of the process of transferring technology to a developing country. The following discussion presents a linear development of the project components, but it should be understood that the various components were implemented concurrently.

The Training Program

The basic thrust of the Lean Swine project has been HRD, as it relates to the transfer of lean swine genetic technology and production. With the series of budget cuts prior to the project's eventual implementation, this aspect of the project was compromised. Despite the critical importance of HRD in the successful implementation of the project, it was allocated less than ten percent of total project budget expenditures. In comparison, consultants, project personnel, and Long Term Technical Advisors (LTTA) budget items were approximately sixty-six percent of the project's total budgetary expenditures.²⁸¹

Human resource development (HRD) has been the essential

²⁸¹. Ibid. p. 23.

activity for the sustainability of the project,²⁸² though as we have already seen there are a number of other considerations that also affect its sustainability. These aside, the essential elements of the project's training program have been focused on the development of a core of technically capable specialists in lean swine production. In this respect the project has been very successful. At each site there is a core of highly professional, technically capable specialists who are diligent about the conduct of their responsibilities. There are obvious constraints with respect to the appropriate allocation of responsibility and authority but solutions to these must emanate from more senior levels of Chinese management.

In the interim, the presence of the LTTAs has been invaluable in providing technical assistance and on-site training in the areas of herd health, production, environmental management, bio-security, record-keeping, laboratory management, blood collection, marketing and marketing surveying, business management, nutrition, and computer tracking of the breeding program.²⁸³ Each LTTA has expertise in only a few of these areas, i.e. at Neijiang the LTTA is an applied nutritionist, at Yutian there are two LTTAs, one a veterinarian, the other an economist/marketing specialist, at Jinhua, a pork production specialist. Each is expected to collaborate with the others. For instance, with

282. Canada-China Integrated Lean Swine Project. Inception Report, p. ix.

283. Project Operational Review. p. 25, 26, 28.

respect to the nutritional program of the respective herds, the expertise of the nutritionist at Neijiang would be utilized at all three sites. With the increasing expertise of the Chinese site specialists in nutrition, veterinary medicine, and pork production, the same type of coordination and collaboration should emerge. However, given the fairly independent nature of each of the three sites and the relatively short time frame of the project cycle, this may prove more difficult.

The Canadian LTTAs are clearly familiar with the organizational process of coordination and collaboration. Adopting this organizational culture requires a concerted effort in gradually transferring responsibility to the respective Chinese specialists at each site. A strategic management plan has been key to this critically successful element in the training program and was all but deleted from the project by CIDA as a cost saving measure. It was saved only through the vigorous negotiations of Agriteam and the project team leader at the China Desk.²⁸⁴

The development of a core of technically capable specialists was to be augmented by the establishment of fully functioning training centres at each site. The need for these was entrenched in the project's goal to establish a lean swine industry in the provinces of Zhejiang, Sichuan, and Hebei. Lean swine technology transferred to, and

284. Interview a20; CIDA. "Memorandum From Wally Redekopf, Senior Agricultural Program Manager to Hau Sing Tse, Director General China Program re: Amendment to CEA Contract for Lean Swine Production Project," (Hull: CIDA. April 1994.)

developed at, the project sites was to be disseminated to pig farmers in each locality. Each site has constructed training facilities for this purpose, but aside from the purchase of equipment like VCRs, video cameras, televisions, overhead and slide projectors, and screens, the training centres have not yet been used for the purposes for which they are designed. At Jinhua for example, the training facility was being used for commercial purposes totally unrelated to the Project. At Neijiang, the facility has not been in active use, though the LTTA has been actively developing videos of particular procedures in lean swine nutritional practices. At Yutian, the training equipment provided has been put to use though it is not clear in the documents whether these are being used in the training facility for the dissemination of knowledge pertinent to the Project.²⁸⁵

Without having first identified local producers willing to adopt the technological systems required in the production of lean swine, it is unlikely that the training centres will be used as intended. Without market incentives for the adoption of this new technology, there was also little likelihood that there would be any significant local demand. It was suggested that the Chinese managers at each site make a concerted effort to build the training centres into viable institutions,²⁸⁶ but without significant financial backing and market incentives for local producers,

285. Project Operational Review. pp. 24, 26, 27.

286. Ibid. pp. 56-57.

these suggestions will continue to receive scant attention.

With respect to Chinese project personnel, the HRD strategy had been conducted in stages, the first of which was training site managers and technical specialists. In an effort to expose key project decision makers to the Western model of commercial pork production, several of the directors of the Provincial Bureaus of Agriculture and the three Pig Breeding Farms were sent on a Canadian study tour of educational institutions and commercial facilities. Several members of the Yutian and Jinhua site management went on a technical training tour to Canada. Neijiang management's absence on the study tour was presumably because a qualified person could not be identified. A special engineering study tour was conducted for an official from the Zhejiang Provincial Department of Agriculture.²⁸⁷ In a departure from training exclusively in Canada, intensive pig production training in the Philippines was provided to one person from each project site.

Overall, seven persons from Yutian, eight from Neijiang, and six from Jinhua received training in Canada in farm management, pig production, computer operations, marketing and sales, feed mill management, production economics, nutrition, veterinary laboratory operation, and management. Those professionals trained have been key to the project's implementation because they have been identified as the

²⁸⁷. Project Operational Review & Forward Planning: China-Canada Integrated Lean Swine Project. pp. 24-28.

personnel that will eventually assume project responsibility. Though they are critical to the project, their training has been quite broad and very general, covering a wide range of subjects in a brief period of time.

Nevertheless, the training provided a foundation upon which site managers were expected to build over the life of the project and after the withdrawal of CIDA funding. The LTTAs were integral to this process. From the delivery of the breeding pigs to the effective transfer of the lean swine production technology, the LTTAs have played a critical role in providing on-site training in their various areas of expertise - in nutrition, production technology and genetics, and veterinary science.

It was expected that project personnel would continue on with the project, acquiring increasingly more responsibility for the overall management of the project sites. However, at Neijiang, there was an unexpectedly high turnover of project management and other staff within the first few years, so there was a significant loss of expertise and experience that was difficult to replace. This did not seem to be a problem at Jinhua or Yutian, though the pace at which the Chinese were assumed to have been able to accumulate sufficient knowledge and experience for the operation of the farms independent of CIDA funding was grossly over-estimated. One major setback in this respect was the sudden and unexpected resignation in the first few months of the project's operation in 1995 of the veterinarian LTTA assigned to the

Yutian site. It was well over nine months before Agriteam was able to contract a well-qualified replacement.²⁸⁸

The project entered a second phase in 1998, but with insufficient expertise at the three sites to withdraw the LTTAs as planned. With any ODA project in China, there are always risks with respect to training key personnel and though in general personnel are less mobile than elsewhere, there is no guarantee that they will remain with the project, particularly with more lucrative opportunities outside the state sector. There is also the risk that even with the assurance of permanence, some Chinese personnel are just not appropriate to the evolving responsibilities brought on by the emerging market context and the demands of an ODA project. Almost all the technical specialists and managers who received training in Canada and in China are still with the project. In a number of instances, key personnel received highly specific technical training only to return to China and the project sites to be promoted to positions of management where the application of that specific knowledge was limited. To carry out their management responsibilities adequately, they require additional training which has not been available because of limited financial resources for this budget item. In order to fulfill the goal of gradually

288. Agriteam attempted to negotiate with the veterinarian to resume his position. The process of finding a suitable replacement took several months. The logistical arrangements and relocation time took several more months accounting for the lengthy delay. Oddly enough, there was a qualified Canadian veterinarian at Neijiang, the wife of the nutritionist, but Agriteam refused to consider her even though it would have saved the project a substantial sum of money in relocation and residency costs.

transferring management of the project from Canadian LTTAs to their Chinese counterparts, this has to be addressed. In the meantime, the LTTAs have been critical in providing on-site technical assistance and training.

The second stage of the training component was to involve large farms which were willing and able to serve as multiplier farms. The three site offices were allocated funds from the MAAHF to construct training facilities which would ostensibly serve the ongoing training needs of the breeding farms and feedmills, as well as, to provide training to these commercial farmers, and eventually to smaller specialized pig households. In all instances, the equipment was to be used to develop training modules, but only at Yutian is the training centre operational. At Neijiang, the facility has been completed but is not in use. At Jinhua, the facility is being used for other purposes.

With the immediate focus of the project's implementation on the successful delivery of the nucleus herd, the development of an appropriate nutrition program and the training of the technical specialists for that herd, the training plans for the second stage have received very little attention. As the project neared the end of Phase I, there was a sense of urgency about activating the extended training component; however, this could be an entire ODA project in and of itself. Currently there is an expectation that the Chinese will provide the bulk of the funds to make these training centres operational but, given the existing

unresolved financial issues at each respective site this is overly optimistic.

The Breeding Program

Canadian purebred breeding pig stock has been central to the breeding program of this project. Planning projections had forecast the shipment of six hundred and thirty-five Canadian purebred pigs. A total of seven hundred and twenty-nine were actually delivered. With the shipment of live animals a contingency for losses is always provided for and though there were some losses during the transport and quarantine of the animals, these were well within acceptable industry standards.²⁸⁹ The three sites, with more than their planned complement of animals, undertook the program of crossbreed production with varying degrees of success.

The breeding program followed the traditional breeding pyramid for the production of lean pigs: a nucleus herd of Yorkshire sows and boars and Landrace sows and boars at each site would form the pinnacle; sows from one breed and boars from another were to be sold (or transferred under contract) to farms outside the project pig breeding farm to form the next level or second stage of the pyramid; the progeny from the two-way cross of these animals would then form the next level, completing the pyramid. As well as the availability of a feed supply appropriate to lean swine production, the

²⁸⁹. Project Operational Review. p. 28.

successful implementation of the breeding program required the capable management of the nucleus herds.

Before the breeding program had even commenced at Jinhua, part of the breeding herd complement had been traded for a new feed mill. Of those animals which did arrive, several were slated for redelivery to other locations. The capacity of the Jinhua site in the breeding pyramid was for only one-half of the second stage. A contingency plan for completion of the program would eventually have to be sought by local purchase of the Landrace stock. The excess number of pigs received at Neijiang and Yutian required a change in the ratio of boars to sows in the breeding program and also the manner in which the herds were housed.

The facilities constructed at all three sites suffered from design problems as a direct result of their construction prior to the selection of Agriteam as the CEA. Had the earlier blueprints for the respective sites been consulted and followed with any degree of accuracy, many of the difficulties now being encountered would have been averted. For instance, at Yutian the barns have been constructed with a metal material that is quickly fatiguing with the weather conditions. Entire new facilities actually need to be built to address this problem. The durable construction of the barns at Neijiang are to the credit of the project, but the interior design of the flooring, pen dividers, farrowing crates, pig feeders, and the ventilation system have presented significant dangers to the health of the nucleus

herd. The same design problems plague Jinhua and, to a lesser degree, Yutian. Agriteam went into the project aware of these design problems and the dangers they presented, but it was hoped that there would be sufficient expertise and management capability to at least deal with the problems reactively. Within the confines of the project's work breakdown structure, there was sufficient flexibility to proceed with the implementation of other basic activities of the project.

The management problems with which the project has been dealing are indicative of a broader social malaise created by consensus-style decision-making that strongly discourages personal initiative and responsibility. Those who lived through the Cultural Revolution are understandably cautious about being perceived as acting on their own initiative lest there be negative ramifications. The generation of young, well-educated professionals with only an historical, versus a personal experiential, understanding of the context of the 'changing winds' of Party directives must nevertheless contend with this organizational constraint. The staff, which have received training in their respective fields in Canada and elsewhere, are hampered by lack of authority in the fulfillment of their responsibilities. For example, at the Neijiang site it still remains unclear to Canadian project management who is ultimately responsible in several areas of project management. The farm manager who has overall responsibility for all aspects of pig production and

marketing does not in fact have the ultimate authority to carry out these responsibilities. A lack of clarity over who is responsible for what in terms of say the geneticist, the production specialist, and veterinary technician has produced confusion and the wasting of significant amounts of time and effort.²⁹⁰ Though the situation is not quite so problematic at Jinhua and Yutian, recommendations for the project's extension depend on the site management's ability to carry out strategic manage programs which aim to establish a balance between authority and responsibility.²⁹¹

These management problems have been evident from the very beginning of the project, but perhaps because of the inherent inability to change that dynamic, the focus has been on the transfer of the Canadian technology per se. Quarterly and annual documents do not place great emphasis on this, but focus rather on recordable achievements like money spent, equipment procured, persons trained, pigs transported, meetings held, etc. As the CEA and the China desk officers positioned themselves for an extension of the project, this area could no longer be dealt with peripherally; it is a central issue in the sustainability of the project.

The Nutrition Program

There are a few issues of sustainability which are

290. Ibid. p.31; Interview..e4.

291. Ibid. Recommendations 2.3.1 & 2.3.2, p. 11; p. 32.

critical in the implementation of this project. The management and coordination of swine genetics, product development, marketing, extension training, nutrition, and so on occurred with a low level of efficiency that could be addressed if the project were extended. What needed to be addressed and strengthened was the ability to provide an assured and quality source of feed for the various stages of pig development. Each site has been able to do this with varying levels of success. Adjustments have had to be made to accommodate seasonal changes in the locally available grain supplies provided by the state. By the very nature of the relationship between the sites and the provincial and county governments, farm managers are unable to access feeds in addition to those received from the state marketing agencies. This places a tight restriction on the possibilities of access to other possible sources, i.e. brewery waste, distiller grains, cassava meal, or tapioca. At each site there has been a great deal of success in transferring the nutritional knowledge and tracking and testing systems that are integral part of the nutritional program; financial constraints inhibit a fuller development of this component.

Though it is reported that the existing feed mills at the three sites are able to provide the necessary feed, financial instability creates uncertainty about the future

viability of the mill operations.²⁹² The mills are able to meet the needs of the breeding program and adapt to the changing feed availability as stipulated in the goal of the project. Whether this is sustainable in an unpredictable and unstable market remains questionable. Given that project effectiveness is measured by the financial sustainability of the mills and the ability to disseminate both the knowledge and the technology to other local feed mills, project sustainability after CIDA funding ceases is also questionable.

Marketing and Economics

Despite the presence of a LTTA with marketing and economics experience, this aspect of the project remains the weakest component. The implementation of the marketing program was delayed until 1995-96 because the LTTA position of a marketing specialist had not been filled until early 1995.²⁹³ Though with the hiring and long-term mobilization of this LTTA, a great deal of marketing research has been developed, the implementation of carefully developed marketing strategies has been severely compromised by the lack of a carcass grading system in the lean swine industry

292. Ibid. pp. 25-46; Interview e6. All three mills are operating well below capacity primarily because of a lack of a market for excess production above that needed for the project. Neijiang's feed mill is facing even more critical financial difficulties because of burdensome debt loads carried over from before the project's inception. Though the Yutian feed mill was expected to turn a profit in late 1997, it is still operating well below capacity.

293. Agriteam, Canada-China Integrated Lean Swine Project: Annual Report April 1, 1994 - March 31, 1995, (Calgary: Agriteam Canada Consulting Ltd., June 1995).

in China. Though there is a demand for lean pork in the larger urban areas, it has traditionally been met by merely trimming excess fat. Without an incentive carcass grading system that provides for the payment of a premium price on lean swine breeding stock to commercial pig producers, there is little chance of the commercial viability of both the multiplier and nucleus herds. To this end, technical specialists from the Animal Husbandry and Veterinary Services of the Ministry of Agriculture have been urged to become involved in the project's management so that they can institute policy changes at the slaughterhouse level.²⁹⁴ Given the high costs attributed to this component, it is surprising that project management accepted the a priori assumption that national and local policy would change without proactive measures to facilitate such a change.

Despite fairly significant constraints on the project's viability, a great deal of background work has been conducted in market research and strategic planning.²⁹⁵ Each site has a specially trained economist who worked in conjunction with at first the economist for the project in Calgary, and later with the Yutian based LTTA, developing market surveys of existing state owned and specialized household pig producers. The economists and marketing specialists at each of the sites have been delegated the responsibility of developing marketing plans specific to the respective localities. This

294. Project Operational Review. p. 51.

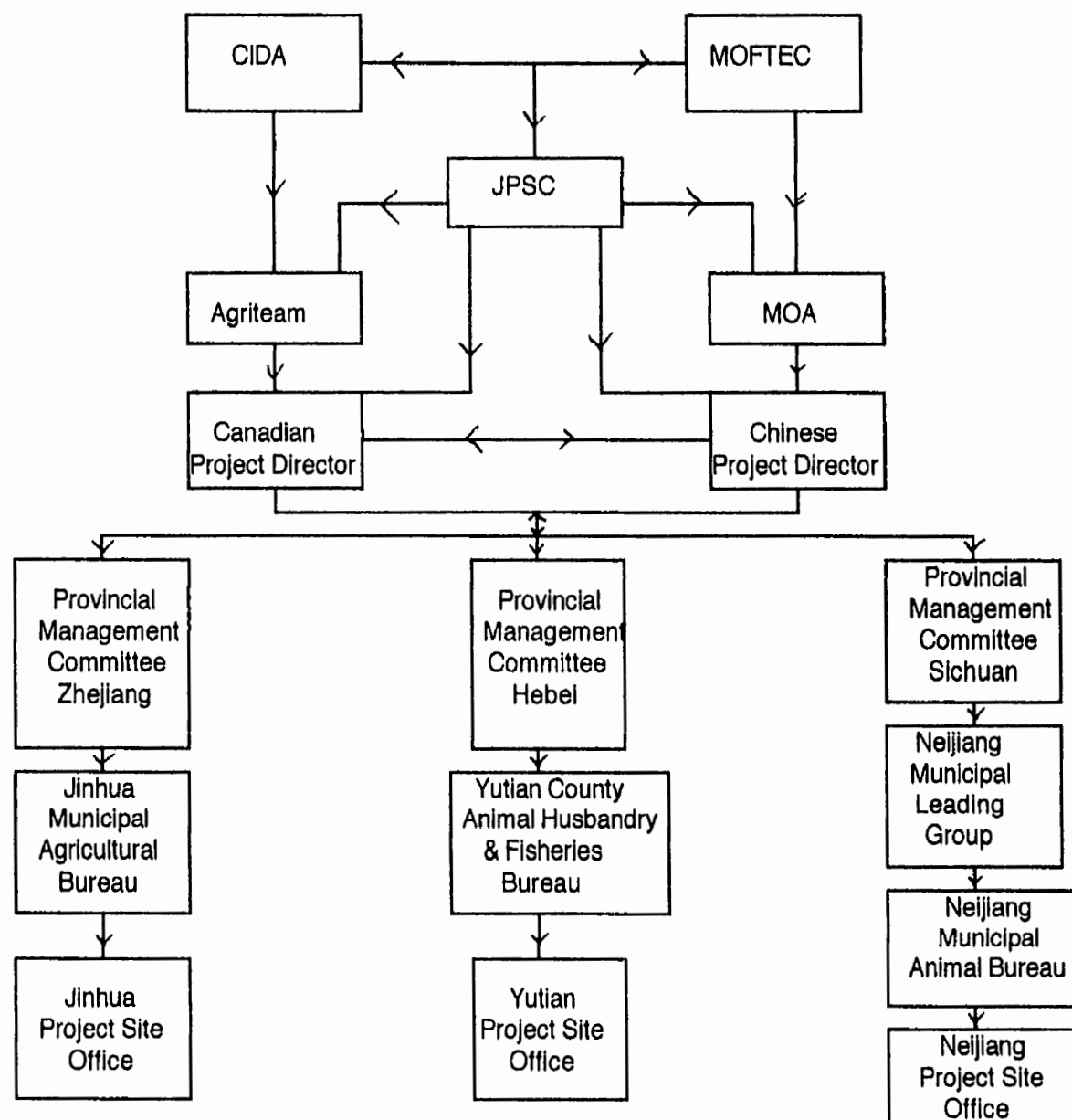
295. Agriteam, Canada-China Integrated Lean Swine Project: Annual Report April 1, 1994 - March 31, 1995. (Calgary: Agriteam Canada Consulting Ltd., June 1995).

information is absolutely critical to the extension of the project and an intensification of efforts to market the burgeoning herds. Agriteam has been quite diligent in trying to operationalize this component of the project, but is constrained by conditions beyond its immediate control. Ultimately changes in the market environment of pork production will require an act of political will on behalf of the Chinese government. It is unlikely that strategic pressure by CIDA officials on the basis of this project will make any significant impact.

5.4 Coordination and Control

Diagram 5.2 presents a visual depiction of the organizational relationships between CIDA, MOFTEC, Agriteam, the MOA, and the different project sites. Though there seem to be distinct lines of accountability and control, in actuality there is a significant degree of flexibility in the relationships. What is very clear, both in structure and practice, is that there has been a distinct lack of communication and cooperation between the sites themselves. One must keep in mind that this organizational chart is embedded within a wider context. In large part, the successful implementation of the project's components has been stymied by the unpredictability of the Chinese policy environment, the limited managerial skills of Chinese site managers, inadequate supply of feed supplies appropriate to a generic program, and a lack of financial resources.

Diagram 5.2: CCLSP Project Decision-Making/Organizational Chart



Agriteam was able to coordinate its activities well enough for its personnel, and those it interacted with in Canada were acculturated in 'rational' market and organizational processes. The professional and technical backgrounds of the Canadian project personnel provided an important link between the Chinese and Canadian systems, though transferring their knowledge was very frustrating. LTTAs were in an awkward position because, although they were the 'foreign experts', they did not wield a significant amount of decisional authority. Their authority was circumscribed by their inter-unit position. They were ultimately accountable to CIDA through Agriteam and, yet, they were expected to facilitate outputs which were the responsibility of the respective site managers.

Coordination of the myriad of details of the project's organization occurs at a number of different levels. At the Project Site Office (PSO), responsibility for the implementation of the project's activities is ultimately that of the respective Animal Husbandry Bureaus, but practically it falls to the PSO managers. The limited human and financial resources available to both the Chinese and the CEA has made it imperative that there be a sharing between the sites of the professional expertise of the LTTAs.

Initially coordination of activities between the sites was achieved at bi-annual meetings in Beijing and, as the need arose, at the various sites. In the interim, site officers like the LTTAs corresponded with each other by phone

or fax, through the project director in Beijing by the same means, and with the corporate head office for Agriteam in Calgary by mail or in emergencies by phone. The range and number of activities that each site was required to implement had to be coordinated with those at the other sites, for each was integral to the other. The bi-annual means of coordination and control were insufficient for this, and so more frequent meetings were scheduled. The LTTAs actually began to spend extended visits at each other's sites in an effort to capitalize on their knowledge and experience and lend some much needed support. This was far more useful than the centralized meetings in Beijing or the site specific meetings by the project director and, occasionally, officials from Calgary and Hull. In this respect, this project contrasts with the previous two studies in that the CEMTCC had one specific location with very focused lines of communication and coordination and control. With the COCP, there was no specific site location save the post-secondary institutions in Canada.

At the JPSC, cooperation on the work breakdown structure was assured. Each party came to those meetings knowing the nature of the discussions, having previously arrived at decisions that were only to be formalized, in keeping with CIDA reporting guidelines. Progress reports were given, relations smoothed and managed, and commitments to future component implementation renewed. The meetings were very useful in bringing all the parties to the project together,

but all this was more ceremonial than substantive. For CIDA officers it would have appeared substantive, given their limited exposure to the project's daily activities, so that the reports that are on file at CIDA are those presented to the Agency by Agritream at the JPSC. As the Phase I wound down and it became clear that the project would require an extension into a second phase, more substantive issues, such as the continual difficulties at the Neijiang site, were dealt with at the JPSC meetings.

The professional relationship between the PTL and the project administrators at Agriteam was a cornerstone in the coordination and cooperation on this project. Built up over years of working with each other on numerous other domestic and international agricultural projects, the relationship facilitated a degree of predictability and reliability that appeared absent in the relationships between the Chinese implementing units. For all the difficulties in the continuous implementation of the various components at the various sites, this relationship was the critical element in maintaining the integrity of the project's implementation.

5.5 Conclusion

Tiananmen and a series of budget cuts posed significant challenges to the Project's effective implementation. However, the staff on the China Desk were becoming accustomed to these types of delays, not so much because of political

vicissitudes in China and Canada but because of organizational processes in a large bureaucracy like CIDA. The China Program itself had no control over any of the factors which contributed to the lengthy delay in operationalizing the project but displayed alacrity in maintaining the integrity of the project's central components. Though severely delimited, the original number of pigs in the nucleus herd remained the same; training, though reduced significantly, remained integral to the Project's implementation; and the presence of LTTAs, initially jeopardized, was reinstated. The Program maintained its overall development objective of a modern commercially viable, integrated lean pork industry responsive to changes in feed supply and changing market needs even though it faced formidable obstacles in attempting to realize this. Though strained at times, the China Program maintained good relations with the Ministry of Agriculture, Animal Husbandry and Fisheries, a relationship which has been central to quite a few Canadian projects. Contractual commitments with Agriteam, though reconfigured several times, were always respected. The fairly autonomous relationships between each of these organizations was a critical dimension for ensuring the implementation of the project's central components.

The broad parameters within which the project was implemented has allowed it to be portrayed within CIDA circles in a more positive light (despite the number of

obvious inconsistencies and inefficiencies) than that depicted here. The loose coordination and control among the various units in CIDA - i.e. the China Program, WID, Environment, and the like - created a situation where the bureaucratically imposed policy mandates, like the inclusion of more women on the project, or consideration of impacts on women, could be met on paper without actually having to be implemented. The Environmental Impact Assessment is an obvious example. The environmental degradation caused by poor manure management was only addressed by the project when it began to reach a critical point. If there were a much more interconnected relationship between these areas in the Agency, more attention might be paid to actually building these aspects into the project's design. Achieving these policy mandates through deliberate mechanisms is rarely included in project design and therefore they need only be tangentially addressed. The professional relationship which exists between the various actors in the implementation of this project has provided a buffer from the kind of scrutiny that might prove embarrassing to the organizations involved.

This project reflects the changes that have occurred in the China Program over the course of the last fifteen years. In contrast to earlier projects, there was no experimentation with this project. Whereas with the COCP and the CEMTCC there were steep learning curves with respect to the ability to implement a large international ODA project, Agriteam was a private company with an already established institutional

capacity to implement a project of this nature. Difficulties that arose in the implementation process are attributable to bureaucratic and political factors beyond the control of Agriteam. Familiarity with CIDA's organizational and administrative processes provided a strategic edge for negotiations on changes that effectively reversed earlier budget cuts and project reconfiguration. Having the LTTA component restored to the project design supports the notion that CIDA is responsive to its environment. China's Ministry of Agriculture had initiated the project idea. The China Program developed a rough framework that suited the Chinese needs, and Agriteam designed the entire project. The channels of communication and coordination and control with other branches was limited, so in essence, the CEA enacted CIDA's broader policies with respect to the contributions made to China's modernization. CIDA was merely a channel and financier.

Though the project was limited in size, it was important for Agriteam in terms of the contractual commitments made to Canadian pig exporters. The project was successful, in this respect, in integrating commercial and development objectives, though it is unlikely that there will be continuing commercial transactions between Canadian and Chinese pork producers as a result. Agriteam was in the business of agricultural consulting, and only tangentially in developing commercial opportunities for its clients. This project was no exception. It was important, though for

Agriteam to have access to the scarce financial resources needed to be involved in an international project of this nature. Having adapted to the administrative and organizational constraints imposed by the policies and procedures of CIDA, Agriteam has ensured its inclusion in future project planning in the China Program and in other bilateral programs as well. It has recently been awarded another contract, the China Feed Industry Centre Project, the first bilateral CIDA project in China to be co-financed by the World Bank.²⁹⁶ Despite the myriad of implementation difficulties for which Agriteam and the Chinese implementing units are mutually responsible, Agriteam has become, like ACCC and FCM, entrenched in CIDA's network of internationally competitive CEAs.

296. www.acdi-cida.gc.ca/china-bilateral

Conclusion

The preceding five chapters have discussed, within the framework of an organizational analysis, the evolution of CIDA's China Program, focusing on three cases: the China Enterprise Management Training Centre at Chengdu (CEMTCC), the China Open Cities Project (COCP); and the Canada-China Lean Swine Production Project (CCLSP). Because there were so many unknown factors about delivering aid to China, the Program's objective was initially very broad to allow for flexibility. "The multiplication of contacts at the thinking level" required fewer administrative and financial resources than previous capital-intensive programming approaches. The framework of CIDA's administrative policies and procedures structured the process as it unfolded, but lack of integration across bilateral desks and other departments and the relative inexperience of the China Desk officers and CEAs produced a process that was ad hoc and not the result of careful, strategic planning. The loose-coupling, however, between the Program and its external and internal environment provided a flexibility that allowed for maneuvering in its adaptation, without compromising the central objective of operationalizing a bilateral ODA project with China.

The chapter on the evolution of the China Program demonstrates how this loose-coupling ensured that the Program adapted smoothly and incrementally to the various demands

made upon it by political and commercial concerns, financial constraints, and other domestic considerations. In adapting to its governmental and non-governmental environment, the China Program coopted a series of organizations which continue to be integral to the Program. Independent institutions like the Association of Universities and Colleges in Canada (AUCC), the Association of Canadian Community Colleges (ACCC), and a range of other private organizations adapted to take advantage of the long term opportunities that emerged with their involvement in project implementation. The ACCC's International Department was formed shortly after being awarded the CEMTCC project. It has since expanded to include several other China projects and a number of other bilateral projects. Though the International Section of the AUCC was operational prior to the inception of the China Program, the Canada-China University Linkage Program significantly expanded its operations. The Federation of Canadian Municipalities (FCM) International Section came into being as a direct result of being awarded the Management for Change Project and now has expanded to include several other bilateral projects and a very large partnership Program - all funded by CIDA.

In most cases, these organizations have been able to utilize their increased institutional capacity to implement large assistance projects to compete successfully for contracts with other funding agencies like the World Bank and the Asian Development Bank. For the most part, however, the

primary source for their international budgets is CIDA. In order to continue international operations, however, organizations such as FCM and ACCC have had to configure their functional systems (administration, accounting, personnel) so as to be compatible with those of CIDA. In the process of contracting out its projects to these organizations and institutions, the China Program widened its network of expertise and built a significant base of internationally competitive, though largely dependent, Canadian executing agencies (CEAs).

As the China Program was being implemented in its early stages, program administrators enacted changes to the project design, implementation, and evaluation process incrementally as situations called for them.²⁹⁷ Although there was a fundamental policy direction in terms of establishing a China Program, the specific parameters and actual implementation were established incrementally. In recent years, with budget cuts, downsizing, restructuring, and DFAIT efforts to circumscribe CIDA's organizational autonomy, the Agency has been proactive about instituting a more careful policy planning process. This is demonstrated in the shift in policy emphasis within the China Program in the late 1990s from the "multiplication of contacts" model to that of making strategic interventions or impacts in projects that are targeted towards public policy, i.e. judicial training,

297. Charles Lindblom, "The Science of 'Muddling Through'," Public Administration Review, Vol. 19. (Spring 1958). pp. 79-89.

cleaner industrial production, strategic energy planning, and sustainable resource development.

The China Program's institutionalization has decreased the earlier flexibility in the implementation and evaluation process. For instance, though never written into project documents, the COCP was assured a second phase. When Phase II was nearing completion every effort was made to develop a project that would secure for FCM future financial resources. These developments, though ultimately contributing to formal project development and implementation, are not recorded anywhere. They were conducted informally in telephone conversations, e-mail correspondence, and so on. Project evaluation documents minimized the weaknesses of the project's various components and profiled those few areas where the project can be interpreted to have made an impact on China's urban management. A high level of good faith between FCM and CIDA project managers contributed to the development of less than critical evaluations.

Because the multiplication of contacts objective was broad enough to encompass a wide variety of development objectives, many assumptions could be made about the results achieved. Large numbers of Chinese were trained in Canada and, through institutional developments like those of the CEMTCC project, many in China as well. One of the most significant domestic impacts, however, has been the development of a wide network of Canadian professional expertise in ODA project development and administration. In

this network, the balance of power, so to speak, is obviously in CIDA's favour because of its financial resources. Yet, the Agency, in its need to demonstrate to Cabinet and Parliament the ability to adapt to domestic and international mandates, has faced continual challenges to its operational and policy autonomy. The most significant challenge has been compromising the demands for greater responsiveness to domestic, commercial interests with developmental objectives. The buffer between complex and cumbersome organizational processes and these interests has resulted in country programming, like that of the China Program, which is more immediately responsive to the daily, mundane concerns of project and program implementation and, only over an extended period of time, to more political ones. A formidable network of Canadian executing agencies demonstrates attention to domestic commercial concerns in terms of making ODA more relevant to the Canadian economy, but certainly not in terms of increasing export capacity as might be the more pressing international trade concern. Including women in project design and implementation addresses women in development policy, even though there is no discernible impact being made on the overall condition of women domestically or in the developing country context. This could not come about without critical structural changes. The flexible adaptation to these constant challenges has been the hallmark of the China Program and its CEAs.

ACCC's International Section has adapted so well to

CIDA's operating procedures and policy guidelines that it has been implementing several of the China Program's more significant projects, e.g. Women in Development, Canada-China College Linkages, and more recently Women's Law. Initially, the China Program was the primary source for ACCC's International operating budget. Over time, the expertise developed in implementing these projects has led to a diversification to other bilateral projects and even the implementation of several Asian Development Bank projects. The educational, technical, and administrative expertise of the International Section has a strong influence on the development of future projects in the China program; the Women's Law project was conceptualized by ACCC, in response to the new directions in programming that emphasize policy interventions. Knowing what works within a CIDA framework has ensured for ACCC a continued future relationship.

The interdependent relationship which CIDA has with its CEAs compromises Agency autonomy to a certain degree, but the balance is in favour of CIDA. For example, FCM's International Section institutionalized the policies and procedures of the Agency through the implementation of the COCP and the expansion to include a Partnership Program. Although, the directors of FCM's International Section are ostensibly accountable to the FCM executive, most of their activities are related to CIDA. The hiring of personnel, financial reporting procedures, progress reports, monitor and evaluation reports are all dictated by CIDA policies. There

is very little room for independent activity. With the implementation of the COCP, everyone was learning CIDA's processes as the project was being implemented. The consequence has been a mirrored reflection of CIDA's organizational processes in FCM's institutional parameters, particularly in its International Section. The results for FCM as a whole have been marginal, but the International Section has become a key stakeholder in the Agency's network of CEAs.

Agriteam came into the China Program network having successfully implemented agricultural projects in the Philippines and Thailand. Contrary to the other two case studies, the Lean Swine Production project was not sole-sourced but subject to a contractual competition. Most second generation projects within the China Program were sourced in this manner, reflecting the institutionalization of the Program. Agriteam already had an established professional reputation before bidding on this project. CIDA projects were not the sole or primary source of that organization's resources. However, Agriteam's ability to implement this project has created future opportunities for continued CIDA funding. Complying with all of CIDA's administrative requirements was accomplished much more smoothly than was the experience of ACCC and FCM International by virtue of the organization's experience with these policies and procedures from other development projects. The long-term professional relationship between

the project officer and the management of Agriteam and this project has been significant in smoothing out what might otherwise have been very difficult circumstances, e.g. reinstatement of the LTTAs.

Domestic considerations have been a key aspect in the evolution of Canadian development policy. The global political economy is in a state of flux and the Canadian government struggles to provide sound economic policy direction within that context. With the increasing prominence of the Asia Pacific region in Canadian domestic and foreign policy, the network of internationally astute organizations and institutions with expertise in China and elsewhere in the region is a considerable resource from which to draw. Contributing to China's modernization process has been one of the primary objectives of the China Program. Results have been difficult to measure qualitatively. However, with "the multiplication of contacts at the thinking level," the China Program has effectively contributed to the development of a nascent international civil society.

Whether by default or design this is a significant achievement. It calls our attention, unfortunately, to the increasing disjuncture in international ODA between the critical needs of the poorest of the poor, comprising almost two-thirds of the world's population, and with no access to power, instead allocating resources to elites with established access to power. Organizational processes and bureaucratic politics entrench this increasing disjuncture,

but do not absolve the moral obligation. The widening and deepening of international civil society can provide the hope needed to reverse this gap. It will require action beyond the established bureaucratic processes of dominant entrenched interests, beyond rational efficiency. Understanding the process however provides insight into why efficiency requirements continue to prevail over considerations less rational such as moral obligations. Our individual consciences nevertheless resist the implications, whether they be 'up close and personal' in terms of professional or other less formal relationships or far removed from the abject poverty and suffering of fellow human beings in other parts of the world, in this case China. A resolution of these two realities demands a buffer that meets each others' objectives at the margins and at a pace appropriate to each context. Neither is optimal, but this is the inherent nature of organizational behaviour. Recognizing it as such contributes to an understanding of the seemingly entrenched disjuncture between policy rhetoric, implementation, and evaluation.

BIBLIOGRAPHY

BOOKS

- Allison, Graham. Essence of Decision. Boston, MA: Little Brown, 1970.
- Barnett, A. Doak. China's Economy in Global Perspective. Washington, D.C.: Brookings Institution, 1981.
- Barber, Margaret and Grainne Ryder. Eds. Damming the Three Gorges: What Dam Builders Don't Want You To Know, A Critique of the Three Gorges Water Control Project Feasibility Study. London: Earthscan, 1993.
- Bruneau, Thomas C., Jan J. Jorgensen, and J. O. Ramsay. CIDA: The Organization of Canadian Overseas Assistance. Montreal: McGill University, Centre for Developing Area Studies, 1978.
- Cameron, Maxwell & Maureen A. Molot. Eds. Democracy and Foreign Policy: Canada Among Nations 1995. Ottawa: Carleton University Press, 1995.
- Canadian Council of Churches. Diminishing Our Future, CIDA: Four Years After the Winegard (A Report on Recent Developments in Canadian Development Assistance Policies and Practice). Ottawa: Interchurch Fund for International Development (ICFID) and Churches' Committee on International Affairs (CCIA) of the Canadian Council of Churches (CCC), October, 1991.
- Cassen, Robert & Associates. Does Aid Work? Report to an Intergovernmental Task Force. Oxford: Clarendon Press, 1994.
- Cardoso, Fernando Henrique, Enzo Faletto. Dependency and Development in Latin America. (Berkeley: University of California Press, 1979.
- Ehrhardt, Roger, Arthur Hanson, Clyde Sanger and Bernard Wood. Canadian Aid and the Environment: The Policies and Performance of the Canadian International Development Agency. Halifax and Ottawa: Dalhousie University, The Institute for Resource and Environmental Studies and The North-South Institute, 1981.
- Evans, Peter. Dependent Development: The Alliance of Multinational, State and Capital in Brazil. Princeton, NJ: Princeton University Press, 1979.
- Granatstein, J. L. and Robert Bothwell. Pirouette: Pierre Trudeau and Canadian Foreign Policy. Toronto: University of Toronto Press, 1990.
- Gray, Jack and Gordon White. Eds. China's New Development Strategy. London; New York: Academic Press, 1982.
- Groupe Secor. Strategic Management Review Working Document: A Study Completed For Canadian International Development Agency. Ottawa: Groupe Secor, October 9, 1991.

- Gunder Frank, André. Latin America: Underdevelopment or Revolution. New York, NY: Monthly Review Press, 1969.
- Halperin, Morton. Bureaucratic Politics and Foreign Policy. Washington, D.C.: The Brookings Institution, 1974.
- Hampson, Fen Osler & Christopher Maule. Eds. Canada Among Nations, 1992-93: A New World Order. Ottawa: Carleton University Press, 1992.
- Hermann, Charles F., Charles Kegley, Jr., and James Rosenau. New Directions in the Study of Foreign Policy. Boston, MA: Allen & Unwin, 1987.
- Ho, Samuel and Ralph Hueneman. Canada's Trade with China: Patterns and Prospects. Montreal: 1972.
- Hook, Steven W., National Interest and Foreign Aid. Boulder, CO.: Lynne Reinner Publishers, Inc., 1995.
- Hoy, Paula. Players and Issues in International Aid. West Hartford, CT: Kumarian Press, 1998.
- Jacobson, Harold K. and Michel Oksenberg. China's Participation in the IMF, the World Bank, and GATT: Toward a Global Economic Order. Ann Arbor, MI: University of Michigan Press, 1990.
- Keohane, Robert and Joseph Nye. Power and Independence. Boston, MA: Little Brown, 1977.
- King-Yuh Chang. Perspectives on Development in Mainland China. Boulder & London: Westview Press, Inc., 1985.
- Krasner, Stephen. Ed. International Regimes. Ithaca, NY: Cornell University Press, 1983.
- Lyon, Peyton & Tareq Y. Ismael. Eds. Canada and the Third World. Toronto: Macmillan & Co., 1976.
- March, James G. and Johan P. Olsen, et al. Ambiguity and Choice in Organizations. Bergen, Norway: Universitetsforlaget, 1976.
- _____. Rediscovering Institutions: The Organizational Basis of Politics. New York, NY: The Free Press, 1989.
- Matthews, Robert and Cranford Pratt. Human Rights and Canadian Foreign Policy. Kingston & Montreal: McGill-Queen's University Press, 1988.
- Maule, Christopher J. & Fen Osler Hampson. Eds. Canada Among Nations, 1993-94: Global Jeopardy. Ottawa: Carleton University Press, 1993.
- McLean, Leslie D. Human Resource Development in China: Synthesis and Overview of the Ontario Institute for Studies in Education Evaluations of 4 CIDA Projects. Toronto: OISIE, 1987.
- Meyer, John W. and W. Richard Scott. Organizational Environments: Ritual and Rationality. Newbury Park, CA.: Sage Publications, 1992.
- Meyer, John W. and Brian Rowan. "Institutionalized Organizations: Formal Structure as Myth and Ceremony." Organizational Environments. pp. 21-44.

- Milne, David. The New Canadian Constitution. Toronto: James Lorimer & Co., 1982.
- Minden, Karen. Canadian Development Assistance: The Medical Missionary Model in West China, 1910-1952. Working Paper Series No. 55. Toronto: University of Toronto-York University Joint Centre for Asia Pacific Studies, May, 1989.
- Morrison, David. Aid and Ebb Tide: A History of CIDA and Canadian Development Assistance. Waterloo: Wilfrid Laurier University Press, 1998.
- Molot, Maureen Appel & Brian W. Tomlin. Eds. Canada Among Nations, 1985: The Conservative Agenda. Toronto: James Lorimer & Co., 1986.
- _____. & Fen Osler Hampson. Canada Among Nations, 1989: The Challenge of Change. Ottawa: Carleton University Press, 1990.
- Newman, Peter C. The Canadian Establishment. Toronto: Seal Books, 1979.
- Nossal, Kim Richard. Politics of Canadian Foreign Policy. 2nd Ed. Scarborough, ON: Prentice-Hall Canada Inc., 1989.
- North-South Institute. Canada and the Developing World: Key Issues For Canada's Foreign Policy. Ottawa: The North-South Institute, 1994).
- _____. Exploring Education As a Tool for Poverty Alleviation. Ottawa: The North-South Institute, 1995.
- Osborne, Michael. China's Special Economic Zones. Paris: Development Centre of the Organization for Economic Cooperation and Development (OECD), 1986.
- Parsons, Talcott. Structure and Process in Modern Societies. Glencoe, IL: Free Press, 1960.
- Pearson, Lester B. Partners in Development: Report of the Commission on International Development. New York, NY: Praeger, 1969).
- Pfeffer, Jeffrey and Gerald Salancik. The External Control of Organizations. New York: Harper and Row Publishers, 1978.
- Powell, Walter W. and Paul J. DiMaggio. Eds. The New Institutionalism in Organizational Analysis. Chicago: University of Chicago Press, 1991.
- Pratt, Cranford. Internationalism Under Strain: The North-South Policies of Canada, the Netherlands, Norway, and Sweden. Toronto: University of Toronto Press, 1989.
- _____. Middle Power Internationalism: Experience, Opportunities and Constraints. Montreal: McGill-Queen's University Press, 1989.
- _____. Middle Power Internationalism: The North-South Dimension. Kingston & Montreal: McGill-Queen's University Press, 1990.

- _____. Ed. Canadian International Development Policy: An Appraisal. Kingston & Montreal: McGill-Queen's University Press, 1992.
- Rawkins, Phillip. An Institutional Analysis of CIDA: Central Issues in Management, Organizational Strategy, and Program Delivery. unpublished paper Toronto, July 1992.
- Rebien, Claus C. Evaluating Development Assistance in Theory and in Practice. Aldershot, UK: Ashgate Publishing Co., 1996.
- Riddell, Roger C. Foreign Aid Reconsidered. Baltimore: John Hopkins University Press; London: James Currey Ltd. 1987.
- Rondinelli, Dennis A. Development Projects as Policy Experiments: An Adaptive Approach to Development Administration. New York: Methuen, 1983.
- Rudner, Martin. Canada and the Philippines: The Dimensions of a Developing Relationship. Asian Monograph Series No. 1 [Asian Pacific Research and Resource Centre, Carleton University]. Ottawa: Captus Press, 1990.
- Scott, Richard W.. Organizations: Rational, Natural, and Open Systems. 2nd Ed. Englewood Cliffs, NJ: Prentice-Hall, Inc., 1987.
- _____. Institutions and Organizations. Thousand Oaks, CA.: Sage Publications, 1995.
- Segal, Gerald. Ed. Chinese Politics and Foreign Policy Reform. Kegan Paul International London & New York for the Royal Institute of International Affairs, 1990.
- Selznick, Philip. TVA (Tennessee Valley Authority) and the Grass Roots. Berkeley, CA: University of California Press, 1948.
- Simons, Herbert A. Administrative Behaviour. 2nd Ed. New York: Macmillan, 1957.
- Singer, Martin. Academic Relations Between Canada and China, 1970-1995. Prepared for the Association of Universities and Colleges of Canada, Montreal: Concordia University, February 1996.
- Stacey, Ralph D. Managing the Unknowable: Strategic Boundaries Between Order and Chaos in Organizations. San Francisco: Jossey-Bass, 1992
- Steinmo, Sven, Kathleen Thelen, and Frank Longstreth. Ed. Structuring Politics: Historical Institutionalism in Comparative Analysis. Cambridge, UK: Cambridge University Press, 1992.
- Stokke, Olav. Ed. Western Middle Powers and Global Poverty: The Determinants of the Aid Policies of Canada, Denmark, the Netherlands, Norway and Sweden. Uppsala: Scandinavian Institute of African Studies in co-operation with the Norwegian Institute of International

- Affairs, 1989.
- Thibodeau, John and Philip B. Williams. Eds. The River Dragon Has Come! The Three Gorges Dam and the Fate of China's Yangtse River and Its People. Armonk, NY: M.E. Sharpe, 1998).
- Wenming, Su. Ed. Opening the Doors: 14 Coastal Cities and Hainan, Beijing Review Special Feature Series. Beijing: Beijing Review, 1986.
- World Bank. China: Revenue Mobilization and Tax Policy. Washington, D.C.: The World Bank, 1990.
- _____. China: Financial Sector Policies and Institutional Development. Washington, D.C.: The World Bank, 1991.
- _____. China: Macroeconomic Stability and Industrial Growth Under Decentralized Socialism. Washington, D.C.: The World Bank, 1990.
- _____. China: Between Plan and Market. Washington, D.C.: The World Bank, 1990.
- _____. The World Bank and International Development Aid in China. Washington, D.C.: The World Bank, .
- _____. China: Management and Finance of Higher Education. Washington, D.C.: The World Bank, .
- Wyse, Peter. Canadian Foreign Aid in the 1970s: An Organizational Audit. Montreal: McGill University, Centre for Developing-Area Studies, 1983.
- Xinhua News, Home News Library Agency. China's Foreign Relations: A Chronology of Events (1949-1988). Beijing: Foreign Languages Press, 1989).

ARTICLES

- Aldrich, H. E. and J. Pfeffer. "Environment of Organizations." Annual Review of Sociology. Vol. 82, No. 4, March 1977. pp. 929-66.
- Bastid, Marianne. "Chinese Educational Policies in the 1980's and Economic Development." China Quarterly. No.8, June 1984. pp. 189-219.
- Buckridian, Rakib. "Canadian Attitudes to International Development: A Pilot Study in the National Capital Region." Unpublished MA Thesis in International Affairs, Carleton University, 1974.
- Dawisha, K. "The Limits of the Bureaucratic Politics Model: Observations on the Soviet Case." Studies in Comparative Communism. Winter 1980. Vol. 13, No. 4. pp. 300-346.
- Donnelly, Jack. "Human Rights: The Impact of International Action." International Journal. Vol. 63, Spring 1988. pp. 241-263.
- _____. The Concept of Human Rights. London: Croom, Helm; New York; St. Martin's, 1985.

- _____. "International Human Rights: A Regime Analysis." International Organization. Vol. 40, Summer 1986. pp. 599-642.
- _____. "Human Rights and Human Dignity: An Analytic Critique of Non-Western Human Rights Conceptions." American Political Science Review. Vol. 76, June 1982. pp. 303-16.
- Edwards, L. J. "Canada and the New Pacific." International Perspectives. September/October 1983. pp. 15-22.
- Emery, F. E. and E. L. Trist. "The Causal Texture of Environments." Human Relations. Vol. 18, February 1965. pp. 21-32.
- Evans, Paul. "Canada's Relations With China: Charting the Third Phase." Prepared Statement, House of Commons Standing Committee on External Affairs and International Trade. Ottawa, February 1992.
- _____. "Canada's Relations with China Emergent." Canadian Foreign Policy. Vol. 1, No. 2, Spring 1993. pp. 13-28.
- Evans, Peter. "Class, Dependence and State in East Asia: Lessons for Latin America." in Frederic C. Deyo. Ed. The Political Economy of New Asian Industrialism. Ithaca, NY: Cornell University Press, 1987. pp.
- Frolic, B. Michael. "Canada and the People's Republic of China: Twenty Years of a Bilateral Relationship, 1970-1990." Unpublished Paper.
- _____. "The Beijing Massacre: A Canadian Perspective." Paper presented at the Conference on Political Order In Changing Societies, Chinese University of Hong Kong, August 27-September 1, 1989.
- _____. "Canada's Relations with the People's Republic of China: Notes for a Discussion with the Minister." Confidential Paper, September 1991.
- _____. "Everybody Benefits: Canada's Decision to Establish a CIDA China Aid Program in 1981" Paper presented at the Canadian Political Science Association, Annual Meeting, Brock University, June 4, 1996.
- Fugere, Robert. "Sharing or Diminishing Our Future? A Case Study in Policy Interaction." Canadian Journal of Development Studies. Vol. 15, No. 3, 1994. pp. 369-381.
- Gecelovsky, Paul. "The Canadian Reaction to the Tiananmen Square Massacre." Paper prepared for presentation to the University of Toronto-York University Joint Centre for Asia Pacific Studies' Conference on China Ten Years After Tiananmen. Toronto: June 4-6, 1999.
- Gotlieb, Allan E. "Canada and the Asia/Pacific World: Is the Intellectual Agenda for the 1980s Comprehensive Enough." Working Paper under the auspices of the The Joint Centre on Modern East Asia - University of Toronto - York

- University, 1981.
- Hendra, John. "Only 'Fit To Be Tied': A Comparison of the Canadian Tied Aid Policy with the Tied Aid Policies of Sweden, Norway and Denmark." Canadian Journal of Development Studies. Vol. 8, No. 2, 1987. pp. 261-281.
- Hermann, Margaret, Charles Hermann and Joe Hagan. "How Decision Units Shape Foreign Policy Behaviour." Charles Hermann et.al. Ed. New Directions in Foreign Policy. Boston, MA: Allen & Unwin, 1987. pp. 309-336.
- Higgins, Benjamin and Donald J. Savoie. "Canadian Regional Development At Home and Abroad: A Comparative Perspective." Canadian Journal of Development Studies. Vol. 8, No. 2, 1987. pp. 227-250.
- Howard, Rhoda and Jack Donnelly. "Human Rights in World Politics." in R. Jervis and R. Art. Ed. International Politics: Enduring Concepts and Contemporary Issues. Harper Collins Publishers, Inc., 1992. pp. 505-524.
- . "Human Dignity, Human Rights and Political Regimes." American Political Science Review. Vol. 80, September 1986. pp. 51-63.
- Keenleyside, T. A. "Development Assistance." Human Rights and Canadian Foreign Policy. Ed. Robert Matthews and Cranford Pratt. Kingston and Montreal: McGill-Queen's University Press, 1988. pp. 187-208.
- and Patricia Taylor. "The Impact of Human Rights Violations on the Conduct of Canadian Bilateral Relations: A Contemporary Dilemma." Behind the Headlines. Vol. 42, No. 2, 1984. pp. 1-25.
- Kegley, Charles. "Decision Regimes and the Comparative Study of Foreign Policy." in Charles Hermann, et.al. Eds. New Directions in the Study of Foreign Policy. Boston, MA: Allen & Unwin, 1987. pp. 247-247-268.
- Keith, Ronald. "China and Canada's 'Pacific 2000 Strategy.'" Pacific Affairs. Vol. 65, No. 3, Fall 1992. pp. 319-333.
- Kirton, John and Blair Dimock. "Domestic Access to Government in the Canadian Foreign Policy Process, 1968-82." International Journal. Vol. 39, No. 1, Winter 1983-84. pp. 68-98.
- Kowalchuk, Lisa and Liisa L. North. "Canadian Development Assistance in El Salvador: A Contribution to Peace-Building." A CAPA (Canada-Caribbean-Central America Policy Alternatives) Occasional Paper. January 1994.
- Lawrence, P. R. and J. W. Lorsch. "Differentiation and Integration in Complex Organizations." Administrative Science Quarterly. Vol. 12, 1967. pp. 1-47.
- Lindblom, Charles. "The Science of 'Muddling Through'." Public Administration Review. Vol. 19, Spring 1958. pp. 79-89.

- March, James G. and Johan P. Olsen. "The New Institutionalism: Organizational Factors in Political Life." American Political Science Review. Vol. 78. pp. 734-74.
- Matthews, Robert and Cranford Pratt. "Human Rights and Foreign Policy: Principles and Canadian Practice." Human Rights Quarterly. Vol. 7, May 1985. pp. 159-188.
- Means, Gordon. "The Rural Sector and Human Resource Development in Indonesia." Working Paper No. 39 under the auspices of The Joint Centre on Modern East Asia - University of Toronto - York University. December 1985.
- Mintzberg, H. "The Strategy Concept I: Five Ps for Strategy" and "The Strategy Concept II: Another Look At Why Organizations Need Strategies." Eds. G. R. Carroll and D. Vogel. Organizational Approaches to Strategy. Cambridge, MA: Ballinger, 1987. pp. 7-28.
- Morrison, D. "The Choice of Bilateral Aid Recipients." C. Pratt, Ed. Canadian International Development Assistance Policies: An Appraisal. Montreal & Kingston: McGill-Queen's University Press, 1994. pp. 123-155.
- Mundy, Karen. "Human Resource Development Assistance in Canada's Overseas Development Assistance Program: A Critical Analysis." Canadian Journal of Development Studies. Vol. 13, No. 3, 1992. pp. 385-409.
- _____. "CIDA's Programming in Zambia and Zimbabwe: A Retrospective Look Through the "Lens" of Human Resources Development." Canadian Journal of Development Studies. Vol. 16, No. 3, 1995. pp. 433-454.
- Nossal, Kim Richard. "Analyzing the Domestic Sources of Canadian Foreign Policy." International Journal. Vol. 39, No. 1, Winter 1983-84. pp. 1-22.
- _____. "Bureaucratic Politics and the Westminster Model." Eds. R. Matthews, A. Rubinoff and J. Stein. International Conflict and Conflict Management. (Scarborough, ON: Prentice-Hall Canada, 1989). pp. 120-127.
- _____. "Mixed Motives Revisited: Canada's Interest in Development Assistance." Canadian Journal of Political Science. Vol. 21, No. 1, 1988. pp. 35-56.
- _____. "The Democratization of Canadian Foreign Policy: The Elusive Ideal." in Maxwell Cameron & Maureen A. Molot, Eds. Democracy and Foreign Policy: Canada Among Nations 1995. Ottawa: Carleton University Press, 1995. pp. 29-43.
- Obey, David R. and Carol Lancaster. "Funding Foreign Aid." Foreign Policy. No. 71, Summer 1988. pp. 141-155.
- O'Brien, Máire. "Canada-China Policy in the Aftermath of Tiananmen: A Bureaucratic Politics Perspective." Unpublished MA Thesis. Toronto: York University, 1990.

- Ostrom, Elinor. "Rational Choice Theory and Institutional Analysis: Toward Complementarity." American Political Science Review. Vol. 85, March 1991. pp. 237-243.
- Perkins, Dwight. "The Lasting Effect of China's, Economic Reforms, 1979-1989." in K. Lieberthal, J. Kallgren, et. al. Eds. Perspectives on Modern China: Four Anniversaries, Armonk, NY; M. E. Sharpe, 1991. pp. 341-363.
- Pollis, Adamantia and Peter Schwab. "Human Rights: A Western Concept with Limited Applicability." Human Rights: Cultural and Ideological Perspectives. A. Pollis and P. Schwab. Eds. New York, NY: Praeger, 1979. pp. 1-18.
- Pratt, Cranford. "Dominant Class Theory and Canadian Foreign Policy: The Case of Counter-Consensus." International Journal. Vol. 39, No. 1, Winter 1983-84. pp. 99-135.
- _____. "Ethics and Foreign Policy: The Case of Canada's Development Assistance." International Journal. Vol. 63, Spring 1988. pp. 265-301.
- _____. "DFAIT's Takeover Bid of CIDA: The Institutional Future of the Canadian International Development Agency," Canadian Foreign Policy, Vol. 5, No. 2, Winter 1998. pp. 1-13.
- Pratt, Renate. "International Financial Institutions." Human Rights and Canadian Foreign Policy. Eds. Robert Matthews and Cranford Pratt. Kingston and Montreal: McGill-Queen's University Press. pp.159-186.
- Rotstein, Abraham. "Foreign Policy and the Canadian Business Community." International Journal. Vol. 39, No. 1, Winter 1983-84. pp. 136-145.
- Rudner, Martin. "Trade Cum Aid in Canada's Official Development Assistance Strategy," Canada Among Nations: 1986/Talking Trade. Eds. Brian W. Tomlin and Maureen Appel Molot. Toronto: James Lorimer & Co., 1987. pp. 127-146.
- _____. "Canada's Official Development Assistance Strategy: Process, Goals and Priorities." Canadian Journal of Development Studies. Vol. 12, No. 1, 1991. pp. 9-37.
- _____. "Canada in the World: Development Assistance in Canada's New Foreign Policy Framework." Canadian Journal of Development Studies. Vol. 17, No. 2, 1996. pp. 193-220.
- Scott, Richard. "Institutional Analysis; Variance and Process Theory Approaches." Institutional Environments and Organizations: Structural Complexity and Individualism. Eds. W. Richard Scott and John W. Meyer. Thousand Oaks, CA.: Sage Publications, 1994. pp. 81-99.

- _____. "Institutions and Organizations: Toward a Theoretical Synthesis." Institutional Environments and Organizations: Structural Complexity and Individualism. Eds. W. Richard Scott and John W. Meyer. Thousand Oaks, CA.: Sage Publications, 1994. pp. 55-80.
- Shortliffe, Glen. "Canadian Development Policy and the Asia Pacific Region." Working Paper No. 8 under the auspices of The Joint Centre on Modern East Asia - University of Toronto - York University, undated.
- Simpson, Kurtis. "Canadian Elite Images of China and Policy-Making: Before and After the Tiananmen Crisis of 1989." Unpublished MA Thesis, York University. February 1993.
- Soren, Richard. "Political-Strategic Aspects of Canadian Pacific Policy: An Annotated Bibliography of Periodical Literature and Government Documents, 1965-1980." Working Paper No. 7 under the auspices of The Joint Centre on Modern East Asia - University of Toronto - York University. Undated.
- Taras, David. "Looking (Far) East: Parliament and Canada-China Relations, 1949-1982." in Parliament and Canadian Foreign Policy. Toronto: Canadian Institute of International Affairs, 1988. pp. 66-100.
- Terrebery, S. "The Evolution of Organizational Environments." Administrative Science Quarterly. Vol. 12, March 1968. pp. 590-613.
- Therrien, Jean-Phillipe. "Aide et Commerce dans les relations Canada-Tiers Monde." Canadian Journal of Development Studies. Vol. 11, No. 1, 1990. pp. 151-171.
- Whitworth, Sandra. "Women and Gender in the Foreign Policy Review Process." Democracy and Foreign Policy: Canada Among Nations 1995. Ottawa: Carlton University Press, 1995. pp. 59-98.
- Wildavsky, Aaron. "Choosing Preferences by Constructing Institutions: A Cultural Theory of Preference Formation." American Political Science Review. Vol. 81, No. 1, March 1987. pp. 3-21.
- Wong, Jan. "Managers in the Making." Globe and Mail. March 31, 1992.
- Woods, Lawrence T. "Canada's Pacific Business Lobby." Working Paper No. 42. Under the auspices of the Joint Centre on Modern East Asia - University of Toronto - York University. May 1986.
- Zweig, David. "Controlling the Opening: Enmeshment, Organizational Capacity, and the Limits of Overseas Development Assistance in China." Paper delivered at the Annual Meeting of the American Political Science Association, September 2-5, 1993.

GOVERNMENT PUBLICATIONS

- "Address by the Minister for International Trade, John C. Crosbie, to The Trade Policy Forum of the Pacific Economic Cooperation Conference and the Institute for Research on Public Policy," June 28, 1989. Vancouver: Minister for International Trade, June 28, 1989.
- Boase, Robert, P. J. Kanitz, Zhou Tongxi, and Fan Congwu. Project Related Training in China in the Energy Sector. A study prepared for the Canadian International Development Agency (CIDA). July 1992.
- Canada. Special Joint Committee of the Senate and the House of Commons on Canada's International Relations, Independence and Internationalism. Ottawa: Supply and Services, June 1986.
- _____. Parliament. Senate. Standing Committee on Foreign Affairs. Proceedings of Standing Senate Committee on Foreign Affairs. No. 37, March 26, 1991. Ottawa: Queen's Printer, 1991.
- _____. Department of Justice. The Constitution Acts 1867-1982. Ottawa: Supply and Services, 1983.
- _____. Competitiveness and Security: Directions for Canada's International Relations. Ottawa: Supply and Services, 1985.
- _____. Parliament. Senate. Standing Committee on Foreign Affairs. Canada, the IFIs, and the Debt Problem of Developing Countries: Report of the Standing Committee on Foreign Affairs. Ottawa: Queen's Printer, 1987.
- Canada. Canada and the World: Government Statement. Ottawa: Public Works and Government Services, 1995.
- _____. Department of External Affairs and International Trade (DFAIT). Foreign Policy Themes and Priorities, 1991-92 Update. Ottawa: DFAIT Policy Planning Staff, December 1991.
- _____. Department of Industry Trade and Commerce. Strengthening Canada Abroad, Final Report of the Export Promotion Review Committee. Ottawa: Department of Industry Trade and Commerce, 1979).
- Canadian International Development Agency (CIDA). Strategy for International Development. Ottawa: Information Canada, 1975.
- _____. Canada and Development Cooperation: Annual Review 1975/76. Ottawa: Supply and Services, 1976.
- _____. Canada and Development Cooperation: CIDA Annual Review 1976/77. Ottawa: Supply and Services, 1977.
- _____. (1975-1985) Annual Aid Review: Memorandum of Canada to the Development Assistance Committee of the Organization for Economic Cooperation and Development. Ottawa: Communications Branch, CIDA.

- _____. A Canada-China Program for Human Resource Development. Confidential Document. Ottawa: CIDA, April 1982.
- _____. China Country Program Review. Confidential Document. Ottawa: CIDA, December 1984.
- _____. Sharing Our Future. Ottawa: Supply and Services Canada, 1987.
- _____. To Benefit a Better World. Response of the Government of Canada to the Report of the Standing Committee on External Affairs and International Trade, For Whose Benefit? Canada's Official Development Assistance Policies and Programs. Ottawa: Supply and Services, 1987.
- _____. Implementing Human Resources Development Projects in China and Indonesia: Some Emerging Lessons of CIDA Experience. Compiled by the Staffs of the China and Indonesia programs, April 1987.
- _____. Canadian Development Cooperation in Asia. Ottawa: CIDA, Asia Branch, August 1989.
- _____. Guide for Project Submissions: Management for Change Program, Special Programs Branch. Hull: CIDA, July 1989.
- _____. Annual Report, 1989-90, 1990-91. Ottawa: Ministry of Supply and Services, 1991.
- _____. Survey of The Human Resources Development Programs of Selected Donor Agencies Operating in China. June 1991.
- _____. Special Asia Branch Management Group Meeting - Mont Ste-Marie. Confidential Document. Ottawa: CIDA, September 1991.
- _____. Asia Branch Strategic Plan 1991-92. Confidential Document. Ottawa: CIDA, October 1991.
- _____. Country Program Update: China. Confidential Document. November 1991.
- _____. Executing Agencies: Fall/Winter 1991/1992. Ottawa: Ministry of Supply & Services, 1992.
- _____. Draft CPF PIM China Program. ~1992.
- _____. A Review of Human Resource Development: Concept Papers on Various Aspects of Human Resource Development in China. Ottawa: CIDA, 1992.
- _____. CIDA's Policy for Environmental Sustainability. Hull: Communications Branch, CIDA. January 1992.
- _____. Retrospective Analysis of the HRD Activities of the China Program: 1982-1992. October 1992.
- _____. CIDA and China: A Discussion Paper. [for discussion at the CIDA China Program CEA Meeting, June 9-10, 1993]. Ottawa: CIDA, May 24, 1993.
- _____. Draft CPF PIM China Program. Ottawa: CIDA, June 1993.
- _____. CIDA China Program: Environmental Sustainability Strategy. Ottawa: CIDA June 18, 1993.

- _____. CIDA Programs in Asia: China. Ottawa: CIDA, Asia Branch 1993.
- _____. CIDA's Policy on Consultations with Canadian (Civil Society) Stakeholders. September 22, 1993.
- _____. China, Country Development Policy Framework: Working Paper. Ottawa: CIDA, May 19, 1994.
- _____. CIDA Country Development Policy Framework for China: Report on the Ontario Stakeholders Consultation. University of Toronto, June 14, 1994.
- _____. Service Contracts and Lines of Credit, Spring 1996, (Hull: Corporate Management, 1996).
- _____. Your Guide to Working with CIDA. Ottawa: Supply and Services, February 1997.
- "China and Canada: The Months Ahead." Statement by the Secretary of State for External Affairs, the Right Honorable Joe Clark. Ottawa: June 30, 1989.
- Ells, A. Dale, Jiao Qunying, David W. Kidd and Shi Sen Bao. Project Related Training in Six Agricultural Development Projects in the People's Republic of China. A review for CIDA. July 1992.
- Joint Committee, Congress of the United States. Ed. China's Economic Dilemmas in the 1990s: The Problem of Reforms, Modernization, and Interdependence. Armonk, NY: M. E. Sharpe, 1992.
- Maybee, Jack. The China Program of the Canadian International Development Agency. Paper commissioned by CIDA in association with the International Development Office and the Association of Universities and Colleges of Canada for presentation at the Conference on Canada-China Relations, May 9-10, 1985 in Montebello.
- Mayhurst Consulting Group. Final Report: Annual Meeting Between the China Program of the Canadian International Development Agency and The Canadian Executing Agencies. Ottawa: June 1990.
- Ministry of Development Cooperation and Pacific Island Affairs. Australia's Development Co-Operation Program, 1993-94. Canberra: Australian Government Publishing Service, 1993.
- Notes For An Address by the Honourable Andre Ouellet, Minister of Foreign Affairs, To the National Capital Chapter of the Canadian Institute for International Affairs. Ottawa, Ontario. May 31, 1994.
- Organization for Economic Cooperation and Development (OECD). Development Cooperation 1991 Report. Paris: OECD, 1991.
- Ouellet, André. Minister of Foreign Affairs. "Statement to National Capital Chapter of the Canadian Institute for International Affairs." Ottawa: May 1994.

- Overseas Development Administration (UK), Eastern Asia Department. China Country Review Note. London: February, 1994.
- Potter, Pitman B. and Stephen J. Toope. Human Rights and Democratic Development: A Review of CIDA Projects in China From 1982-1992. Prepared for the China Programme of CIDA. June 1993.
- Renaud, Mario. Director General, Strategic Planning and Policy, "Protecting Asia's Social Development Gains: What is Canada's Role." Toronto, March 11, 1998.
- United Nations Development Programme. Human Development Report, 1990. New York, NY: Oxford University Press, 1990.
- Wilkinson, Endymion (Head, European Commission(EC). Delegation, China). "The European Union and China: A Fresh Look." Beijing: October 28, 1994.

PROJECT PUBLICATIONS

Canada-China Language and Culture Program (CCLC)
Saint Mary's University. Canada/China Language and Culture Program: 1991/92 Annual Workplan. Halifax: St.Mary's University, 1991.

Canada-China Lean Swine Production Project (CCLSP)
Agriteam Canada Consulting Ltd.. China-Canada Integrated Lean Swine Production Project Inception Report: Volume I, Issues and Methodology. Calgary: Agriteam, January 1994.

_____. China-Canada Integrated Lean Swine Project: Volume II, Project Implementation Plan. Calgary: Agriteam, January 1994.

_____. China-Canada Integrated Lean Swine Project: Annual Report April 1, 1994-March 31, 1995. Calgary: Agriteam, June 1995.

_____. China-Canada Integrated Lean Swine Project: Quarterly Report, April 1-June 30, 1995. Calgary: Agriteam, October 1995.

_____. China-Canada Integrated Lean Swine Project: Annual Report April 1, 1995-March 31, 1996. Calgary: Agriteam, May 1996.

_____. China-Canada Integrated Lean Swine Project: Quarterly Report, April 1-June 30, 1996. Calgary: Agriteam, August 1996.

Berg, S. and J. Masson. Peoples' Republic of China, Lean Swine Production Project: Design Mission Report. Prepared for CIDA, May 1989.

Bureau of Animal Husbandry, Ministry of Agriculture, Animal Husbandry and Fishery, People's Republic of China. Application for Project Aid in Collaboration with the International Development Agency of Canada. Beijing, December 10, 1986.

Canada. Memorandum of Understanding Between the Government of Canada and the Government of the People's Republic of China for the Lean Swine Production Project. December 19, 1990.

Canada. Treasury Board. Project Authorization. [Canada-China Lean Swine Production Project]. Ottawa: Treasury Board, December 1992.

Canada. Amendment No. 1 to Articles of Agreement, Consulting and Professional Services, Long-Term Taxable. Ottawa: July 14, 1991.

Canadian International Development Agency. Director General, Asia Branch. CEPO Minutes, China: Lean Swine Production Project. November 9, 1988.

_____. BPRC Minutes. December 7, 1988.

_____. China Desk. Management Plan, Lean Swine Production Project, People's Republic of China, Canadian International Development Agency. March 1989.

_____. Request for Proposal (RFP): Lean Swine Production Project. Hull: CIDA, October 7, 1991.

_____. Lean Swine Production Project: Proceedings of the Bidders Briefing, October 30, 1991. Hull: CIDA, October 1991.

_____. Asia Branch. China Program. "Memorandum from Wally Redekopf, Senior Agricultural Program Manager to Hau Sing Tse, Director General China Program re: Amendment to CEA Contract for Lean Swine Production Project." Hull: CIDA. April 1994.

Rempel, Henry, Neil Schantz, Phil Thacker, Diane Tyler, Jennie Chang. Project Operational Review and Forward Planning: China-Canada Integrated Lean Swine Project. Hull: CIDA, November 1996.

Canada-China Management Education Project (CCMEP)

Cairns, John C., William C. Wedley, Zhao Chunjun, and Bai Xingji. Management Education Analysis Mission, China. [A study prepared for CIDA]. April-June 1992.

Canadian Federation of Deans of Management and Administrative Studies (CFDMAS). The Future of Management Education in China: Final Report on Conference Activities and Proceedings. Nankai University, Tianjin, May 1993.

Ryan, Doris W. and Thomas Fleming. Evaluation of the Canada-China Management Education Program. Toronto: Ontario Institute for Studies in Education, March 1986.

Canada-China University Linkage Project (CCULP)

Association of Universities and Colleges of Canada
(International Division). University Consultation on
Human Resource Development in China: Summary
Consultation. May 29, 1992.
_____. Canadian Universities and China: A Policy of
Cooperation. April 1994.

China Open Cities Project (COCP)

Canada. Memorandum of Understanding Between the Government
of Canada and the Government of the People's Republic of
China Concerning the Assistance to the Fourteen Cities
and Other Open Areas Project. March 19, 1987.
_____. Plan of Operation for Assistance to Fourteen Cities
and Other Open Areas. April, 1987.
Canada. Memorandum of Understanding Between the Government
of Canada and the Government of the People's Republic of
China Concerning the Assistance to the Fourteen Cities
and Other Open Areas Project, Phase II. April 8, 1993.
Canada. Secretary of State for External Affairs. Articles
of Agreement: Consulting and Professional Services,
Long Term. Ottawa: External Affairs, August 13, 1987.
Canadian International Development Agency (CIDA). Project
Identification Memorandum for Assistance for 14 Cities
and Other Open Area. April 17, 1986.
_____. "Terms of Reference for Evaluation of Open Cities
Project - China." undated.
_____. Terms of Reference for Evaluation of Open Cities
Project-China. undated.
Carlton, Brock, Victor Falkenheim, Linda HersHKovitz, Michael
Miner. Chinese Open Cities Project Phase II: Inception
Mission Report. December 1993.
Carson, John. 14 Open Cities Project - China, CIDA Project
No. 282/13559: Monitor's First Report. December, 1989.
CCTC. Chinese Open Cities Project, Trip Report (Braham
Wiesman). Toronto: CCTC, December 28, 1989.
Decter, M. B. and E. T. Jackson. Common Understanding,
Common Benefit: Report of the Mid-Term Evaluation of the
Chinese Open Cities Project, Phase I. Ottawa: E. T.
Jackson and Associates, Ltd. January, 1991.
_____. "Miscellaneous Twinning Information"
Eyford, Glen, Linda HersHKovitz, Victor Falkenheim and K. C.
Tan. China Open Cities Project Phase II Project
Definition Mission Report. April 30, 1992.
Federation of Canadian Municipalities. Chinese Open Cities
Project: Inception Mission Terms of Reference. undated
(~ September/October 1987).

- _____ and Canada China Trade Council (CCTC). Chinese Open Cities Project Inception Mission Report. Ottawa: FCM, December 1987.
- _____ . First Year Workplan Between the Chinese and Canadian Executing Agencies Regarding Assistance to Cadre Training Projects in China's Fourteen Coastal Cities and Other Open Areas. Ottawa: FCM, October 1987.
- _____ . China Open Cities Project, 1988 Steering Committee Working Papers: Review of First Year's Training Activities. Ottawa: FCM, September 9, 1988.
- _____ . Chinese Open Cities Project, 1989 Steering Committee Working Papers: Review of Second Year Training Activities. Ottawa: FCM, October 1989..
- _____ . Review of Monitor's Recommendations. Ottawa: FCM, April 5, 1990.
- _____ . Summary of FCM Responses to Monitor's Recommendations (Chinese Open Cities Project, Monitor's Report - December 1989). February 14, 1990.
- _____ and the Canada China Trade Council. Canadian Executing Agency Response to "Common Understanding, Common Benefit: Report of the Mid-Term Evaluation of the Chinese Open Cities Project Phase I". November 1990.
- _____ . Fourth Year Workplan Between the Chinese and Canadian Executing Agencies Regarding Canadian Assistance to Cadre Training Projects in China's Fourteen Coastal Cities and Other Open Areas. February 8, 1991.
- _____ . Implementation Plan Between the Chinese and Canadian Executing Agencies Regarding Canadian Assistance to Cadre Training Projects in China's Fourteen Coastal Cities and Other Open Areas. March 18, 1991.
- _____ . Five Year Project Work Plan for August 1987 to August 1992. March 25, 1991.
- _____ . International Program. Success Stories: FCM Member's International Program Experience. Ottawa: FCM, June 1991.
- _____ . FCM Resolution re: Suspension of Chinese Open Cities Project. Ottawa: FCM, March 10, 1992.
- _____ . Management Plan for China Open Cities Project - Phase II: CIDA Project No, 282/17342. February 11, 1993.
- _____ . International Office. Benefits of International Partnerships for Canadian Municipalities. May 1993.
- _____ . China Open Cities Project, Fourth Year Workplan (March 1996-April 1997). Ottawa: FCM, April 1996.
- _____ . Mission Report on Tianjin World Bank Project. Ottawa: FCM, August 1996.
- Gretzner, John. Activity Report: Chinese Open Coastal Cities Project. April, 1989.
- O'Brien, Máire. China Open Cities Project: Economic Impact Analysis. Ottawa: FCM, July 1996.

- ____. China Open Cities Project: Gender Impact Analysis.
Ottawa: FCM, July 1996.
 - ____. Canadian Municipal Economic Development in the
International Context on behalf of the People's Republic
of China, Special Economic Zones Office by the
Federation of Canadian Municipalities, Ottawa, November
1996.
- Special Economic Zones Office, State Council, People's
Republic of China. Distinguished Results for Chinese
Open Cit[ies] Project. Supplied for the Mid-Term
Evaluation Report.

**Canada-China Chengdu Enterprise Management Training
Centre (CCMETC)**

- Association of Canadian Community Colleges (ACCC),
International Division. "Chengdu Management Training
Project: Project Final Report for Completed Components,
Phase I." 1986.
- ____. Progress Report 2: Chengdu Management Training Centre
Project, China-October 1-December 31, 1991. Toronto:
ACCC, January 1992.
 - ____. Progress Report 3: Chengdu Management Training
Centre Project, China-January 1, 1992-March 31, 1992.
Ottawa: ACCC, April 1992.
 - ____. Progress Report 4: Chengdu Management Training
Centre Project, China-April 1, 1992-June 30, 1992.
Ottawa: ACCC, August 1992.
 - ____. Progress Report 6: Chengdu Management Training
Centre Project, China-October 1-December 31, 1992.
Ottawa: ACCC, January 27, 1993.
 - ____. Progress Report 7: Chengdu Management Training
Centre Project, China-January 1-March 31, 1993. Ottawa:
ACCC, May 6, 1993.
 - ____. Progress Report 10: Chengdu Management Training
Centre Project, China-October 1-December 31, 1993.
Ottawa: ACCC, January 25, 1994.
 - ____. 1994/95 Workplan: Chengdu Management Training Centre
Project, China-JPSC April 22, 1994. Beijing: CMTCC,
April 1994.
 - ____. Institutional Profile: China Enterprise Management
Training Centre at Chengdu. Ottawa: ACCC, May 1994.
 - ____. (CIDA). Minutes of 5th JPSC Meeting Chengdu
Management Training Centre Project, May 31, 1995.
Beijing: ACCC, May 1995.
 - ____. Chengdu Management Project Annual Workplan April 1,
1995-February 10, 1996. Beijing: ACCC, May, 1995.

- _____. Progress Report 17: Chengdu Management Training Centre Project, China-July 1-September 30, 1995. Ottawa: ACCC, November 1995.
- _____. Workplan 1996/97: Chengdu Management Training Centre, Phase III. Ottawa: ACCC, May 22, 1996.
- _____. Progress Report 18: Chengdu Management Training Centre Project, China-October 1-December 31, 1995. Ottawa: ACCC, February 1996.
- _____. Progress Report 19: Chengdu Management Training Centre Project, China-January 1-March 31, 1996. Ottawa: ACCC, May 1996.
- _____. Chengdu Management Training Centre Project, China: End of Project Report[Draft]. Ottawa: ACCC, November 6, 1996.
- _____. "Project Description." Ottawa: ACCC, undated.
- BASIC Group of Companies. "Draft Report: Mid-Term Evaluation for the Enterprise Management Training Program/Chengdu Phase II." October 1988.
- _____. "Final Report: Mid-Term Evaluation for the Enterprise Management Training Program/Chengdu Phase II." March 1989.
- _____. "Proposal for Canada-China Management Training Institution Development Project, Phase III." Toronto: ACCC, July 1990.
- _____. Management Plan: Management Training Institution Development Project-China Enterprise Management Training Centre at Chengdu, PRC.[Draft] Toronto: ACCC, July 31, 1990.
- Canada. CIDA. "Project Approval Memorandum: Chengdu Management Enterprise Centre Phase II." March 28, 1986
- _____. "Project Approval Memorandum, Chengdu Management Enterprise Centre, Phase III." Hull: CIDA, February 1991.
- _____. Minutes of 9th Meeting: Chengdu Phase III, JPSC, May 14, 1991.. Hull: CIDA, June 1991.
- _____. Report of Graham Shantz re: November 1991 Visit to Chengdu Centre. Beijing: CIDA, December 1991.
- _____. 1994 JPSC Minutes: China Management Training Centre at Chengdu. Phase III April 22, 1994. Beijing: CIDA, April 1994.
- China Enterprise Management Training Centre at Chengdu. "Mid-Term Evaluation for the Enterprise Management Training Program/Chengdu Phase II." A submission [to CIDA] prepared by the Chinese Administration and Canadian Residential Staff. March 1988.
- China Enterprise Management Training Centre at Chengdu: Consulting International. (author unknown) mimeographed (undated ~1994).

- Executive Management Committee of CMTCC. Chengdu Project-1992/93 Annual Review & 1993/94 Workplan & Budget Proposal. Beijing: CMTCC, April 1, 1993.
- Joyner, Charles J. "The Dacum Technique and Competency Based Education." Ottawa, March 1, 1994.
- Kurz & Associates Enterprises Ltd. China Enterprise Management Training Centre at Chengdu: Management Information Systems Review. Kurz & Associates, April 1994.
- Kurz & Associates Enterprises Ltd. China Enterprise Management Training Centre at Chengdu: Management Information Systems Needs Analysis. Submitted to CIDA by the CMTCC Management Information Systems Department and Kurz & Associates Enterprises Ltd. Kurz & Associates, October 1994.
- McLean, Les. "The Chinese Enterprise Management Training Centre at Chengdu: Report at the Transition from Phase I to Phase II." [One of a series of reports to CIDA under the terms of cooperation agreement between CIDA and the Ontario Institute for Studies in Education (OISIE). February 1986.
- Newport Bay Consulting Services. Monitor's Report, Chengdu Project: Findings and Recommendations. Section 2, Report to the JPSC. Victoria, BC: Newport Bay Consulting Services, April 12, 1993.
- _____. Chengdu Project-Phase III: Monitor and Trip Report. Victoria, BC: Newport Bay Consulting, May 5, 1994.
- _____. "Non-CMTCC Participants, 1982-1996." Ottawa: ACCC, undated.
- Newport Bay Consulting Services. Chengdu Project-Phase III: Monitor's Extended Final Report. Victoria, BC: Newport Bay Consulting, December 1996.
- Wu Qing. Final Chengdu WID Strategy. Chengdu: CEMTCC, January 28, 1992

List of Interviewees

CIDA

Alton, Melanie. Senior Program Officer, China Program, CIDA, June 27, 1996

Collette, Marilyn. Former Senior Program Officer, China Program, CIDA. July 29, 1996

Hamilton, Bob. Former Program Officer, Industrial Cooperation Branch, China Program, CIDA. July 7, 1994

Hoffman, Peter. Former Senior Development Officer, China Program, CIDA. August 8, 1996

Jackson, John. Former Senior Program Officer, China Program, CIDA. July 3, 1994.

LaRivierre, Richard. Program Officer, China Program, CIDA (Beijing). October 11, 1994; August 6, 1997.

Lemieux, Claude. Former Development Officer, China Program, CIDA. August 9, 1996

Mak, Eva. Former Canada Fund Coordinator, China Program, CIDA (Beijing). October 12, 1994.

McGinnis, Paul. Senior HRD Specialist, Technical Directorate, Asia Branch. CIDA. July 8, 1996.

McMaster, Don. Former China Program Manager, CIDA. June 26, 1996.

Nankivell, Jeff. Program Officer, China Program, CIDA (Beijing). October 12, 1994; November 23, 1994.

Normandin, Henri-Paul. Policy Analyst, China Program, CIDA. June 30, 1994.

Racicot, Pierre. Former China Program Director, CIDA. July 16, 1996.

Smith, Kevin. Program Officer, China Program (Beijing), CIDA. October 19, 1994; January 4, 1995.

Tse, Hau Sing. Director, China Program, CIDA. July 13, 1994; February 2, 1995

Volkoff, Alex. Former Program Officer, China Program, CIDA. April 25, 1996.

Wade, Scott. Former Policy Analyst, China Program. CIDA. June 16, 1994

Johnston, Bob. Policy Analyst, China Program. July 9 & 12, 1991.

Beaudry-Somcinski, Micheline. Former Program Officer. China Program Officer. CIDA. August 6, 1997.

Redekopf, Wally. Program Officer, China Program, CIDA. July 15, 1997.

External Affairs

Balloch, Howard. Former Assistant Deputy Minister, Asia and Pacific Branch, Foreign Affairs and International Trade. July 12, 1994.

Bild, Fred. Canadian Ambassador to China 1990-94. November 16, 1994.

Carron, Joseph. Director, North Asia Relations Division, Foreign Affairs and International Trade. July 10, 1994.

Gauvin, Michel. Canadian Ambassador to China, 1980-84. July 8, 1994.

Menzies, Arthur. Canadian Ambassador to China, 1976-80. July 9, 1994.

Small, John. Canadian Ambassador to China, 1972-76. July 7, 1994.

Drake, Earl. Canadian Ambassador to China, 1985-1990. July 17, 1991.

Houlden, Gordon. Former Deputy Director, East Asia, North Asia Relations, External Affairs. August 1, 1991.

Lysne, David. Former Deputy Director, Asia and Pacific Programs Division, Ministry of International Trade, External Affairs and International Trade. July 16, 1991.

McDonald, Tom. Former Manager, Pacific and North Asia, Export Development Corporation. July 17, 1991.

Mulroney, David. Former Deputy Director, East Asia Trade Development Division, Ministry of International Trade, External Affairs and International Trade. August 21, 1991.

Suter, Martin. Export Development Corporation. August 19, 1991.

Waterfall, Don. Former Director, North Asia Relations, External Affairs and International Trade. July 24, 1991.

Whittleton, Jack. Director-General, Latin America. Foreign Affairs and International Trade. July 6, 1994.

China Open Cities Project

Bowles, Shirley-Ann. Former Program Officer, Municipal Economic Exchange Program, FCM. August 28, 1997.

Carlton, Brock. Deputy Director. International Office. Federation of Canadian Municipalities (FCM). July 5, 1994; January 22, 1995.

Falkenheim, Victor. Open Cities Project Consultant. June 1994.

Gretzner, John. Former Project Director (China), China Open Cities Project. February 21, 1995.

Hastings, John. Former Director, Municipal Economic Exchange Program, Federation of Canadian Municipalities (FCM). August 24, 1996.
Knight, James. Executive Director, Federation of Canadian Municipalities (FCM). August 23, 1996.
McConachey, Janet. Former Manager, China Open Cities Project, FCM. July 11, 1996
Murchison, Mairi. Former Program Officer, China Open Cities Project, FCM. July 10, 1996.

Chengdu Enterprise Management Training Centre

Goldin, Harold. Senior Programme Officer. Chengdu Management Training Centre (CEMTCC). Asia and Middle East Division. International Services. Association of Canadian Community Colleges (ACCC). July 6, 1994; April 3, 1997.
Gorica, Nejat. Project Director, Chengdu Management Training Centre (CEMTCC). Asia and Middle East Division. International Services. Association of Canadian Community Colleges (ACCC). July 23, 1996.
Hebert, Suzanne. Former Director, International Office, Association of Canadian Community Colleges (ACCC). August 8, 1996.
Tomlinson, J.D., Former Resident Canadian Dean and Academic Consultant. CEMTCC. February 21, 1997.
Welch, Greg. Former Academic Advisor and Co-Director, 1983-1987. CEMTCC. March 18, 1997.

Canada-China Lean Swine Production Project

Bedard, Brian. Project Director, China. December 7, 1994; February 22, 1995.
Conrad, Bob. Retired Professional Service Officer, CIDA. July 31, 1996.
Hu Song. Nutritionist, Assistant Neijiang Feedmill Manager. May 8, 1995.
McKinnon, Phillip. Applied Nutritionist, Neijiang Animal Husbandry and Food Bureau. May 8, 1995.
Pan, Mr. Project Office Director, Neijiang Animal Husbandry and Food Bureau. May 8, 1995.
Rasmussen, Deb. Agricultural Economist, Agriteam. July 21, 1996.
Wang Shun Dong, Translator & Production Specialist, Neijiang Animal Husbandry and Food Bureau. May 8, 1995.
Wang Zhi Xin. Neijiang Feedmill Manager. May 8, 1995.

Other Bilateral Aid Programs

Culas, Michel. Attache de Cooperation, Scientifique et Technique, Ambassade de France en Chine. March 3, 1995.
Putnam, David. Second Secretary, British Council Assistant Director, Culture and Education Section, British Embassy (Beijing) March 15, 1995.
Sakamoto, Takema. Overseas Economic Cooperation Fund, Japan. March 27, 1995.
Talbo, Silvano. Director, Development Cooperation Unit, Italian Embassy (Beijing). March 22, 1995.

Ministry of Foreign Economic Relations and Trade (MOFERT)

Liu Jianhua. Deputy Division Director. Department of International Trade. MOFERT. March 24, 1995.
Liu Xiaowei. Program Officer. MOFERT. March 10, 1995.
Lu Zhouxiang. Program Officer. MOFERT. January 18, 1995.

Ministry of Agriculture (MOA)

Liu Zhongwei. Deputy Director. Ministry of Agriculture. February 23, 1995.
Wang Jian. Division Director. Department of International Cooperation. Ministry of Agriculture. January 20, 1995.

State Education Commission (SEDC)

Zhang Xiaodong. Program Officer. Division of American and Oceanic Affairs, Department of Foreign Affairs. State Education Commission. October 5, 1994 .

Acronyms

ADB	Asian Development Bank
ACCC	Association of Canadian Community Colleges
BPRC	Bilateral Planning and Recommendation Committee
CANTEST	Canadian Test for English as a Foreign Language
CCBC	Canada-China Business Council
CCMEP	Canada-China Management Education Program
CCLC	Canada-China Language Training Centre
CCTC	Canada-China Trade Council
CCULP	Canada-China University Linkage Program
CIDB	Canadian International Development Board
CEA	Canadian Executing Agency
CEMTCC	Chinese Enterprise Management Training Centre at Chengdu
CEMA	China Enterprise Management Association
CEMI	China Enterprise Management Institute
CIDA	Canadian International Development Agency
CIDB	Canadian International Development Board
CMHC	Canada Housing and Mortgage Corporation
COCP	China Open Cities Project
CPR	Country Program Review

CIU	Chinese Implementing Unit
DAC	Development Assistance Committee(of the OECD)
DFAIT	Department of Foreign Affairs and International Trade
EDC	Export Development Corporation
EDP	Executive Development Program, Nankai University
EMC	Enterprise Management Centre in Tianjin
FCM	Federation of Canadian Municipalities
GIS	Geographic Information Systems
HEC	École des Hautes Études Commerciales à l'Université de Montréal
HDTP	Human Development Training Project
HRD	Human Resource Development
ICDA	Interdepartmental Committee on Development Assistance
ICDS	Institutional Cooperation and Development Unit
ICERDC	Interdepartmental Committee on External Relations with Developing Countries
INC	Industrial Cooperation Division (CIDA)
IFI	International Financial Institution
IPF	Indicative Planning Figures

ITC	Department of Industry, Trade and Commerce(before being absorbed into DFAIT in 1979)
JPSC	Joint Project Steering Committee
LFA	Logical Framework Analysis
LTТА	Long Term Technical Advisor
MOA	Ministry of Agriculture
MOFERT	Ministry of Foreign Economic Relations and Trade
MFC	Management for Change
MPEP	Municipal Professional Exchange Program
MSFLR	Ministry of State Farms and Land Reclamation
NICs	Newly Industrializing Countries
OECD	Organization for Economic Cooperation and Development
PAM	Project Approval Memorandum
PCO	Privy Council Office
PDM	Project Definition Mission
PIM	Project Inception Mission
PTL	Project Team Leader
PMO	Prime Minister's Office
POP	Plan of Operation
PRC	Presidential Review Committee
PRO	Professional Resource Officer

PSC	Project Steering Committee
ROCs	Regional Orientation Centres
SCRES	State Economic Commission for the Restructuring of the Economic System
SIMTC	Shanghai Industrial Management Training Centre
SEDC	State Education Commission
SEPC	Sichuan Economic Planning Commission
SEZ	Special Economic Zones
SEZO	Special Economic Zones Office
SMI	Sichuan Management Institute
SOP	Standard Operating Procedure(s)
SPEC	Sichuan Planning and Economic Commission
TSN	Technical Support Network
TUNS	Technical University of Nova Scotia
UBC	University of British Columbia
UNDP	United Nations Development Program
WID	Women in Development
WUSC	World University Service Corporation

APPENDIX

Table 1
China Program Projects (1982-86)

1982

Sichuan Health	312,377
Jiagedaqi Forest	<u>22,600</u>
	334,977

1983

CCLTC	6,550
Queen's MEP	48,410
MEP	9,724,091
CCMTC Phase I	2,452,681
CCHDTP Phase I	7,974,204
Jiagedaqi Forest	5,302,301
Tanggu Quarantine	465,278
MEP Qinghua	1,375
Liaison Office	<u>8,000</u>
	25,934,480

(1984- see next column)

1985

Auditor Training	3,494,350
Forestry Mgmt	32,121
Mgmt Adult Ed	97,044
Cdn Profs for China	10,000
ESL Teachers	25,565
UIBE Staff Dev	423,356
HRD Evaluation	350,790
Potash Agronomic	1,118,270
CCLTC Phase IV	216,468
Mission Admin Funds	181,307
Liaison Office	<u>216,488</u>
	6,165,759

1986

Keshan Potato	990,017
Chengdu Mgmt Centre	4,668,402
South China Power	8,661,350
Three Gorges	13,940,295
China Rehab Centre	1,248,094
Civil Engineering Ex	96,500
Mission Admin Funds	<u>144,804</u>
	29,749,462

1984

Harbin Cattle	1,682,426
Heilongjiang	802,207
EPRI	7,784,387
HALRU	15,455
Grassland Ecology	1,033,350
Satellite Earth Stn	745,128
IBRD Transport	34,597
Liu He Cadre	3,823,715
State Farm 852	5,153,209
Aug 1 Land Reclmnt	4,485,707
MEP Western/Qing	1,365,368
Technical Interptrs	591,563
MEP Waterloo/Qing	18,495
Cooperative Medical	22,000
Trainee ESL	92,563
Technical Interptrs	10,000
Paediatric Hospital	12,562
MEP Waterloo/Qing	18,495
Ryerson/Shanghai	9,570
Engineer Adv Board	225,000
Rural Handpumps	10,000
Industrial Coop	35,000
Electrial Engineering	3,000
Int'l Conf Engineering	4,110
Liaison Office	76,470
China Welfare Inst	50,400
National Convention	12,000
Staff Dev Beijing Inst	6,922
Cert. Seminars	17,000
Language training	23,843
Education Conf	<u>7,000</u>
	28,164,542

Table 2
China Program Projects (1986-
1989)

1986

Keshan Potato	990,017
Chengdu Mgmt Centre	4,668,402
South China Power	8,661,350
Three Gorges	13,940,295
China Rehab Centre	1,248,094
Civil Engineering Ex	96,500
Mission Admin Funds	<u>144,804</u>
	29,749,462

1987

Satellite Sys	4,081,919
HOTP	20,462,264
China Open Cities	7,346,009
Anhui Enterprise Mgmt	2,416,345
Mgmt Ed Linkage	25,800,323
CCULP	19,080,932
College Linkage Prgm	7,237,122
Heilongjiang Emerg	450,258
Three Gorges	1,943,309
Mission Admin Funds	193,925
CCFA Nat'l Conf	<u>15,000</u>
	89,027,406

1988

Comp Transport Mgmt	8,218,163
Canada Funds	198,872
Tanggu Phase II	861,920
Applied Rsch Link	<u>198,780</u>
	9,477,735

1989

Cnd-China Lang Ctre II	11,585,198
Oil/Gas Tech Transfer	29,036,000
Lean Swine	18,240,810
Guangzhou Air Traffic	6,415,000
Huining Economic Devt	10,600,000
Hebei Dryland	4,965,000
Canada Funds	180,000
Nat'l Coordination Pjct	1,200,000
Tuition Support Prgm	<u>400,000</u>
	82,622,008

Table 3
China Program Projects (1991-96)

1991

Civil Aviation	1,851,345
Tanspt Sys Training	2,833,927
Chengdu Phase III	4,688,830
Transpt Prgm	3,200,000
Int'l Coop Envmt	3,824,900
SPPE Agriculture	298,828
SPPE Energy	4,280,664
SPPE Transport	127,346
SPPE Forestry	31,543
SPPE Education	298,573
SPPE HRD	431,969
SPPE Strat Energy	444,363
SPPE Program Supprt	385,910
WID Delivery	245,322
SPPE AERIL	200,000
SPPE Environment	<u>112,374</u>
	23,255,894

1992

Electric Pwr Rsrch	2,380,686
AERIL	4,668,582
Canada Funds	474,306
Strat Energy Plan	3,236,108
South China Pwr II	4,298,498
China Open Cities II	4,116,980
Canada Funds	500,000
Flood Rehab Anhui	1,994,500
SPPE #2 Energy	296,719
Strat Energy Interim	<u>456,167</u>
	22,422,546

1993

Potash Agronomics III	373,853
SPPE FDDPD	333,607
Canada Fund	500,000
SPPE AERIL	129,000
SPPE LSU	269,128
GCG China	218,906
SPPE Canada Fund	22,426
MOFTEC Training	58,928
SPPE CDPF	<u>117,702</u>
	2,023,550

1994

Canada Fund	999,718
SPPE CSU	322,261
SPPE Canada Fund	<u>47,619</u>
	1,369,598

1995

Canada Fund	999,792
SULCP	703,443
Xinjiang WID	5,000,000
SPPE Pub Pol Options	10,392
SPPE Tarim Basin	126,000
SPPE Bldng Enrgy Eff	353,313
SPPE Xinjinag WID	231,315
SPPE Ind Env't Improv	109,418
StatsCan	200,605
Training Judges	82,451
Women's Law	77,594
Dam Monitor	<u>116,808</u>
	13,986,843

1996

Public Policy Options	5,000,000
MWR Dams	8,000,000
Stats Info Mgmt	9,000,000
Cnd/China Higher Ed	2,440
SPPE Jiangsu SME	250,000
SPPE CERNET	8,350
SPPE Yunnan M&C	151,671
SPPE Village Gov't	400,000
SPPE CCCSU	42,557
Canada Fund	30,871
SPPE Canada Fund	6,839
SPPE ICOP	<u>100,000</u>
	22,992,728

Table 4 CIDA China Program Projects 1985-1990 (in millions)

Human Resources Development

China Language and Cross Cultural Program (CCLCs and ROCs)	St Mary's	\$ 5.8
Canada/China Management Education Program (MEP)	Cdn Federation of Deans of Mgmt	\$ 26.3
Human Development Training Program (HDTP)	WUSC	\$ 21.2
Canada/China Enterprise Enterprise Management Training Ctre.	ACCC	\$ 4.8
China Rehabilitation Centre	Ottawa Civic Hospital	\$ 1.5
Canada/China University Linkage Program (CCULP) [a]	AUCC	\$14.85
Northeast Normal University Project	U of Saskatchewan	\$ 1.1
Staff Development for UIBE [b]	Carleton University	\$.18
Collaboration in Iron & Steel Technology	McMaster University	\$.83
Anhui Enterprise Management Training	FIT [c]	\$ 2.53
Assistance to 14 Cities and Open Areas	FCM [d]	\$ 7.9
Canada/China College Linkage Program (CCLP)	ACCC	\$ 7.5
Assistance to Local WID Initiatives [e]	ACCC	\$ 4.5

Agriculture

Tanggu Animal Quarantine Project	Agriculture Canada	\$.9
Heilongjiang Seed Breeding/Processing	Cdn. Seed Trade Association	\$ 1.1
Harbin Domestic Cattle Project	SEMEX	\$ 2.0
Heilongjiang August 1 Land Reclamation University	BDRC [f]	\$ 4.6
Liu He Cadre Training College	BDRC	\$ 5.1
Potash Agronomic Development Program, Phase II	Potash and Phosphate Institute	\$ 1.2
Keshan Potato Research Institute	NB Agriculture & Rural Dev.	\$ 1.6
State Farm 852 Dairy/Forage/Soil Improvement	AgDevco	\$ 4.5
Huining Economic Development	SINOCHEM [g]	\$10.60
Lean Swine Production	Agriteam	\$18.80

Forestry

Integrated Intensive Fire Management, Phases I & II
Jiagedaqi Model Forest Fire Management

T.M. Thomson (Victoria)
MNR Ontario

\$18.90
\$ 5.2

Energy

Technical Assistance to Electric Power Research Institutes
Petroleum Development Technical Cooperation
Three Gorges Feasibility
Complementary Studies of the Three Gorges
South China Power Studies
Oil & Gas Technology Transfer

BC Hydro
D & S Petroleum Consulting
CIPM/CYJV [h]
CIPM/CYJV [i]
Consortium [j]
Novacorp Int'l

\$8.40
\$6.30
\$14.00
\$3.63
\$8.80
\$29.00

Transportation

Comprehensive Transport Management Training

Canada/China Technology Group

\$17.50

Telecommunications

Technical Assistance for Domestic Satellite System

Telesat

\$4.28

- a On behalf of Institutional Cooperation and Development Services (ICDS), the China Program also manages 14 university linkage: valued at \$7.02 million
 - b University of International Business and Economics (China)
 - c Foundation for International Training
 - d Federation of Canadian Municipalities
 - e The WID Initiative became operational in 1990
 - f Black Dragon River Consortium [Universities of Guelph and Alberta, and Olds College]
 - g China's state chemical agency sells CIDA funded Canadian potash
 - h Canadian International Project Managers/Yangtze Valley Joint Venture
 - i Work began in 1988 and was indefinitely suspended as part of the June 30/89 policy measures announced by the SSEA
 - j The consortium includes Monenco Consultants, Teshmount Consultants, Ontario Hydro and Manitoba Hydro
- [CIDA, "Canadian Development Cooperation in Asia," (Hull: CIDA Asia Branch, August 1989)]

Table 5 Programs Taught at CEMTCC in Phases I - II

General	June/December 1984	Principles of Management, Marketing, Management, Managerial Accounting, Economics, Materials Management, Quality Control, Cost Accounting, New Product Development, International Marketing, Operations Planning, Human Resources Development
Marketing	March/May 1985	Strategic Planning, International Marketing, New Product Development, Marketing, Marketing Research
General	June/December 1985	Management Accounting, Principles of Management, Marketing, Finance, Computers in Accounting, International Marketing, Economics, Quality Control, New Product Development, Cost Accounting, Strategic Planning, Production Management
Computer	June/August 1985	Systems Analysis
General	February/July 1986	Human Resources Management, Economics, Managerial Accounting, Marketing, Production Management Business Law, Banking and Finance
International Trade	August/December 1986 July/December 1987 May/July 1988	International Trade, Business Law, International Finance
Marketing	February/May 1987	Marketing Research & Information Systems, Advertising & Promotion, Consumer Behaviour
Institutional Administration	July 1987	Academic Administration in Adult Education
New Product Development	September/December 1987	Industrial Products Marketing Strategy, Technical Economics Feasibility Study, Management of Research & Development, Investment Decision Making, Money & Financial Markets, Corporate Finance

Table 5 , cont'd

Marketing	February/May 1988	Marketing Strategic Planning, Marketing Information Systems & Market Research, Sales Management/Advertising/Public Relations/Promotion, New Product Development, Economic Feasibility Study, Organizing Technology
Consulting	September/December 1988	Marketing Consulting, Production Management Consulting, Finance Consulting, International Investment Feasibility Study, Corporate Finance Management, Investment Decision Making & Project Evaluation, Money and Finance Markets.

Source: Association of Canadian Community Colleges (ACCC) International Bureau, "Chengdu Management Training Project: Project Final Report for Completed Components, Phase I," (Toronto: ACCC, undated). p 8; Basic Group of Companies, "Final Report: Mid-Term Evaluation Enterprise Management Training Program/Chengdu, Phase II," (Calgary: March 28, 1989). p. 5-10.