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## NEWS RELEASE

### ***Two IRPP Studies Explore Links Between Democracy Promotion, Economic Development and Peace-Building***

**Montreal** – Democracy promotion has become an important element of Canadian foreign policy and foreign aid, as expressed in recent statements by Foreign Affairs Minister Pierre Pettigrew and Minister of International Cooperation Aileen Carroll. With this increased attention, the Institute for Research on Public Policy (IRPP.org) released two new studies today that examine the relationship between democratic development, economic growth and peace-building.

#### **“Democracy and Economic Development” by David Gillies**

In the first study, David Gillies, who is currently on secondment from CIDA and based at Foreign Affairs Canada, surveys research on the link between democracy and growth, which is often cited by aid donors. And he underlines the quality of governance as an important influence on economic performance.

“There is no ironclad law defining the relationship between democracy and economic growth,” concludes Gillies. “The effects, where they are demonstrated, appear to be more subtle and indirect.” To illustrate this point, the author highlights democratization’s positive impact on some of the determinants of economic development, such as education, human capital formation, inflation, investment, and income inequality.

In the absence of a direct link between democracy and economic growth, the author says international donors may need to look to other kinds of claims, such as foreign policy values, to promote the intrinsic worth of liberal democratic values. Gillies suggests donors focus on the enabling conditions for growth and development such as “promoting accountability, transparency, and a predictable set of rules to govern economic interactions and public policy.”

#### **“Democracy and Peace-Building” by Jane Boulden**

In the second study, Jane Boulden, who holds a Canada Research Chair in International Relations and Security Studies at the Royal Military College of Canada, observes how democratization has become part and parcel of post-Cold War peace agreements and post-conflict peace-building efforts carried out under the auspices of the United Nations. She argues that more attention needs to be given to the details of the connection between democratization and peace-building.

The author concludes that in assessing the role of democratization in peace-building, policy-makers should give greater attention to the balance of liberal principles with those of democratic process. This distinction matters, says Boulden, because “it forces us to ask questions about what

we emphasize as founding principles and what methods to use when engaging in postconflict situations.” Democratization, often cited as a necessary and urgent component of the peace-building process, may not be the full answer in all situations. The initial phases of postconflict recovery may require greater emphasis on liberal values such as individual freedom and the rule of law.

Boulden also concludes that “individual states and the United Nations both need to develop better, more nuanced, understandings of the process of democratization and its impact on postconflict societies.” This is important to ensure that peace-building interventions are appropriately tailored to a given situation.

“Democracy and Economic Development” and “Democracy and Peace-Building” are the latest *Policy Matters* studies to be released as part of IRPP’s International Democratic Development series. They are now available free of charge, in Adobe (.pdf) format, on the Institute’s Web site, at [www.irpp.org](http://www.irpp.org).

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Founded in 1972, the Institute for Research in Public Policy (IRPP.org) is an independent, national, nonprofit organization based in Montreal.

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