

amounts of official resources. A Canadian equivalent would probably have to begin modestly and expand its contacts, expertise and capabilities gradually. Even if it should not appear immediately practicable at present, the Subcommittee believes that the prospect has sufficient merit that it should be re-examined regularly in the light of changing needs and circumstances.

175. One final aspect of official cooperation relates particularly to the stimulation of viable enterprises owned and managed by national of the developing countries themselves. The assistance provided by the non-profit Canadian Executive Service Overseas, (which is partially financed through CIDA's Special Programs Division), has made a substantial impact in a relatively short period of operation. (It was founded in 1967). This scheme should be maintained and expanded. In addition to its basic pool of retired executives, CESO attempts to enlist specialized personnel now serving with Canadian companies. More corporations should be encouraged to release serving executives for temporary service on overseas projects, under CESO's auspices.

176. The initiatives for such requests may come through various channels, (e.g. government-to-government; business-to-business; or some less direct route), but good communication at the Canadian end can effectively mobilize and coordinate efforts in the private sector.

### 3. THE AID RELATIONSHIP

#### i) The Possibility of Partnership—

177. Many of the viewpoints in this report are at variance with traditional ways of thinking in Canada about international development. Official and public attitudes, however, have been evolving steadily over the past few years. Canadians have ceased to speak of "foreign aid" or "external aid" and have increasingly thought in terms of "international development assistance" or "development cooperation." These changes are more than mere semantics. They represent a new sensitivity and hopefully a whole new conception of the relationship between Canada and the less-developed countries.

178. Canadian cooperation, the Subcommittee has concluded, is motivated by the extension of a sense of social obligation and justice beyond the national borders. The primary objective of this cooperation is the generation of self-sustaining economic and social development in poor countries. It is increasingly being recognized that the achievement of this goal will involve a sustained and concentrated global effort. The assistance of Canada and other developed countries, even at a much-increased level, will be a quantitatively small factor in relation to the total resources generated by the developing countries themselves. Under the proper conditions, however, these additional resources, supplemented by cooperative policies in other areas, can ease the task of development very appreciably.

179. Viewed from this perspective, the observations and recommendations advanced in the previous sections of this report are all aimed at a more sensitive and consistent overall Canadian approach to international development. The same is true of these final proposals which deal with some of the more intractable problems involved in the actual management of international development cooperation.

180. The several international reviews undertaken in recent years together represent a kind of charter of the rights and responsibilities involved in a true "partnership for development", (to use the Pearson Commission's phrase). Like any partnership, this one can only be operated successfully on a basis of mutual respect, confidence, and good communication. These conditions are rarely achieved with ease anywhere, and in the development relationship the difficulties are particularly severe. The developing states are generally very nationalistic and jealous of their newly acquired sovereignty. This often makes them sensitive about attempts (real or imagined) by rich countries to dictate internal policy. At the same time, the governments of "donor" countries are intent upon ensuring that assistance funds, raised through taxation at home, are being utilized as effectively as possible. Clearly, the potential for friction is high, and it frequently occurs.

181. Economic progress is a basic shared objective of both parties to development cooperation, and there are a number of indicators available for measuring overall economic performance. The Pearson Commission made a series of proposals, (mainly in Chapter 6), which showed that the process of evaluation, undertaken through close consultation on a basis of equality, can be not only harmonious but very constructive in its own right. It was pointed out that consortia, consultative groups and various kinds of multilateral organizations can be extremely useful forums for this kind of joint planning and review.

"The most important advantage of the multilateral process is the fact that it is mutual. It gives recipients an opportunity to monitor donors, and donors to monitor other donors, as to the performance of their commitments, the quality and terms of proffered aid, the criteria of performance and the ties and strings attached to aid. Foreign aid becomes a matter of mutual cooperation between many partners, and not as it has sometimes been an awkward political relationship between two countries." (Pearson Commission Report, p. 130).

Evidently it would be advantageous for Canada to cooperate actively in the trend toward more multilateral evaluation of this kind.

182. Whatever the forum for review, the Subcommittee urges that Canada adopt, and press for, broad and flexible criteria in the evaluation of development perform-