

*Financial Institutions*

program. People perceive the Government as not understanding the financial and economic forces that exists in the country today.

As well as the domestic crisis, we have the international crisis. This focuses on Third and Fourth World peoples, hundreds of millions of whom go to bed hungry and many of whom exist in various stages of malnourishment. Nearly one-quarter of the world's population lacks the basic social and economic infrastructures so desperately needed to enable them to become more self-sufficient and self-reliant.

How do we as Parliamentarians rise to this challenge, this double responsibility of assisting the global community and of ensuring that our domestic economy is adequately taken care of? In a rhetorical way I should like to explore the question of why this legislation is before us. What are some of the fundamental bases of the legislation? I think they can be boiled down to three. First, there is the humanitarian aspect of foreign aid legislation and the fact that Canadians have a long tradition of wishing to help where they can. Second, unlike this very generous ethic of humanitarianism, there is the aim of many people, to stop the threat of creeping communism. That was one of the bases of our participation in global assistance in the 1950s. One of the identifiable reasons for becoming involved with Third World countries was to stop communism. The third thing is, I suspect, that one of the bases of our support for the foreign aid package is that it actually assists many Canadians. Although it would appear that we are interested in assisting Third World countries, when one looks at the way the assistance agreements are drawn, one finds that, more often than not, Canadian business, and therefore Canadians generally, are assisted as well.

In terms of the humanitarian basis for helping those in need, when one looks at how successful we have been from the early 1950s up to the present time, one finds that our efforts have not been all that significant. Too often, our foreign aid programs have resulted in only those at the top of the socio-economic ladder being assisted, while the people who needed the assistance most received only minimal benefit.

I suspect that any effort we have made to stop communism—although that is a questionable motive—has not been very successful. Where we have made some gains is in our attempt to assist our own business sector. I do not think that is anything to be proud of, however. If we were committed to assisting the people of Third World countries as opposed to maintaining the status quo there, then if more of our aid was moved through multilateral as opposed to bilateral agreements, that would be a much more appropriate way of getting money and assistance to the people who need it most.

I should like to identify three or four areas of particular concern to the New Democratic Party in the hope that when the Bill goes to Committee for examination the Government will take some pains to present responses to these questions.

One area is the detailed accounting of how the moneys of the various financial institutions that we support are spent. Thanks to the work of the news media and certain opposition parties, one of the difficulties that Parliamentarians face is that the exceptions to the rule, those foreign aid projects that

have gone awry or have not worked out, get all the publicity. They are presented as examples of why we should reduce foreign aid support.

When the Bill gets to Committee I think it behooves Members to identify the ways that the various institutions, such as the African Development Bank, the Asian Development Bank and others, have made substantial improvements on behalf of the areas in which they have been operating. Then we could start playing up more and more of the positive aspects of foreign aid which Canada supports as opposed to the negative ones. An example would be in the country of Belize. A very good friend of mine has spent time in Belize in the last number of months. He returned the other day feeling somewhat disappointed because the work which Canadians were doing there and the financial support of the Canadian Government was not recognized by the people of that country. They assumed that it was American aid and that the Americans were behind the particular project. I encourage our people in External Affairs and in CIDA to ensure that, where Canadians are involved in funding Third World projects, we receive credit for the participation.

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Also I encourage Committee discussion to focus on the need for Canadian funding to move into the hands of those people for whom it is intended. When we examine our foreign aid participation over the years, we discover that too often it has simply served to maintain the status quo in many countries, a status quo which ought to be changed. If Canada is to fund these international institutions, it is imperative that every effort be made to ensure that that support gets into the hands of the people for which it is intended.

Also, if we are to fund these various institutions, more attention ought to be paid to human rights violations which exist in many countries that presently receive aid from Canada. This is something about which Canadians feel very strongly. If we are to fund projects and to assist people in Third and Fourth World countries, we should put a great deal more pressure on their governments to ensure that human rights violations are reduced.

Lastly, I mention one aspect where I feel our foreign aid over the years has fallen significantly short. Too many of us with perhaps heritages in Western Europe looked at what happened after the Second World War in countries such as West Germany. With financial assistance going to countries such as West Germany and Japan, we saw that those people were able to build up their economies very quickly. Therefore, I think many Canadians expect the same from Third and Fourth World peoples. They expect, with financial support for certain institutions, be they mines, factories, mills or various other manufacturing opportunities, the people of Third and Fourth World countries to respond as West Germany and Japan did in the past.

But this thinking fails to recognize that Japan, West Germany and other western European nations had very sophisticated social infrastructures in place on which to build. They