

*Bretton Woods Agreements Act*

rary. They were from areas with the same political structure and in some cases somewhat the same economic structure. The mother country, in the process of colonizing Canada, expected it to be a supplier of goods. Basically we developed in that mode, but now we have removed ourselves from political and economic colonialism. Although exploitation was part of the reason for the development of the new world, Canada and the United States, it did not work that well in the end, as far as mother countries were concerned.

In many Third World countries the situation was quite different. Exploitation was imposed in the sense of making use of part of the social structure of those countries to provide European countries, the colonial masters, with the materials they needed to become rich and powerful, with very little effort being made to establish a long-term economic structure to help Third World countries survive. In Third World countries one kind of colonialism has been traded for another. The political colonialism of the past has been traded for financial colonialism and for industrial colonialism—for economic colonialism, if we take them together. Sometimes the mother country has been replaced entirely by faceless multinational corporations, which do not even have the basic interests of the colonial masters of the past. They are faceless corporations which have a bottom line mentality, and any expense which might reduce their profits is considered unacceptable.

If we travel through many Third World countries, we find in the minds of the people—and sometimes even in the minds of their Governments—that the economic colonial master is generalized as the West. In the past, the West has been the basis of the money which has gone into the institutions which are supposedly lending money for the good of these countries or in a suggested attempt to let them develop on their own. Also we find something which concerns me greatly, the almost unlimited arrogance of the West. That arrogance is imposed upon these countries by the institutions which are being supported in this Bill. I have worked in the Third World long enough to know that those countries have found themselves in a position of having to accept money. Since that is so, the World Bank immediately imposes conditions on how the money will be used. In many cases it is not used in the best interest of the country, but in such a way as to increase trade with the western countries that support the IMF and the World Bank. That arrogance is manifested by their actions across the Third World and in the actions of the World Bank in the control of capital in such a way that the dictation of how the money is used has changed the social structure of the countries using it. These countries have experienced the imposition of colonialism of a different kind by the World Bank and the IMF, but it is colonialism all the same. Instead of political colonialism, it is economic, financial and, to some extent, cultural colonialism.

I should like to refer to the net result of this. I say “net result” because sometimes the original idea was worth-while and even the structure was worth-while. However, the net result has been hindrance rather than help. These institutions, through their control of capital, have imposed various kinds of trade on the countries to which they have lent money. In many

cases, when a country receives a loan, it finds that aid from western countries which support the World Bank is reduced because it now has money to buy the product which it normally received in the form of aid. However, it is not quite given enough and is forced to buy from countries which support the World Bank. It finds itself unable to penetrate markets where it could purchase cheaper goods.

By supporting loans from the World Bank, the western world has indirectly forced these countries to buy western world products and to continue to buy those products, sometimes at a much higher cost than they would have paid had they been able to buy on the world market. Also, acceptance of these loans allows no break in the servicing of them. These countries are already in trouble, but there is no break in the servicing of the loans until they find themselves in a position where they are unable to repay them. When they reach that point, they no longer have control of their economy. It is then controlled by the IMF and the World Bank. After they have borrowed, they find themselves subject to circumstances imposed by these institutions.

Lately we in this Parliament have been looking at farm financing. It has bothered me greatly that there is an amazing parallel between what has happened to these countries and what has happened to the farmers in those countries. They accepted loans which are now causing them trouble. They find it difficult to survive. That is exactly what happened to these countries. They accepted loans on the understanding that these magnanimous institutions would help them. They now find that they are unable to repay these loans. They are in trouble and are being forced to do things which they consider to be as a result of an injustice.

● (1620)

History has shown that these western supported and controlled institutions will, if the country is unable to repay, intervene, not on behalf of the client country, but on behalf of the financial institutions which support them. It is to be expected, except that the charter says that these institutions were put in place to assist the client countries, not the banks or the countries that supplied them with the money.

We in this Party are not debating this Bill in an attempt to stop the marginally effective operation of the international financial structure. We know we cannot do that. After the length of time it has been in place, we recognize that it is necessary for it to continue. Let us not kid ourselves that any of these institutions operate on behalf of Third World countries. Let us recognize that these institutions are effectively assisting the financial and economic colonialism of the Third World.

This country, and I suppose the whole world, should recognize that the IMF continues to use its leverage to contravene the very reasons for which it was set up. The financial and economic colonialism which is now in place impedes other countries, including our own, from assisting in economic development. We find that aid from Canada is more difficult to