Canadian Government will be able to take a firm position and, if at all possible, energetically support this new aid measure.

- d. The Allocation of Development Assistance-
- i) The Destination-
- 45. The Subcommittee has expressed support for the Government's identification of "economic and social development" as the primary objective of the Canadian programme. Within that overall objective, however, there has emerged in the recent climate of reassessment a new priority to which Canadians and others have become increasingly sensitive. In his testimony, the former President of CIDA expressed it this way:
 - "...I would suggest that there is a much more human attitude toward development current these days and a greater acknowledgement that economic development is really a means to the achievement of the social goals and social aspirations of people and not an end in itself". (p. 6.25)

He also pointed out that

"There has been far greater concern expressed that gaps should not open up and elites become rich and isolated in the low-income countries; that development should, in fact, benefit the needlest in this world." (p. 25)

His successor at CIDA announced very early that this concern was to be one of his foremost priorities.

- 46. Naturally, the Canadian concern with the equitable distribution of the benefits of development within developing countries will be a matter involving considerable sensitivity in inter-governmental relationships. Nevertheless, the Subcommittee considers this a thoroughly legitimate and indeed urgent concern for the Canadian Government. It should be a primary determinant of the types of development cooperation engaged in by Canada, and of the extent of cooperation offered to different countries.
- 47. With regard to more specific "allocation" policies for bilateral development assistance, two major questions emerge. The first concerns the principle of "concentration" which has been adopted by the Canadian Government. The second concerns the criteria for the selection of the countries with which Canada will cooperate, particularly on a basis of concentration.
- 48. The rationale for the concentration of the Canadian programme is a convincing one. Canada's resources, even if substantially expanded, could not have any significant impact if they were spread over a very large number of developing countries. This in fact seems to have been a weakness of the Canadian programme at the time when it first underwent significant expansion. The burden and cost of administration would also be greatly magnified. The basis of bilateral cooperation is the assumption that the donor country has some particular capability, familiarity or technical expertise which is especially required by the recipient partner. On this basis, different donors

have quite naturally concentrated their efforts in the past in different countries or areas.

- 49. The criteria for selecting areas of Canadian concentration in the past appear to have varied from time to time, but a definite pattern has now emerged and is being fairly consistently maintained. Although the Policy Paper did not specify the areas designated for future concentration, the Subcommittee understands that, in general, the present pattern will be maintained.
- 50. At present the countries or areas of concentration under the Canadian program are India, Pakistan, Ceylon and Malaysia in Asia; Ghana and Nigeria in Commonwealth Africa; Francophone Africa, particularly Tunisia, Senegal and the Cameroun; the Commonwealth Caribbean; and to a lesser extent Latin America. Indonesia has recently been designated as an additional country of concentration. Apart from the original reasons for the selection of these countries or areas, two further arguments for continuing to focus Canadian efforts there have now emerged. The first is that, by all international standards, these Canadian programmes have in the main enjoyed a large measure of success. The second is that the working experience in these countries has provided the agencies and individuals involved with an invaluable familiarity with conditions, procedures, and personnel. As one witness pointed out to the Subcommittee this kind of expertise is particularly scarce in Canada because of the lack of a pool of former colonial officials. The working relationships established may now be expected to lead to increased effectiveness in the programmes in present countries of concentration.
- 51. Although the Subcommittee supports the principle of concentration, and the general pattern of concentration now in effect, this principle should not and cannot be applied too rigidly. In practice, there are bound to be year-to-year fluctuations of allocations which will appear to depart from this principle. An inflexible approach may also impede gradual adjustments in emphasis to respond to new needs and opportunities. The Subcommittee therefore suggests that, while the concept remains valid and the approach useful as a planning tool, repeated public commitment to "countries (or areas) of concentration" could fix the Canadian aid programme in an inflexible mould.
- 52. A further side-effect of a policy of concentration must also be noted, however. In the smaller developing countries, a concentrated programme of Canadian assistance can lead to a greatly expanded and very noticeable Canadian presence. This, in turn, may result in concern about over-dependence and possible suspicion about Canadian intentions in some sectors of opinion in the country concerned. Canadians are, of course, unaccustomed to this kind of relationship, and a good deal of sensitivity will be required to prevent it from reducing the effectiveness of aid programmes or even damaging overall relations.
- 53. The present policy envisages the allocation of approximately 80 per cent of total bilateral assistance to