

- Where countries have a poor human rights record but not so extreme as to justify the termination of aid, Canada's development assistance should be channelled mainly through the private sector and particularly through non-governmental organizations that work directly with the poor. In addition, it should be the policy of the Canadian government in such cases to direct a portion of its assistance to organizations that are struggling to maintain and protect civil and political rights.
- Where countries that qualify for Canadian assistance are showing improvement in their respect for human rights this should be encouraged by a substantial increase in assistance.

Apart from bilateral aid programs, Canada is a major supporter of a number of international financial institutions (IFIs)—such as the World Bank and the regional development banks—which are very important sources of development finance for Third World countries. Some submissions to the committee argued that Canada should press the IFIs to establish human rights criteria for the granting of loans and other assistance. This would be a departure from the established IFI principle, defended repeatedly by Canada, of judging applications solely on their technical or developmental merits. The committee is acutely conscious of the dangers of further politicizing the IFIs in the name of promoting human rights. Nevertheless, we recognize that the most extreme violations of human rights destroy the possibility of economic and social development. Accordingly, we recommend that Canada use its voice and vote at meetings of international financial institutions to protest systematic, gross and continuous violations of human rights.

Finally we come to the most serious sanctions, short of war, that can be applied in response to persistent and extreme human rights violations—economic sanctions and the breaking of diplomatic relations. In the case of economic sanctions, government goes beyond regulating its own international relations to control private trade and commerce. There was debate before the committee as to whether and under what circumstances such action could be effective. Our general conclusion is that the interdependence of modern economies does indeed make them highly vulnerable to international economic boycotts of trade and investment, but that vulnerability is directly proportional to the extent and duration of the boycott. The basic requirement for effective economic sanctions, then, is that they be supported as universally as possible by the international community. Failing that, a sanctions policy, particularly of a middle power like Canada, can still have symbolic value.

As for breaking diplomatic relations, this runs strongly against the Canadian tradition of accepting the *de facto* government of a country as the authority with which Canada will deal. Moreover we think it self-defeating to terminate relations in any circumstance where there is hope of change for the better or opportunities for Canada to help out. It should be seen as the last card to play, after which one is largely removed from the game.

Human Rights Development

Thus far we have discussed a human rights protection policy conducted through international law and sanctions. The committee is convinced that, while strengthening this approach, Canada should move forward and create a positive human rights development program as well. Through co-operative programs of financial support, exchange, research and technical assistance, Canada should contribute to the long-