

First, the resources allocated to foreign aid serve directly to stimulate the growth of our economy by contributing to the level of production, exports and employment.

Second, the provision of foreign aid enables Canadian producers, engineers and educators to gain valuable experience and Canadian products and skills to become known in new areas.

Third, in the process of providing foreign aid the horizons of Canadians are enlarged and Canada's image abroad is more clearly projected.

Fourth, the use of Canadian goods and services gives Canadians a stake in foreign aid which, I am sure, has helped to enlist and maintain public support in Canada for an expanding foreign aid programme.

If the ultimate effect of foreign aid is intended to be economic, its political significance can hardly be overstated. For we must remember that foreign aid is being injected into countries and societies which are, without exception, caught up in a tremendous process of transformation. Many of these countries have only recently attained their independence. More often than not, independence has accelerated the pressure for change and has heightened impatience with the pace at which it is proving possible to mobilize the resources and the skills that are required to achieve progress on the social and economic front. This is what is sometimes referred to as "the revolution of rising expectations" and it is being fed by knowledge of the vast potential benefits that science and technology have to offer to twentieth century man. The newly independent countries are determined to break out of the vicious circle of poverty and disease and illiteracy into this modern technological society. They are not prepared indefinitely to tolerate conditions in which the rich are growing richer and the poor are staying poor. They recognize that change cannot come overnight but there are deadlines which the governments of these countries can ignore only at their own peril.

The political implications of all this are clear. In the first place, as I suggested at the outset of my remarks, we cannot reasonably look for any real measure of stability or security in a world, two-thirds of whose inhabitants are living in a state of social ferment and economic discontent. I do not suggest -- and I do not believe anyone would suggest -- that foreign aid can provide anything like a complete answer to the problems of the developing countries. But, coupled with the efforts of these countries to create a sound basis for development, foreign aid can provide the beginning of an answer. Above all, it provides reassurance to these countries that they will be able to move forward in a co-operative world environment.

Secondly, we must remember that the need to mobilize resources for rapid economic development poses problems of the greatest magnitude in countries where a majority of the population are living at or near the level of bare subsistence. The basic problem, I think, from our point of view is whether in those conditions the development process is to go forward in a framework of freedom and respect for the uniqueness and diversity of men or whether it is to go forward under the impetus of political coercion and