

tified as being under challenge: textiles, clothing, wood products, electrical apparatus, leather goods and footwear, toys and sporting goods. The Council estimates that 250,000 workers in Canada in 1971 were employed in the affected industries, which represented 15 per cent of all manufacturing jobs or 3 per cent of Canada's total employment. Most crucial in political terms, by far the largest concentration of the key affected industries is in Ontario and Quebec. Ruling out the possibility that workers in Central Canada could adopt the "Maritime" solution for seeking employment, that is, to move further west to seek new occupations in expanding industrial and resource development in Western Canada, the Economic Council suggests there are only two alternative courses of action worth consideration:

The practical question is . . . whether efforts to maintain . . . (the regional political balance) . . . should take the form of an increasingly difficult, and perhaps ultimately hopeless, attempt to save jobs by import protection or . . . that of determined strategy to revitalize the vulnerable regions — and replace the present noncompetitive activities — through programs of industrial adjustment and redeployment.

The Economic Council decided to opt for the latter response. A major concern, however, is that the industrial adjustment and redeployment plan, which requires federal planning and a national consensus to create and support a \$4 billion fund for "regional renaissance", must be tied closely to a timetable for liberalization of trade. In addition, this package approach requires an advance agreement on a date for, "... the reduction of import barriers in the vulnerable sectors . . . ." The "release point" that the Council envisages would occur in approximately 15 years and it would be premised on "... a lower national rate of unemployment . . . indicative of a condition of overall economic buoyancy and employment growth". This sets out not only the time when the program of trade liberalization would begin, but also the earliest date that the Council is prepared to advocate any untying of bilateral aid. There are several general comments which should be made. Firstly, the Economic Council assumes that the political will exists in Canada, at the federal, regional and provincial levels, to support such an expensive and elaborate strategy. Let us take just one example of what is required in terms of political commitment. The Council suggests that one possible structure to implement the strategy "... might be a development corporation — at least for the Central Quebec/Eastern Ontario region — that could implement an integrated design developed through federal-provincial co-operation." Given the presence of a Parti Quebecois government in Quebec and the more general sensitivity of Quebecers to federal intrusion in Quebec's affairs, the evolution of a political will for joint action between Ottawa and Quebec is hardly

likely. Secondly, it is conceded by the authors of the Report that the advanced developing countries will be the primary beneficiaries of the strategy. In the interim and beyond, the majority of underdeveloped countries will not receive the tariff reductions so essential to their ability to overcome "underdevelopment". Thirdly, since the poorest underdeveloped countries depend so heavily on aid, the possibility of our bilateral program becoming untied, and therefore more relevant to their needs, will be delayed for a further fifteen years at least until the magical release point is achieved. Fourthly, the continuation over the short term of protectionist policies by Canada in the face of increasingly vociferous demands by Third World countries for meaningful reforms will not assist the promotion of Canadian exports beyond our traditional markets. Finally, but of no less significance, the Council assumes away the problems of "underdevelopment" which Canada itself faces. There is no consideration of the extent to which key decisions on the future of our vulnerable industries are centered in Head Offices located outside Canada.

### Conclusion

*For A Common Future* portrays the economic position of Third World countries from a simplistic perspective. The Economic Council's analysis is based on a false belief in the relevance of the liberal economic model of development. The authors have failed to appreciate that the political demands in the movement for a new international economic order derive from the persistence of a condition of underdevelopment in the majority of Third World countries. Although the shift in emphasis in aid theory towards a concern for the social impact of development projects and the basic-needs strategy represents a more appropriate basis for assistance, fundamental reforms in trade, monetary and investment patterns and the transfer of technology are required. The Economic Council, given its initial assumptions, never reaches the stage of identifying and assessing the central issues facing Canada. How can we account for the inadequacies of *For A Common Future*?

Three factors can be isolated in attempting to explain its shortcomings. The first is the overwhelming dependence by the Economic Council on economists schooled in and committed to liberal economic theory. Policy advice, such as that advanced by the Council, must be broadened to include more wide-ranging perspectives. This requires not only a broader outlook on the part of economists, but also the involvement of other disciplines which share an interest in the study of underdevelopment. Beyond this obvious criticism is the failure of the report to seek and assimilate the criticisms and recommendations of aid recipients.

Secondly, it is apparent that the authors have concerned themselves to a large degree with antic-