

to the OECD to provide new perspectives and forge a new international policy consensus.

### **OECD and the Changing World**

The OECD has helped its members to situate themselves in an increasingly interdependent international economic system. The developing world has changed significantly since the OECD was formed in 1961. Some newly industrializing economies, such as South Korea, Hong Kong, Singapore and Taiwan, have begun to match or overtake some OECD countries in income per capita and trade in manufactured goods. At the same time, many middle-income countries, notably in Latin America, and the poorest sub-Saharan African countries have faced staggering debt burdens, which have hindered growth and worsened living standards. In contrast to the early days of the OECD, the different situations in the developing countries and varying approaches taken by each of them, as well as their importance in the global economy, have been striking.

Accordingly, the OECD has increasingly focused on such questions as developing countries' access to international finance, the role of foreign direct investment, and the impact of developing countries on the world economy. For OECD countries, ensuring that domestic growth supports growth in the Third World has been a fundamental objective. The OECD's responsibilities in this respect have been the object of policy developments expressed most notably in the ministerial communiqués in the late 1980s.

As well, the OECD's Development Assistance Committee (DAC) examines the aid policies of member countries to determine the most effective instruments for alleviating poverty and promoting development. The DAC has succeeded in setting international standards for aid, in promoting more and better Official Development Assistance (ODA), and in ensuring that aid policies of OECD countries do not work at cross-purposes. The severe drought conditions of the Sahel countries in the 1970s led to the creation of the OECD's Club de Sahel which serves as an important body for the co-ordination and implementation of aid strategies in the region. Finally, the organization's Development Centre provides a forum for international exchange of experience with developing countries, and research focusing on development and interdependence.

Canada has consistently been among the most strongly committed of OECD members to economic and social development in the Third World. Canada has used the DAC as a sounding board for its own aid program, and has encouraged other OECD members through the DAC to increase and improve their aid. Canada provided \$2.7 billion in ODA in 1987/88, which represented 0.5 per cent of Canadian GNP, well above the DAC average of 0.36 per cent. In the 1980s Canada has stressed sustainable economic and social development, partnership with developing countries, alleviation of poverty, and promotion of social justice as major themes for development co-operation.

### **Agenda for the Future**

Unemployment, structural imbalances, protectionism, an unsettled world financial system, hunger in Africa, the challenge of technological change and environmental hazards are continuing concerns. New problems, impossible to foresee, will certainly emerge as global interdependence increases, and the need for international co-operation will become all the more important.

The experience of the 1970s and early 1980s has made the OECD more able to anticipate improbable events and heed signals of change in the international economic environment. The organization has shown the ability to adapt to new circumstances. Canada is confident that the OECD will continue to evolve, to deal effectively with the challenges the future presents, and to remain an important instrument of international co-operation.

### **OECD Publications**

The OECD publishes some 120 titles each year in English and French, the two official languages of the organization. In Canada, OECD publications can be obtained through:

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