

Massachusetts Institute of Technology Press, in paperback, for \$5.95. In my judgment, it is the single best exposition of the global condition that we face today with respect to economic and social development. This subject is of central concern at the United Nations, which is going to hold a special session on development beginning August 25. This is the first special session of the United Nations on development since 1975.

Another reason for the timeliness of the debate is the proposed north-south summit which will bring together some 25 world leaders from northern and southern countries. Discussions are now going forward to bring these 25 world leaders together in 1981. That is a principal recommendation of Brandt.

The Summit of the western seven which just met in Venice will meet again next year in Canada. There is every indication that the north-south question will be central to the summit at which Canada will be host. This must be taken together with the creation of a parliamentary task force on north-south relations, one of the special task forces established by this House some time ago. When we put all that together, we see the urgency of Canada responding to the challenges that we face as we enter the next development decade, the 1980s. A round of global economic negotiations will begin following the special session of the United Nations general assembly on development.

From a bird's eye view, one can see the urgency of Canada formulating a position to be announced at the special session on how to break the north-south log jam that has developed over the last few years. I pay my compliments to the Deputy Prime Minister (Mr. MacEachen) who was a co-chairman of the forerunner to what will be north-south conferences throughout the 1980s, and a forerunner to the conference of economic co-operation otherwise known as the Paris conference of 1975-76. The Deputy Prime Minister was co-chairman along with his colleague from Venezuela. That was an important milestone in bringing together for high level discussions what can practically be done and where are the areas of priority. I will return in a moment or two to these special areas of priority.

With this sense of urgency I have outlined, I make my plea that Canada establish realistic, sensible policies with respect to food, energy, trade and monetary finance. Monetary finance is the centrepiece of the bill we are now debating. We have to consider the present state of the world. Why is this an urgent situation for Canada among its industrial partners, otherwise known as the north? Why is it important?

There again, if we look into the Brandt report we can see some very succinct summaries of the grave conditions which the world faces. In fact, Brandt says the world faces much greater dangers than at any time since the Second World War. The world economy is functioning so badly that it damages both immediate and long run interests of all nations. The problems of poverty and hunger are becoming more serious and, as we know, there are already some 800 million people living in extreme poverty and their numbers are rising. Short-

ages of grain and other foods are increasing the prospect of hunger and starvation.

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We have also to consider that over the next few decades the addition of two billion people to the population of the world will cause much greater strain on the world's resources. The industrial capacity of the north is underused, causing high unemployment, while the south, that is to say, the developing nations, are in urgent need of goods which the north can produce. Rapid inflation, erratic exchange rates and unpredictable interventions by governments are seriously disrupting international trade and investment.

We have had discussions in the external affairs committee particularly on this subject from time to time. I must say in passing that I find it disgusting that the House of Commons so seldom debates questions of world economics bearing in mind the great importance of this subject. Nonetheless, we have an opportunity today to note that closing the gap between rich and poor is no longer just a matter of striving for social justice, though that goal is still paramount.

It is also essential to the continued development of the industrialized north. The north itself has more interest in common than is generally recognized, and this is what Brandt is trying to tell us. Energy, commodities and trade, food and agriculture, monetary solutions and inflation control, technological innovations, ground and space communications—these are some of the areas which are drawing us together whether or not we live in the industrial nations or in the developing nations.

I believe that what we have learned as we go into the third development decade is the need for a two-pronged approach in order to make progress in north-south relations, to ensure a better exchange of trade, a pace of development quicker than is presently taking place throughout Third World countries. There must be a renewed emphasis on basic human needs. That is the first element and that is where, in my view, official development systems programs administered by the Canadian International Development Agency have gone astray in the seventies.

I say this because the agency emphasized projects of a very large nature often to the neglect of the human needs of countries in great distress. Even at this moment, though we recognize there is great need today in countries like Zimbabwe, Uganda, Nicaragua and Kampuchea, the inflexibility of Canada's aid program prohibits us from dispatching money quickly to areas of great distress which the people of Canada would, I believe, be greatly concerned about assisting. For greater detail on this particular aspect, the inflexibility of Canada's aid program, I would draw the attention of hon. members to minutes of recent meetings of the Standing Committee on External Affairs and National Defence.

In any event, the first element of the two-pronged approach is greater emphasis on basic human needs within our aid program. The second is the reform of international institutions. Improvements must be made in the trade and monetary sys-