

I am sure the Commission were right in anticipating that that would not be the reaction of Canadians. In fact, the very contrary has occurred. As Canadians have expanded the range of their travel, as they have learned more, through their reading and through the public information media, about conditions in the developing countries, they have wanted to go beyond what is being done in this field by the Canadian Government through the use of public funds. And today an increasing number of Canadians, as individuals or through organizations formed for this purpose, are involving themselves in Canada's foreign aid programme. That this expanding degree of participation by Canadians owes its inspiration essentially to human, if not humanitarian, considerations, of that, I think, there can be no doubt.

The fact that foreign aid is morally the right course to follow is not inconsistent with its being justifiable on more pragmatic grounds. I remember Barbara Ward putting the point as follows in her inaugural contribution to the Massey Lectures some years ago:

"To me, one of the most vivid proofs that there is a moral governance in the universe is the fact that when men or governments work intelligently and far-sightedly for the good of others, they achieve their own prosperity too.... 'Honesty is the best policy' used to be said in Victorian times. I would go further. I would say that generosity is the best policy and that expansion of opportunity sought for the sake of others ends by bringing well-being and expansion to oneself. The dice are not hopelessly loaded against us. Our morals and our interests -- seen in true perspective -- do not pull apart."

In almost all countries today it is accepted that the maintenance of high levels of production and employment depends on the existence of adequate demand. Indeed, we are spending vast sums of money each year to stimulate demand by means of advertising and in other ways. At the same time, there are millions upon millions of disenfranchised consumers in the developing regions of the world whose potential demand upon our productive facilities remains to be unlocked. Surely, then, it is in our common interest -- that is to say, in the common interest of the advanced countries and the developing countries -- to enable these countries to make their proper contribution to the world's wealth and to participate more fully in world trade. Admittedly this is a long-range objective of foreign aid but it is one which, I think, we cannot with impunity afford to ignore. It is an objective of particular relevance to a country like Canada which, as one of the major trading countries of the world, has a vested interest in expanding world trade.

The economic benefits of foreign aid are not, however, limited to the longer term. We in Canada have followed the practice of providing aid largely in the form of Canadian goods and Canadian services. I am aware that this practice -- which most other donor countries have also followed -- has met with some degree of criticism. So long, however, as we continue to provide the developing countries with goods and services which Canada can supply on an internationally competitive basis, I think a good case can be made for a country like Canada to provide its aid in that way. The advantages as I see them, are fourfold: