

Productivity and Trade

under-employed. As a result the developing countries now lack internal markets, even when they have enclaves of high technology and productivity. "In the colonial model, industrialization employs fewer workers than it ruins artisans," Amin notes. Consequently developing nations must have export economies, which lack the national integration and self-reinforcing tendency to growth characteristic of the advanced economies.

At the Pacific Science Conference this summer, Dr. Moises Behar gave a dramatic illustration of this point. In Guatemala, he reported, the Mayans had built a coherent civilization upon corn and beans supplemented by fruits, vegetables and meat from wild animals. They tilled patches on cleared forest land, and then moved on, allowing the forest to reconstitute itself. But when the Europeans came they cleared the ground to grow coffee and raise beef, thus destroying the old-self-sufficient economy. Kissinger and others would say a productive investment had been made, but it retarded the development of the entire society.

Today similar trends are reinforced by the movement of international capital which sends capital-intensive technology into the Third World, creating enclaves of modernity, disrupting the old order and opening the way, not to development, but to continued under-development and dependence on the advanced economies.

The Acting Speaker (Mrs. Morin): Order, please. I am sorry to interrupt the hon. member, but the time allotted to him has expired.

Mr. Hogan: I will only be another two minutes.

The Acting Speaker (Mrs. Morin): This can only be done with unanimous consent. Is it agreed?

Some hon. Members: Agreed.

Mr. Hogan: Of course in the future the Third World will increase its manufacturing capacity. The multinationals are locating more of their plants in the developing nations. One can even expect to see those countries take over what used to be the advanced industrial functions of the west. But this is happening only because new industries—computers, electronics, and the like—are becoming the leaders in the rich countries.

One can be sure that if the poorer countries are given the job of producing, say, more steel, then steel is of declining importance and profitability; more, the production of steel in the Third World will be organized in such a way that it will not lead to integrated development. This is not the result of a conspiracy by plutocrats; it is built into the very structure of both the world market and the various nations which comprise it. How does Canada and the U.S. and the developed world propose to deal with this grim reality?

I have to cut my speech because of the time factor. I want to stress that academic as this may sound in these hallowed halls, what is being discussed tonight is of extreme importance to generations of Canadians now growing up. We think we can live in a world where three quarters of the people control a small part of the resources. We think we can build a little wall around ourselves, the rich people, and say they are not going to get at us. We also have members opposite telling us not to worry about the sale of nuclear reactors, plutonium, and so on. They will

[Mr. Hogan.]

need to have another thought with regard to the next generation.

The Minister of Industry, Trade and Commerce made a three-day visit in order to drum up trade in Hong Kong and Indonesia. If my geography is correct, there is a country called Viet Nam between these two places. It is badly in need of rebuilding. They require building materials of all sorts. During that trip, why did the minister and his trade officials not deal officially with the Vietnamese to open initial talks on prospective trade that would mutually benefit both countries? It is ironic that the Japanese are doing so much trade with the Vietnamese and yet our leaders did not even take time to discuss possible trade with them.

● (2030)

[Translation]

Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Madam Speaker, I am happy to take part in his debate on the motion of the hon. member for York-Simcoe (Mr. Stevens).

But after listening to the distinguished members who spoke before me, I would like to make a comparison between a centralized economy and a decentralized economy. In a centralized economy, the state is the sole decision-making centre. It tells businesses what to produce and how to produce it. It sets the time required to meet objectives and determines the structure and also the margin of wages. The planified economy co-ordination mechanisms are achieved through a "public plan" which replaces the market. The consumer does not dictate production; businesses produce according to the public plan, not according to the demand.

I think that in Canada we believe in private enterprise. We believe mostly in a decentralize economy. The economy is regulated by the market and not by a central authority according to an objective or a plan.

The administration of resources in Canada is largely determined by market forces. But after listening this afternoon to hon. members of the opposition, the minister said that they seemed to hold diametrically opposed views. I could easily have believed this when seeing the hon. member for York-Simcoe, during the recent convention, join the group which is completely opposed to the principle and the philosophy that he has always advocated in the House, and join the leader of the official opposition (Mr. Clark) rather than Mr. Wagner. As the Minister of Energy, Mines and Resources (Mr. Gillespie) said this afternoon, they are truly divided, they are diametrically opposed. For my part, however, Madam Speaker, I believe that the hon. member for Qu'Appelle-Moose Mountain and the hon. member for York-Simcoe do not hold diametrically opposed views, but are unaware of the same things concerning the same subject.

Because they are unaware of the same things, their opinions did not have the same objective.

It is very difficult for the Canadian government to fix its priorities while meeting the numerous demands it receives. As soon as someone declares that the Latin American market is important and that the government should send there a trade mission as soon as possible, somebody else