

These interests and these benefits submit to no national boundaries. The social, economic, and political betterment of any man anywhere is ultimately reflected in this country. If, at the same time, our consciences — our humanitarian instincts — are served, as they are and as they should be, then so much the better. Unquestionably the conception of international assistance is appealing because it is one of the most uplifting endeavours in which man has ever engaged. But we must never forget that in this process Canadians are beneficiaries as well as benefactors.

Any discussion of development assistance tends to lead eventually to a complex of issues which can conveniently be grouped under the word "strings". The very mention of this word prompts cries of "foul" from those whose interest in aid programmes is essentially philanthropic, since it suggests Machiavellian political motivation on the part of the donor. The situation, as with any problem which has defied final solution over the years, is very complicated. A frank and open discussion of it by the Canadian public could do nothing but good. Our assistance programme, and the way in which it is conducted, must respond to the wishes and wisdom of those upon whose support it depends.

PROGRAMME SELECTIVITY

Canadians, I think, expect a certain selectivity in these programmes. We all feel instinctively that our help should go to those in the direst need, to those who will make the best use of it and to those making an effort to promote democratic institutions and personal liberties. Beyond this, however, difficult questions arise. Should aid be given unconditionally or should it be dependent on some conception of performance? For example, if land reform or tax revision are, in our view, necessary for economic or social development in the recipient country, should this "string" be attached to our aid? More difficult, perhaps, in domestic terms at least, is the problem of "Canadian content". It is widely held that "tied aid" diminishes the real value of development assistance by increasing costs. Yet an element of tying, with the immediate benefit it implies for Canadian production, may be an important factor in assuring wide domestic support for the aid programme....

The long-range benefits cannot be overemphasized. As Canadians, we must realize that international co-operation, particularly in the field of economic assistance, in order to remain effective must take on a new form. From the present pattern of commodity and food assistance, of gifts of manufactured goods and loans of money, we must, in response to the economic needs of the developing countries, turn more and more to preferential trade arrangements. The two United Nations Conferences on Trade and Development have made clear that economic aid, in order to be effective, must increasingly take the form of trade.

SECRETARY-GENERAL'S VIEW

His Excellency U Thant concisely described this change in 1962. He said:

"The disappointing foreign-trade record of the developing countries is due in part to obstacles hindering the entry of their products into industrial markets, and in part to the fact that production of many primary commodities has grown more rapidly than demand for them. It is appreciated that 'disruptive competition' from low-income countries may be felt by established industries in high-income countries. Yet, precisely because they are so advanced, the high-income countries should be able to alleviate any hardship without shifting the burden of adjustment to the development countries by restricting the latter's export markets. A related problem to be solved is that of stabilizing the international commodity markets on which developing countries depend so heavily. Progress could certainly be made if the main industrial countries were to devote as much attention to promoting as to dispensing aid."

This kind of aid, these preferential trade arrangements, have no glamour attached to them. They cannot be illustrated by stirring photographs of rugged Canadian engineers posing before massive dams in remote places. This kind of aid doesn't offer a ready market to Canadian manufacturers, nor does it reduce our base metal or other commodity surpluses. In short, this kind of aid is competition, and bears little evidence of the sweet philanthropy which we have sometimes employed in the past to coat the cost of our aid "pill". Unless Canadians are aware of the vital goal our aid is seeking to achieve, they may not be sympathetic to a change of this sort. It is my opinion that Canadians will understand and will accept the challenge. Economic aid, unless effective, will be useless. In order to be effective, it will, in all likelihood, be costly. Yet we and the other developed nations have no alternative. The world cannot continue to accommodate mutually exclusive blocs of rich nations and poor nations.

We must recognize that, in the long run, the overwhelming threat to Canada will not come from foreign investments, or foreign ideologies, or even — with good fortune — foreign nuclear weapons. It will come, instead, from the two-thirds of the peoples of the world who are steadily falling farther and farther behind in their search for a decent standard of living. This is the meaning of the revolution of rising expectations. I repeat, this problem is not new. But its very size, involving some two and a half billion people, makes it qualitatively different from what it has been in the past. Nevertheless, the observation of Chateaubriand, writing of a similar but infinitely smaller problem in Europe a century and a half ago, is worthy of repetition today. He stated:

"Try to convince the poor man, once he has learned to read and ceased to believe, once he has become as well informed as yourself, try to convince him that he must submit to every sort of privation, while his neighbour possesses a thousand times what he needs; in the last result you would have to kill him."...

In this country we may well be on the eve of great accomplishment. We have the opportunity of demonstrating how people of the two great linguistic