there are signs of partial results appearing on the ground. The BERRO-Tetuan project, which I have just mentioned, is itself being integrated into a 25-year plan to develop Morocco's six northern provinces -- a plan in which the World Bank, several UN agencies, France, Belgium and Germany are all helping.

Secondly, there is the objective of <u>social development</u>. It is by now widely acknowledged that the Sixties witnessed a concentration on economic development and on growth-rates measured in terms of gross national product, with too little account taken of the social development of the people affected. Both objectives -- economic development and social development -- must be retained. With insufficient foreign-exchange earnings and insufficient domestic-capital formation, countries will flounder. On the other hand, a complete preoccupation with economic growth and a neglect of the social effects -- the opening-up of wide gaps in living standards inside a country's population, for example -- can bring great dangers to that country, as we have seen in certain instances. I shall not name any such country, but I shall name one country -- Tanzania -- that probably could have raised its growth-rate by a significant amount but whose leaders decided instead that it was more important to make sure that development brought benefits for the greatest possible number of their countrymen.

CIDA, in company with other agencies, should place more emphasis on the direct social effects of its programs. Our assistance program has already begun to emphasize this consideration, and to plan how best to help the least privileged in any country with which we work. There are many ways in which to do this. Social considerations rank high, for instance, in assistance to educational programs, to public health schemes, with water supplies or agricultural extension plans or population programs. Assistance that helps create a proportionately high number of new jobs will be an important means of helping tackle one of the biggest social problems looming in the Seventies -- unemployment among young people. The technical aid Canada has given to the comprehensive schools in Guyana, the assistance with the junior secondary schools in Jamaica, take social considerations properly into account. So does our help with water supplies in the Markenburg scheme in Guyana, and with the dry-land farming in India, and with agricultural extension in Commonwealth Africa. But there must be more of such schemes. It has become easier to plan and finance these projects since CIDA was given so much more flexibility as a result of the foreign policy review. Our ability to undertake schemes with a high proportion of local costs means we can tackle projects in agricultural extension that were not possible before last year.

In saying this, one must acknowledge that for a donor country to pay heavy account to the consideration of diminishing disparities within a developing country is to move into a sensitive area of work. A donor country has to confine its assistance within the general framework of the recipient government's statement of priorities, and some governments may not put a high priority on helping the "marginal" sections of the population. But Canada has some limited room for manoeuvre, first in its original choice of countries with which to work and secondly, after that, in its tactful choice of projects within those countries.