Subsequently, the Paper will briefly review the broad types of Canadian economic cooperation programmes available and suggest the realignment of resources to create two consolidated funding mechanisms to address the different needs of and Canada's differing relations with each of the two Zones.

2. Diversity Defined

2.1 Zone 1 Countries

These countries most immediately come to mind in discussions on the "coming anarchy" thesis. Some observers view the troubled west African states as a microcosm of a condition taking hold throughout the developing world, typified by "the withering away of central governments, the rise of tribal and regional domains, the unchecked spread of disease, and the growing pervasiveness of war."[5] This badly misrepresents the dynamism and creativity now found in many developing countries, but it comes disturbingly close to the mark with regard to some LDCs, many of whom are located in sub Saharan Africa.

These countries are typically the very poor, as measured in per capita income. But more than that, their economies are stagnant. The World Bank has measured changes in GDP per capita over a recent 25 year period - 17 of the 20 worst performers were sub Saharan states. Even more critically, Zone 1 countries often suffer from insufficiently articulated political structures, feeble and inconsistent economic management and a narrow resource base. Political stability is often fragile and governments are frequently weak and, in some instances, simply dysfunctional (e.g., Somalia, Zaïre, Liberia, Rwanda, Cambodia). The observance of political and civil rights is disarticulated at the centre and under assault at the local level.

Rather than working actively to take advantage of the global economy, Zone 1 countries appear overwhelmed by it - small pebbles in a fast moving current. They are minor players on the world stage, with virtually no influence in international fora addressing trade, investment and financial issues. They are the archetypical "takers", rather than "setters" in international negotiations.

Zone 1 countries depend on foreign handouts, not capital markets. For example, in 1994 projected funding provided by OECD governments accounted for about 90% of net financial resource inflows to low-income developing countries

[5] Robert D. Kaplan, "The Coming Anarchy", in **Atlantic Monthly** (February 1994), p.46.