

85. A second problem, which is also related to the short history of development assistance, is that its managers (and advocates) in officialdom are not yet fully established in the governmental apparatus. As long as the task was viewed as a kind of "relief" operation or as the simple distribution of funds (or goods and services) this was not a major problem. Too often a more effective policy of development cooperation has been equated simply with larger allocation of funds. A more comprehensive (or "total") view of development cooperation, however, will require a CIDA input in many areas of policy which have traditionally been reserved to other departments. This, in turn, will lead to overlapping responsibilities and, on occasion, to actual conflicts of interest. Until there is more general acceptance of the broader conception of development cooperation and of the legitimacy of a broader CIDA role, the viewpoints of aid officials are unlikely to prevail over those of other agencies with differing perspectives. Even when the government of the day places a very high priority on international development assistance, it would, of course, be highly unrealistic and unhealthy to expect that the development viewpoint would prevail wherever its concerns touch those of other departments. In all such cases, however, it is imperative that the Government give full consideration to the implications of its policies for the welfare of the developing countries. In order to ensure that this is done, there must be effective mechanisms at appropriate levels for inter-departmental communication and consultation. At the same time, the aid agency must have available sufficient information and expertise to develop, advocate and defend policies which will bring benefits to the developing countries.

86. In the context of an integrated strategy for development cooperation, the other departments themselves should become increasingly sensitive and responsive to the "developmental" implications of their policies. The present Government has clearly set international development as one of its highest foreign policy priorities, and the plans now underway for improving overall foreign policy coordination should therefore lead to a more consistent and concerted approach among official agencies.

ii. Trade Issues and Policies

87. Reference in the previous section reflect the frequent and intense concern expressed to the Subcommittee on issues relating to trade with developing countries. Subsequent to the publication of the Policy Paper on International Development, a number of witnesses were extremely critical of the omission of a detailed discussion of trade from that document. Referring to these criticisms, Mr. Strong told the Subcommittee

"...I think that many of these comments are very well taken. There has been a movement within government for some time to give CIDA a much greater voice in these affairs and I can say with all the strength that I can command that this is something

which simply must be done. It does not make sense at all to operate a development assistance programme in isolation from other important policy areas by which Canadians affect the development of a developing world..."

88. Mr. Strong cited the establishment within CIDA of an Economics Division as tangible evidence of the recognition of the need in this area and the determination to do something about it.

89. Before offering recommendations for further Canadian action in this field, the Subcommittee considers it important to outline its conclusions regarding the actual situation in regard to Canadian trade with developing countries.* To keep the issue in perspective, it must immediately be recognized that the Canadian market, in itself, is necessarily (and will remain) a very small factor in the overall trade of the developing countries. (In 1969, Canada received only 2.1% of the total exports of less developed countries—which represented 7.6% of Canada's total imports). It is therefore amply clear that in order to have an appreciable impact in solving the trade problems of the developing world, Canada must strive to influence the major traders and indeed, on a multilateral basis, the international trading community. In attempting to exert such influence, as Dr. Reuber pointed out, no amount of Canadian rhetoric will be as persuasive as a tangible Canadian example. A vigorous multilateral approach would, as he said, maximize the beneficial impact on the developing countries and also distribute the burden of adjustment more fairly among developed countries.

90. The basic question of what specific steps Canada can or should take to help resolve these immense problems is an extremely complex, controversial and sensitive one. Certain steps, however, appear not only immediately feasible but straightforward and relatively inexpensive.

91. In some product-areas, where there is no problem of competition with Canadian producers and where developing countries are efficient producers by world standards, the only obstacle to the Canadian market often appears to be their lack of knowledge of marketing conditions in this country. Here the Canadian Government can quite easily provide valuable assistance. The recent innovation of CIDA-financed market surveys for Mexican and Brazilian products, if properly followed up, may well achieve substantial results and justify the extension of similar schemes to assist other countries and areas. Once again, the limited size of the Canadian market must be borne in mind, but for some producer-countries and some products it could provide a very appreciable stimulus. A further possible benefit is that growing familiarity with market-

* Detailed discussions of this subject were held in the meetings of 10th and 17th December, 1970 with Dr. Manuel Perez-Guerrero and Dr. Grant Reuber respectively (See *Proceedings* Issue No. 6 with appended documentation).