

in development and the employment of diverse means in the areas of trade, international monetary affairs and others.

In fact, the Government has created an Interdepartmental Committee on Economic Relations with Developing Countries, which is responsible for recommending appropriate action to ensure the harmonization of Canadian external and domestic policies towards those countries. Faced with the new challenges presented by urgent and repeated pleas for solidarity between the industrialized North and the developing South, Canada has been one of the few wealthy countries to pledge itself openly to a genuine strategy of co-operation and then to act on this pledge.

The co-ordination and orientation of all the policies of a country in favour of development is not a small matter. Such an effort is all the more meritorious when, as has been decided in Canada, it is principally a matter of dispensing its aid to the poorest countries and for the benefit of their most-deprived inhabitants, who run the greatest risk of remaining on the fringe of the progress that is being made. These countries, where the average income is less than \$200 a year, are the ones that have the greatest difficulty "absorbing" foreign aid and using it for the benefit of their rural populations and for the unemployed in their towns. The first obstacle to be overcome is the inadequacy of the physical infrastructure and of the administrative and technical establishment.

Why "aid"?

The very poor countries would themselves justify the continuation of aid as one of a number of means of struggling against underdevelopment. Poverty and a precarious solvency make it difficult for them to gain access to the ordinary sources of financing for economic growth. Only transfers on preferential terms (subsidies, interest-free or low-interest loans) enable them to procure the material and technical resources they need to make a start, without major disruptions or "estrangements", on the creation of modern societies, and to enable their inhabitants to undertake, with some chance of success, the fight against sickness and malnutrition, ignorance and underemployment.

Even if their consciences would tolerate it, would the score or so of industrialized and well-provided countries that control two-thirds of the riches of the earth, would the 640 million very comfortable or