

- Canada should work to incorporate into existing and future structural adjustment programs economic policies explicitly designed to benefit the poor, to increase the productivity and incomes of small-scale producers, and to achieve basic food self-sufficiency. Reforms must be the product of responsible dialogue with the debtor government and consultation with affected groups, not simply an external imposition from above. The social impacts of adjustment programs must also be assessed, as part of an open, accountable evaluation process, so that basic social minimums are preserved. We agree with the brief of the Taskforce on the Churches and Corporate Responsibility that: “a country should not be so constrained, either by its debt servicing, or by a structural adjustment program, that it cannot maintain its basic social programs. A structural adjustment program should protect such programs, and not rely on outside aid to compensate for its severity.”
  
- It is not enough to take ad hoc actions or to wait for others to lead. Canadian support for debt relief and structural adjustment should be determined case by case, but according to consistent criteria which reflect Canadian values. These include:
  - (a) The commitment of the debtor country government to reform, especially to development that benefits its poor and vulnerable groups.
  - (b) Respect for international norms of human rights observance. Regimes that, as SCEAIT recommended in *For Whose Benefit?*, should not receive official bilateral aid because of gross and systematic human rights violations, should also be ineligible for debt relief or adjustment loans.
  - (c) The encouragement of democratic traditions, including the promotion of popular democratic participation by those affected by the economic reform process.
  - (d) The linkage of economic recovery from debt to sustainable development that is human-centred, socially equitable, and in harmony with the natural environment.