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Notes for a luncheon speech
by the Right Honourable
Joe Clark, Secretary of
State for External Affairs,
to a foreign policy/business
audience

DHAKA, BANGLADESH

February 4, 1987

OTTAWA

February 19, 1987.

I am very pleased to be with you in Dhaka today. Our two countries have worked closely ever since your independence. I hope and believe it will lead to a wider range of cooperation in development, the Commonwealth, the United Nations and in promoting a moderate and pragmatic approach to international affairs.

I have come deliberately to seek your views on important political questions, to see for myself the work that Canadians and Bangladeshis undertake together, and to symbolize the continuing Canadian commitment to Bangladesh. The conditions of our countries are very different, Canada is geographically a giant, an industrially developed country, rich in natural resources, with a population of only 26 million. You have a population four times our size, but a land mass more than sixty times smaller than Canada. Your industrial infrastructure and natural resources are limited, and you face a development challenge that is beyond the comprehension of most of my countrymen.

Despite those differences, we find ourselves working together frequently in the Commonwealth, in the GATT and in the United Nations, where, incidentally, your Foreign Minister served with such distinction as President of the General Assembly. His conduct in that office not only brought honour to Bangladesh but played a significant role in achieving fundamental and enduring reforms in the United Nations system.

That is part of the tradition you are establishing. Despite daunting challenges at home, you play a full and constructive role in international affairs, and are a model of moderation and common sense.

In this region those qualities were clearly crucial to the creation of the South Asian Association for Regional Cooperation. Your principled and clear stand on issues of global importance, including opposition to the foreign occupation of Afghanistan and Cambodia, are well known to Canada, shared by our government and applauded by our people.

In these past three days, I have visited the railway running yards and port in Chittagong, the Proshika Training Centre and Rural Maintenance in Pathalia, irrigation projects in Muhuri-Feni. I have been greatly impressed by what I have seen. Yours is a beautiful countryside-fertile, active, rich in vegetation -- but what is most impressive is the hard work and the evident enterprise of the people of Bangladesh. Your people, from the Cabinet to the villages, are obviously willing to work very hard in the face of huge challenges.

Bangladesh is by far the largest recipient of Canadian development assistance. This year the value will be around \$130 million. But the real value is not in dollars, but in lives.

Not enough Canadians know that an expenditure of \$135 can put in place a small irrigation hand pump which can double the production of a farmer in Bangladesh and let him move into production of vegetables and other crops, growing in land that would otherwise lie fallow. Critics of aid in donor countries sometimes dismiss development efforts as intangible or theoretical. There is nothing theoretical about cabbage growing where none grew before, and nothing more tangible than food in the stomachs of children who might otherwise die of starvation.

Canada is one of the pioneers of modern technology in the world. We are at the leading edge of new developments in communication and transportation and other fields of the future. But we also understand that the foundation of any future lies in the basic skills and elemental production of ordinary people. The work we are doing with you, in irrigation, in new crop development, in vaccinating chickens against disease, is as important as our Canadarm, or the sophisticated work of our modern laboratories and corporations.

And so too is our work with women, in Canada, we face our own challenges to establishing a system of genuine equality for women. We are making progress, but in Canada, as in Bangladesh, the most stubborn adversary is the combination of fear and tradition. I commend the determination of your government to give the highest priority to family planning and the development of women, and am impressed by the progress you are making. It would be helpful for many involved in the debate in Canada to come, as you have helped me come, to see the poorest of women, from the poorest of villages, encouraged to work in ways that bring them income and dignity and growing self confidence.

Canadian development assistance is the focus of considerable political discussion in Canada. The government of Prime Minister Mulroney is increasing Canada's global aid program in real terms, with a major focus on the poorest countries. That emphasis is sometimes questioned.

Because Bangladesh is the largest recipient of Canadian assistance, some of the questioning is directed towards the programs in this country.

Our actions, I believe, speak for themselves. Canada has so far committed over \$1.2 billion to Bangladesh. That commitment is increasing yearly in real terms, and results are

being achieved. Social and economic infrastructures are stronger and the most disadvantaged groups have benefitted from programs supported by Canada.

Let me speak briefly of three issues in Bangladesh's current developmental situation which are of particular interest to Canada.

First is the need for graphic and continuous evidence that Bangladesh is facing up to the most basic development challenge -- the growth of your population. The importance of a massive and well-understood family planning campaign cannot be overstated. Canada provides half the birth control pills distributed in Bangladesh, and is active in other family planning activities. We are prepared to do more if appropriate opportunities can be identified.

Second, the rural population must be seen to benefit directly from development. As population grows in a fixed land mass, the plight of the landless can only become more bleak. For a variety of reasons, women have been the principal victims of these pressures, so there must be deliberate programs to ensure that women benefit from development. A more comprehensive strategy and more substantial resources are vital if rural poverty is to be reduced. Over the past two years, we have been impressed by the increased efforts of the Bangladesh government, supported by the donor community, to attack rural poverty.

Third, the development of infrastructure and industry must be soundly based. Donor assistance to major projects must be well planned and the projects themselves must be efficiently executed. This also requires that credit be extended, in a financially responsible manner and that creditors receive repayment of loans and payment for services. I am heartened by the stated intentions of the government in tackling this problem. I was also fascinated to learn that the repayment rate of cooperative loans by the very poorest people was almost 100 percent.

Canada considers the role of non-governmental organizations to be of growing importance in the development process. Such organizations have a unique record in pioneering new concepts and in reaching out to groups in greatest need. It is, of course, essential that non-governmental organizations act in a manner fully consistent with the overall strategy of the host government. It is also important to have an environment which recognizes and encourages their unique capacity to respond to human needs, quickly and with great flexibility. To this end, my government will continue to provide considerable financial support to NGO's in Bangladesh.

There is another essential element of our economic relation with Bangladesh -- investment and trade. The great majority of Canadian investment in, and trade with, Bangladesh is related directly to the aid program. Both our governments, and particularly the private sector, must seek to broaden our commercial connections. Your Government is seeking to attract foreign investment and joint ventures, and we hope to increase the interest of Canada's investors in the opportunities here.

Expanding trade and investment will not be easy. Canadian investors in Asia tend to travel channels they know. They require reasonable prospects that their investment will pay off, and that the systems that they have to deal with are straight forward. Your government is taking measures which seem to offer the prospect of establishing one of the most open environments for investment in Asia.

Steps like that can create a positive climate. Then, however, there will have to be specific actions in at least three fields.

First, it would be very helpful if highly qualified Canadian companies won some of the major contracts now being tendered. Their success, on their merits, would demonstrate that Bangladesh is a country of opportunity for qualified Canadian firms.

Second, we should identify fields where the priorities of Bangladesh and the capacities of Canada coincide. One obvious sector is energy, which we believe provides a major opportunity for Canada-Bangladesh cooperation. There are other sectors in Bangladesh -- such as transportation and construction -- just as there are market opportunities in Canada for some of the textiles, food products, and other products you export. We must intensify the process of connecting your priorities with our expertise and your products with our markets, if we want to strengthen a relation built on aid into one growing by trade and investment.

Finally, more Canadians must be made more aware of the commercial opportunities in Bangladesh. You recently completed a trade seminar here, and we are helping organize another in Toronto in April. In addition, I have proposed to President Ershad today that we take advantage of his presence in Canada in October for the meeting of the Heads of Government of the Commonwealth, to arrange direct meetings with Canadian investors, entrepreneurs and importers, who might be interested in doing business with Bangladesh.

Fifteen years ago, Canada and Bangladesh established formal relations. Our cooperation and contact since then has been extensive and positive. Ties between our countries have

been strengthened and animated by the growing number of your people immigrating to Canada and our people working in a wide range of activities here. I want my visit -- the first ever by a Canadian Foreign Minister -- to be the beginning of a new stage of partnership that has already made real progress against poverty, and holds the promise of more extensive cooperation in trade, in development and in helping to resolve some of the world's stubborn political problems.

Thank you very much.