NOTES FOR ADDRESS TO THE BOARD OF GOVERNORS

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Ten years ago almost to the day my predecessor, David Hopper, greeted the members of the first Board of the International Development Research Centre. On that occasion began the rich partnership between Board and staff which has been so influential in the development and the effectiveness of IDRC. In 1980, as in 1970, the staff looks to the Board for a definition of Centre policies and for guidance on their implementation. On behalf of my colleagues I extend to each of you a warm welcome at the outset of this anniversary meeting.

The period that intervened between that first Board meeting and this is known in international parlance as the Second Development Decade. Its commencement was heralded, and its record chronicled, by two World Bank Commissions. The earlier commission, chaired by the late Lester B. Pearson, termed international development as "a great challenge of our age". The later commission, chaired by Willy Brandt, speaks of the present "crisis" and the need to "avert catastrophe". The contrast of environments - 1970 and 1980 - cannot be more dramatically described than in the titles of the two reports.
Pearson: "Partners in Development"; Brandt: "North-South, A Program for Survival". The message of Pearson was one of confidence that change would ensue; the recommendations focussed primarily on a larger transfer of resources. The message of Brandt is far from confident: worldwide catastrophe threatens; the recommendations call for major structural reforms in the international community.

Development can be regarded no longer simply as a challenge; it is the dominant factor in contemporary world events. All the more dominant because so many in the wealthy countries refuse to acknowledge its importance. Yet 17 years have passed since Pope John XXIII said that "the new name for peace is development". In that period of time the disparity in living standards between rich and poor has broadened, rather than narrowed. The world is so divided economically that 20 per cent of the population enjoys about 80 per cent of the world's income.

The issue of development is no longer one of optional concern. The economic future of the industrialized countries depends now - as it did in 1870 and in 1929 - upon growing overseas markets, largely in the developing countries. The equilibrium of the biosphere is faced now - as it has never been faced before - with irreversible destruction as deforestation and pollution relentlessly spread. The survival of mankind is threatened - more credibly than at any time in history - by nuclear arsenals and conventional armament stockpiles in the possession of regimes ravaged by political instability.
Pearson argued that in the simplest of terms development was an imperative because "it is only right for those who have to share with those who have not."

Brandt added a critical argument. "To diminish the distance between 'rich' and 'poor' nations, to do away with discrimination, to approach equality of opportunities step by step, is not only a matter of striving for justice, which in itself would be important. It is also sound self-interest, not only for the poor and very poor nations but for the better-off as well."


The Pearson Commission Report was in many respects a seminal inspiration for IDRC policies. Mr. Pearson became the first Chairman of the Board of Governors. One of his distinguished commission colleagues, Roberto Campos of Brazil, joined him on the first Board. The Pearson Report found that research within developing countries was practically non-existent and that in the result scientific and technological achievements remained the sole prerogative of the industrialized countries. Maurice Strong, who was both the inspiration
and the chief architect of the Centre, argued persuasively that research had not been an element in developmental assistance programs because of its long-term nature and the inherent risks contained in research undertakings. The creation of IDRC by the Parliament of Canada was intended to overcome those problems by providing both independence and some certainty of funding.

From the beginning the Centre has recognized the need not only of searching for solutions to soluble problems but of enhancing the indigenous research competence of the developing countries. It has pursued this double need by supporting research projects identified by scientists in those countries and pursued by them in their own institutions. The role of the Centre has, and continues to be, a responsive one. We offer assistance in funding, in the choice and refinement of methodology, in the monitoring of progress, in the evaluation of results.

In this quest, stamina is a major requirement. Research activity, especially in the biological sciences, often requires lengthy involvement before results are achieved. The enhancement of human and institutional capacity is a time-consuming process even in the most technologically advanced societies. In those countries that are painstakingly crossing the threshold from bronze-age to space-age, accomplishment cannot be expected in regular annual increments.
In the course of its first decade of activity, the Centre has associated itself with a number of striking innovations, and shares credit with developing country investigators in several outstanding scientific accomplishments. The dedication and the competence of Centre staff - the envy of other organizations worldwide - and the steadfast policy direction of this international Board of Governors have contributed to a confidence in IDRC on the part of developing country scientists and governments which is most rewarding.

As a relatively recent arrival in this remarkable institution, I hope I may be excused the otherwise immodest comment that IDRC enjoys, and deservedly, an enviable reputation. It is not my purpose to catalogue here ten years of activity; evidence abounds. Let me quote only the comment of Dr. Vinyu Vichit-Vadakon: "We in the developing world need more IDRCs."

The quality and the devotion of Centre personnel, working in Canada and in our seven overseas offices, is outstanding. Their effectiveness has been assured in large part by the foresight and the wisdom of two of the charter Board members who so painstakingly and brilliantly ten years ago set the course for IDRC. The first Chairman, the Right Honourable Lester B. Pearson, and the first President, Dr. W. David Hopper, have so left their imprint on this organization that their names are virtually synonomous with it. We, and more correctly the developing country scientific community, are deeply indebted to them.
Development is not a simple task, nor is it capable of early fulfillment. Still less does it guarantee automatically social justice. The grave inequities of the industrial revolution bear testimony to the latter. The continued quest in Canada and elsewhere for acceptable and effective development strategies are evidence of the former. What is recognized, however, though not yet universally accepted, is the investment nature of development.

Development decisions are investment decisions. The priorities set by governments in the development of their countries have inevitable long-term financial implications. The construction of a transportation or a power-generating facility, the implementation of a national food or health policy, the establishment of an education program, or the promotion of secondary manufacturing industries all commit the national economy to expenditures for 20, 30 or more years. Some of these expenditures are of a capital nature, others take the form of recurring costs. Yet expenditures they are, and this whether the initial funds come from domestic sources, whether - if from abroad - they take the form of conventional, concessional, or even grant arrangements, whether the object of financing is a project or a program.

A multi-decade expenditure commitment is a serious matter. Any decision to enter into one should be preceded by the most painstaking examination of the ingredients and the alternatives. Yet, as we know, that is easier said than done. We in the industrialized countries, possessed
as we are of the concepts and the means to design and project sophisticated econometric models, still commit the most grievous of investment errors. Examples abound in both the social and industrial sectors. Perhaps more tragic, the North is not always of help to the developing countries in its encouragement of this or that development activity. In a biting, but not inaccurate commentary, the FAO magazine "Ceres" contended that the real needs of the developing countries

"are subordinated to ideological preferences, commercial chicanery, 'historic' or linguistic links, patronage, the desire to counterbalance one nation against another, and the whole arsenal of good intentions, not-so-good-after-thoughts, and, still worse, 'second thoughts'."

If development decisions are, as I contend, investment decisions, then an essential element in the pre-decision process must be that of investment counselling, including preparatory study, investigation, research. Yet the research capacity of the developing countries continues in 1980 to be woefully weak. The United Nations Conference on Science and Technology for Development estimated that of all research undertaken in the world only some three per cent was located in the developing countries. The Conference recommended that this figure increase to twenty per cent by the turn of the century.
The need was stressed both for enhancement of developing country research capacity, and for increased access by developing countries to the scientific and technological institutions of the industrialized countries.

In short, the raison d'être of the International Development Research Centre is as great, and the demand for its activities as high, as at the time of its birth. Research, whether it be described as "developmental" in nature, or "pre-investment", must come to be regarded increasingly by both North and South as an absolutely essential element in the economic and social processes. The nature of that research activity, however, and the role of IDRC, must adapt to changing circumstances if both are to remain relevant and effective. As the Board of Governors undertakes the task of choosing the policies of the Centre for decade number two, an examination of past directions and present needs is necessary.

In 1970 the Centre consciously turned its focus on the welfare of peoples living in the rural areas of the developing countries. It is my recommendation that that emphasis continue. I venture to so propose on the basis of one of the observations of the Brandt Commission. "Mass poverty remains overwhelmingly a rural affliction, and it is rural poverty that seems so harshly intractable. The mass urban poverty of Kinshasha, Mexico City or Cairo is a relatively modern phenomenon. For all its squalor, it is one step up from rural deprivation. To some extent, that
is why these cities have grown. But the poor in India, Bangladesh, Pakistan, Indonesia and nearly all of Africa are still, to the extent of 70 per cent or more of the total population, in the rural villages."

These facts argue, I submit, for continued priority in the allocation of Centre resources to increasing food production, the provision of adequate health care, water supply and sanitation facilities, the implementation of effective education methods, the conservation of energy and the development of renewable sources. Support must continue to flow as well to those fundamentally important sectors of fertility control, information processing and development policy formulation.

The focus on these or on other sectors of research begs the question, however, of the most effective means by which the Centre should pursue its activities. In ten years much experience has been gained, and this must be taken into account as we plot our course ahead. More than 1000 projects in 100 developing countries permit the Centre a breadth of vision denied to all but a few international actors. We must exercise wisdom in adapting our practices to ensure they continue to benefit the developing countries. Responsiveness should, I contend, be among our primary considerations both in the continuation of our present program and in the introduction, as funds become available, of our new cooperative program linking the research facilities
of Canadian and developing country institutions. Other factors, however, demand consideration.

(a) Quite clearly, the heterogeneity of the research infrastructures in the developing countries dictates the need for flexibility in the type of research support provided. Guidelines are required.

(b) The broad spectrum of strength found in developing country research institutions raises the question whether research support should continue to be offered exclusively through the mechanism of project activity. Is there a demonstrable need for some variation in the Centre's approach to the strengthening of institutional capacity?

(c) A related question to the above arises out of the need for formal training of scientists. Again, should such training activity be related only to research projects or should a broader approach be adopted in selected countries and sectors?

(d) The Centre's pioneering work in the design and construction of research networks has been evaluated and certain questions about future criteria require answers.
(e) Has the Centre now gained a maturity which will permit it to engage more frequently in project activities of a multi-disciplinary character?

In organizational terms, it will be the responsibility of management to ensure that the structures and mechanisms are so designed and are permitted so to function as to ensure the flexibility, the responsiveness, and the innovativeness which are inherent to a successful and effective operation. The authority of the regional directors is being broadened with this end in sight and the responsibility of the regional offices to submit regional policy recommendations has been increased. The heavy travel burden which falls upon division directors, demanding their frequent absences from Ottawa, has led to a reform of the management group for which I will be seeking the Board's sanction in the course of the present meeting.

Since the Board last met in Cairo in the spring of this year, a number of events have taken place worthy of drawing to your attention. On the world stage the most important, certainly, was the Special Session of the General Assembly dedicated to Development. That session preceded the commencement, scheduled for early 1981, of a round of global negotiations aimed at restructuring North-South economic relationships. We are following as closely as we are able these activities.
IDRC broadened perceptively its own global involvement with the conclusion in Beijing last month of a Memorandum of Understanding with the State Scientific and Technological Commission of the People's Republic of China. The agreement was the culmination of a visit to China of an IDRC delegation which included senior representation from all program areas. A significant element in the document is the agreement by China to marry its technologies and technicians with IDRC funding and research management experience for the benefit of other developing countries. This TCDC arrangement, to be implemented in third countries, is the first ever agreed to by China.

Earlier this month I travelled to Nairobi to be present as the Centre officially re-established its Regional Office for East, Central and Southern Africa to the broad acclamation of African governments and research institutions. The new Regional Director, Bruce Scott, is a veteran Centre employee and is present, as are other Regional Directors, at this meeting.

Governors will wish to join me in offering good wishes and warm thanks for dedicated service to several senior members of the IDRC staff who have recently left the Centre or will shortly be doing so. Louis Berlinguet, Senior Vice-President, has recently been
appointed Scientific Attaché to the Canadian Embassy in Paris and has taken up residence with his bride, Louise. Jon Church, Vice-President, Administration has expressed a desire to continue his practice of seeking new career challenges at regular intervals and will be leaving the Centre at the end of this month. Enrique Tono, Director of the Centre's Regional Office for Latin America and the Caribbean, has resigned to accept new developmental opportunities in Bogota. Salah Dessouki, Director of the Middle East Regional Office in Cairo will conclude his long association with the Centre at the conclusion of his current contract. Michel Dupuy, until recently a member of this Board and President of the Canadian International Development Agency is now Ambassador of Canada to the United Nations in New York. And, of considerable moment, Manuel Ulloa, briefly a member of this Board prior to the reversion of Peru to democratic practices, has been named Prime Minister of that country.

Centre staff continue to be the recipients of honours and awards. Of many, I should like to draw to your attention two instances of special merit. King Gordon is the recipient of the 1980 Lester B. Pearson Peace Medal awarded by the United Nations Association of Canada. Joe Hulse was awarded an Honorary Doctorate in Science by the University of Guelph, and an Honorary Fellowship by the University of Manchester Institute of Science and Technology, the first Canadian to be so honoured. The Centre is proud of the accomplishments of these and so many other of our associates.
To mark the 10th anniversary of IDRC a special series of lectures has been arranged, featuring outstanding speakers addressing themselves to the general theme: "The Third World: Must it Always be Third?" The first of these lectures will be delivered this evening by the distinguished Secretary General of the Commonwealth and member of the Brandt Commission, the Honourable Shridath S. Ramphal. Governors are cordially invited.

Finally, may I be permitted to record the privilege with which I regard my continued involvement with this remarkable organization. The pleasure of associating with such outstanding individuals, and the opportunity of addressing myself to the primary issue of today's world is a combination which I cherish. I look forward to the balance of my term in this office with what I hope is the appropriate mix of humility and enthusiasm. As we on this Board begin to set our course for this coming decade, focussing as we do so on our ultimate goal of increased human dignity, I should like to repeat the quotation of George Bernard Shaw recited by President Robert McNamara in his recent address to the Board of Governors of the World Bank. The message is as applicable to this Board as it is to the Bank's.

"You see things, and say why? But I dream things that never were, and I say why not?"