

NOTES FOR REMARKS BY

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TO THE

CANADIAN CLUBS OF ALBERTA

LETHBRIDGE, August 31, 1981

MEDICINE HAT, September 1, 1981

RED DEER, September 2, 1981

GRANDE PRAIRIE, September 3, 1981

"NORTH-SOUTH": THE ISSUE IS SURVIVAL

The opportunity to ramble through Alberta, meeting old friends, viewing the extraordinary developments that are taking place, and talking with persons interested in world affairs is one that I cherish. I am most grateful to you for your invitation to me to be with you today.

I confess immediately that I've had a difficult time attempting to relate this modern community with my recollections of my first visit here about 35 years ago. I have to admit just as quickly, of course, that those who first saw me then undoubtedly have the same recognition problem.

One of the great joys of Western Canada is the sense of spaciousness that is so evident here - a spaciousness that is quickly disappearing in so many other places. Throughout our history, Canadians have been surrounded by a good deal of space. But we've always realized that distance is not an effective insulation against the effects of events elsewhere. The first settlements in the province of Alberta were prompted by the fashion industry of Europe. Had beaver hats not been in demand, there would not have been the stimulus for the trading posts which sprang up, and for the voyageur canoe system which linked Rocky Mountain House with the port of Montreal. Had the Napoleonic wars not taken place, the forest lands north of Ottawa would not have been denuded of the priceless stands of white pine that were cut and shipped to provide wood for the masts and hulls of the vessels of the Royal Navy. And, of course, had wars not broken out periodically in far away places, the young men of Canada would not have journeyed vast distances to meet death in alien circumstances in places like Bloemfontein, Passchendale, Hong Kong and Pusan.

Canada is part of a world in which attitudes and events beyond our borders have always had an immense impact upon us. And will have an ever increasing impact as technology and population and pollution combine to make neighbors of even the most distant communities.

It is well that we be reminded of this larger community, the international community, for it affects us constantly, and in the most vital ways. We must never forget that Canada is not only what we make of it. It is as well what others see in us. Internationally, our image - and therefore in large measure our substance - is found in the eyes of our beholders: the 150 or so other members of the international community. Those nations determine what status to award to Canada, how seriously should be taken our claims to a voice in world councils, what weight to attach to our arguments in favour of our interests, what value to place on our dollar. If, through our disinterest or our irresponsibility, our stature diminishes, then we all suffer. In a world where increasing numbers of important and far reaching decisions are taken in international bodies of one kind or another, the state that does not behave well internationally loses out in its quest for off-shore resources, for markets, for protection of its interests of all kinds. I firmly believe that our future as a nation depends in large measure upon our international presence and, in turn, that the quality of life of our children and grandchildren will be a reflection of the state of the world beyond our borders.

From this world - this real world of decisions and influence - Canada cannot afford to withdraw. It cannot because there is no one else to represent it, to argue its case. Canada is in many respects

an orphan. It is well that we understand this. We are the only major industrialized country which does not have access for its goods to a protected market of more than 100 million persons. (Japan and the United States both enjoy domestic markets larger than that figure. Britain, France, Germany and Italy are all members of the European Community with a total population well in excess of 250 million.) Nor, in other respects are we natural members as are so many others of some regional body such as the OAS, the OAU, or ASEAN. We have but two geographic neighbors. Each is many times our size. With one we have little in common from a historic, social or political point of view. The other is friendly in every respect but represents a continuing challenge to our economic and our cultural independence.

It is not therefore out of some misplaced sense of mission or an inflated egotism that Canada performs actively in world councils such as NATO, or OECD, or exerts influence in bodies like the Commonwealth or l'Agence francophone. It is because we cannot count on others always to represent our interests. We are at once the odd man out and the catalyst of the common will. Canada is acting for Canadians as well as for a much wider community in its service on international peacekeeping forces, in its formation of economic associations with Japan and the European Community, in negotiations for a Law of the Sea Treaty, in its membership on the Board of Governors of the World Bank or the International Monetary Fund, in its participation in the recent UN Conference on New and Renewable Sources of Energy in Nairobi.

The acceptance of responsibility and the contribution of effort and ideas has given Canada an enviable and priceless reputation abroad. Our participation as a permanent member of the Economic Summit is in some respects a reward for that activity. Membership in the Summit means nothing less than that we are, for the first time in Canada's history, part of the big leagues. Rather than reflecting to Canadians some sense of pride in this extraordinary achievement, and some degree of awareness of our new stature, Canadian newspapers have more commonly commented that the Summit is useless, or that Canada doesn't really belong in this fast company. That kind of comment is a reflection on Canadian journalism, not on the real world.

We may pretend that the world is irrelevant, but we fool only ourselves. We are residents of a tough community - the international community. We act at our peril if we delegate to others our responsibility for looking after ourselves. And as in any community, no single member can go it alone. Not the United States. Not Japan. And certainly not Canada. Equally, as in any community, the interests of any single member are often best protected and enhanced if the welfare of the entire community is in good shape. Canadian fortunes cannot bloom in a worldwide desert of anarchy or poverty. If no markets exist in which to sell our goods, we suffer. If other states decide against our interests in preserving salmon or the environment of the Arctic, or in the mining of the continental shelf, we suffer. If the biosphere is damaged through unsound forestry practices in the tropical areas, we suffer.

Over the centuries, mankind has faced innumerable periods of turbulence and change, of savage conflagration and pestilence or plague. In many instances these events have been widespread geographically and lengthy in duration. But they were always finite in their application and effect. A community or a nation or a region could assume that distance or time or nature would alleviate even the most distressing of circumstances. As recently as 1924, the Canadian representative to the Assembly of the League of Nations could say to that body that Canadians "live in a fire-proof house, far from inflammatory materials". Today we know better. These last decades of the 20th century bring with them circumstances of a nature never before faced. Mankind faces now the realization that in several major sectors its condition is terminal, that errors committed now may be irreversible. Never before has peril been so irremedial.

Let me cite for you several examples:

- 1) - The biosphere on which we all depend for life-support systems is not able, indefinitely, to maintain a natural equilibrium countering the continued release into the oceans and atmosphere of immense quantities of poisonous effluents.

- 2) - The explosive force of modern nuclear weaponry is so destructive, and the consequences of its use so permanent and far-reaching, that any consideration of its application includes, perforce, the contemplation of global holocaust.
- 3) - The natural supply of non-renewable resources on which our industrial complexes depend in order to function may in certain instances be approaching exhaustion; of a different category, the depletion of the world's forests is proceeding at a pace much more rapid than present replacement efforts can overcome.
- 4) - The increasing disparity between the economic levels of the industrialized countries and the developing countries is contributing simultaneously to a world-wide recession and to infectious epidemics of political instability.

These circumstances we must accept. The conclusions of the prestigious Brandt Commission or that of the United States Global 2000 Commission all carry the same message. Said the Brandt Commission: "At the beginnings of the 1980s the world community faces much greater dangers than at any time since the Second World War." The Global 2000

Report warned that unless something is done to reduce world-wide pressures on cropland, pastures, forests, mineral and water resources, the world will become even "more crowded, more polluted, less ecologically stable and more vulnerable to disruption than the world we live in now."

The Brandt Commission was composed of 17 persons from 16 different countries, all of them with distinguished reputations in their own fields. The Chairman, after whom the Commission was named, was a former Chancellor of West Germany. Others included the Right Honourable Edward Heath, former Prime Minister of Britain, Katherine Graham, publisher of Newsweek magazine, the Honourable S. S. Ramphal, Commonwealth Secretary General, and Adam Malik, Vice-President of Indonesia. A Canadian member was Joe Morris, former President of the Canadian Labour Congress. It was the Brandt Commission that spoke of North-South in terms of survival.

The Commission report views the future, unless changes are introduced, in sombre terms:

"A number of poor countries are threatened with the irreversible destruction of their ecological systems; many more face growing food deficits and possibly mass starvation. In the international economy there is the possibility of competitive trade restrictions or

devaluations; a collapse of credit with defaults by major debtors, or bank failures; a deepening recession under possible energy shortages or further failures of international cooperation; an intensified struggle for spheres of interest and influence, or for control over resources, heading to military conflicts. The 1980s could witness even greater catastrophes than the 1930s."

The report was issued in early 1980. There has been precious little progress in the interim. The President of France has stated publicly his fear that these circumstances, unless alleviated, will lead to a World War by the end of the century.

What should be the response of Canadians to circumstances of such seriousness? Initially, one of changed attitude, I suggest. The exhibition of several qualities long familiar to generations of Canadians even though they may be currently less visible than on other occasions in our history. There are four such that are relevant: understanding, patience and stamina, that well-known Canadian quality of humility, and fairness.

Understanding

To begin, we must understand why these forecasts have been issued, and why what is happening in the southern part of this planet is of such moment to those of us in the north. Some of the reasons are truly awesome:

- of the slightly more than 150 countries in the international community, some 100 are now in food deficit positions, meaning that they consume more food than they produce;
- at present rates of destruction, the world's forest cover will have been halved by the year 2000;
- by that same year 2000, the population of this planet will be 2 billion larger - the equivalent of the creation of one new Bangladesh every year for the next 20 years.

We must understand as well that there is an economic interdependence on this North-South axis; that we in the North are heavily dependent on the economic performance of the Third World countries. They now form a significant element in the overall global economy, generating some 18 per cent of world income. Third World markets play a vital role in the economies of the industrialized countries.

The United States and the European Economic Community, for example, each send more than one-third of all their exports to developing countries. The Japanese figure approaches one-half. In comparative terms this means that the United States exports twice as much to the developing countries as to the EEC; the EEC three times as much to the developing countries as to the United States. Between 1973 and 1977, exports to the South created 5 million jobs in OECD countries.

Agricultural products are part of this export trade, and in immense quantities. FAO statistics reveal that developing countries imported food in 1979 to the value of US \$38 billion, most of it from the industrialized North.

Clearly, the collapse of Third World markets would have a disastrous effect on the economy of the North. Should Third World markets not grow, there would continue to be a serious depressant effect upon economic activity in the North. Moreover, economic stagnation in the North can likely be overcome only by economic buoyancy in the South. But the South cannot continue to buy our goods if it does not have the means to pay for them. And that means can only come from their sales to us. Trade, we must never forget, is a two-way street. Assistance to the South is not a zero-sum exercise. Either we all benefit, or we all suffer.

It is not difficult to understand why so much of the world's political instability is found in the South. This is a natural consequence of deep poverty and the absence of hope of any better future. Premier George Price of Belize explained this eloquently recently when he said: "... the only issue that counts in Central America is the North-South Dialogue. If you don't bring stability and justice to the markets in sugar and coffee, you will never have stability and justice in the countries that produce them."

However, development is a complex process, and a time-consuming one. Thus the second required quality on my list.

Patience and Stamina

These are qualities deeply bred into Albertans, and with good reason. Albertans understand the mockery of the term "next-year country". Those persons who wrote letters to the Calgary Herald this summer, deeply critical of the developing countries for their failure to attain economic maturity in the two decades since they gained independence, could not have been of pioneer stock. True Albertans understand the deliberate speed of development.

Settlers began their steady stream into what is today Alberta about a century ago. Yet many rural areas of this province came to enjoy the developmental benefit of electrification only after World War II.

The first permanent settlement of Edmonton on the present city site occurred in 1813. Within one century it had grown to more than 72,500 persons and boasted of such prominent landmarks as the Macdonald Hotel. Yet one of its major central arteries - 107th Avenue - was not paved until 1948.

Development takes time, and this even when certain basic knowledge is available. The Athabaska tar sands, for example, were known to the Hudson's Bay Company in 1718. The technique employed to separate oil from sand was discovered in the early 1930s. But the combination of circumstances required to exploit commercially this resource did not occur until 1964 when the Great Canadian Oil Sands venture started to move.

In the industrialized countries, we understand that development is investment. So is it in the South. Development decisions there, as here, 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 twenty, thirty, or more years, and will require many more years to mature.

We in Canada must have the patience to accept this phenomenon, and the stamina to stay the course with the LDCs.

Humility

Of all the qualities in my list, perhaps humility is the one most difficult to retain. Why do the developing countries make such terrible developmental errors, we ask, forgetting some of the real boners in our own history. Why don't they do more to reduce the disparities in wealth between rich and poor, we complain, overlooking the scandalous circumstances of our own native and Métis peoples. Why are they so slow in introducing techniques and technology from elsewhere, we criticize, without pausing to reflect that sophisticated adaptation is required in all technological transfers.

What has been the developmental record in this resource-rich province, gifted as it has been with well-educated settlers, and secure within a peaceful and democratic political structure? Have there been errors? You bet. In the early 1880s the North-Western Coal Company faced the problem of moving its coal from Coalhurst, now Lethbridge, to Medicine Hat, the nearest railway point. It chose to do so by water and built a fleet of steamships, tugs and barges to navigate the Oldman and South Saskatchewan Rivers. The largest of these vessels, the Baroness, was 173 feet long. Not surprisingly, the costly venture failed because there is simply not enough water for a long enough period to float large vessels.

(An interesting footnote to this episode records the use of these steamships between Medicine Hat, Edmonton and Lake Winnipeg ferrying troops to and from the short-lived North-West Rebellion in the summer of 1885.)

What about humane treatment of our fellow-men? In 1901 the lack of sanitation and hospital facilities in and around Blairmore during the construction of the railroad through the Crows Nest Pass led to an epidemic of typhoid in which many men died. The distinguished Alberta historian James MacGregor writes that "the callousness and indifference with which the contractors treated these men, and the downright dishonesty to which they resorted, form an unsavoury part of our heritage."

And as for adaptation of technology - well, many westerners still alive recall that in the 1930s our wealth of agricultural experience and soil husbandry knowledge weren't enough to prevent the years of tragic soil drifting which accompanied the great depression. Not until the resources of the University of Alberta and the Dominion Experimental Stations were combined with the on-farm skills of practicing farmers were new cultivation techniques devised which permitted vast areas of desolate prairie to be utilized again for crop-growing.

We now realize in Canada that important investment decisions in any sector - transportation, agriculture, industrial - requires preliminary research. At the time of their independence, most developing countries found they had been left by their former colonial masters with a woefully weak research sector. The World Bank Commission chaired by the late Lester Pearson estimated that of all R & D engaged in world wide, less than 3% was located within the developing countries. The decision of Parliament to create IDRC in 1970 was taken in large measure as a means of contributing to that indigenous competence in those regions. Research supported by the Centre must be, insist our Governors, of a practical nature and dedicated towards those who live in the rural areas. In that respect, we attempt to encourage developing

country scientists to be of the same bent as those men and women who developed England in the late 18th century. Writing of them, Bronowski says:

"... the new inventions were for every day use. The canals were arteries of communication; they were not made to carry pleasure boats, but barges. And the barges were not made to carry luxuries, but pots and pans and bales of cloth, boxes of ribbon, and all the common things that people buy by the penny worth.... Technology in England was for use up and down the country, far from the capital."

IDRC is unique in a number of ways. Parliament accepted the general concept of an organization funded by the Government but not part of the Public Service, not subject to many of the bureaucratic requirements levied on government departments and crown corporations, and displaying a distinctly international character as well as an international focus. Its Board of Governors, for example, is composed of both Canadians and non-Canadians. Ten of the twenty-one members are drawn from outside Canada, the majority of them from the developing countries. The Centre statute requires that at least eleven members of the Board must have some developmental or other expert experience. The result is a Board of great dynamism in an institution of extraordinary

flexibility; one that has demonstrated its ability to attract the services of some of the finest research professionals in the world and one that has demonstrated its ability to respond rapidly and responsibly to the needs of the developing regions. Among the truly distinguished

persons who have directed the policies of the Centre from their role as Governors one must mention Dr. Fred Bentley, formerly Dean of the Faculty of Agriculture at the University of Alberta. Others of that same high calibre have included the late Barbara Ward, Nobel Prize winner Theodore Schultz, the Rector of the United Nations University, a past President of the Inter-American Development Bank, the chief executive officer of one of Canada's largest corporations, and the President of the University of Paris. This is a board of unequalled stature in Canada.

IDRC is distinct not only in what it is but as well in how it goes about its task. Its concern is not simply to offer research support to the developing countries, but to do so in ways that increase the competence of researchers in those countries. We finance research programs chosen by scientists from those regions and conducted by them. Our task is to assist in the identification of research issues, in the choice and refinement of methodology, in the monitoring of progress, and in the evaluation of results. The success of IDRC is measured in large part by the extremely high regard in which it is held within the developing countries and by the number of institutions which have been created in our

image by other industrialized countries. The Centre has twice been nominated for the prestigious King Baudouin prize. It is a success story of which Canadians can truly be proud.

But I have strayed from my list of qualities. And to think that this section was about humility! Please excuse me. I'll turn briefly to the final quality on my list: fairness.

Fairness

The international community, to which so much reference is now made, has tripled in size since 1945, but is governed by institutions and acts according to rules that have not changed much since they were designed and put into place in the mid-forties. The international financial institutions - the World Bank and the International Monetary Fund - were a product of the Bretton Woods Conference; the General Agreement on Tariffs and Trade reflects primarily the interest of the industrialized countries; the charter of the United Nations was drafted and agreed to in 1945 by the then politically independent countries, most of them northern. Other rules have even earlier origins. For example, the general principles of international law governing the oceans and ocean resources find their roots in western Europe some three centuries ago.

Little wonder, then, that the newly independent countries are asking that these systems be revised to take into account their interests and their concerns. The North-South dialogue is very much more than a simple question of transfer of resources. Its bottom line is a sharing of power and a sharing of responsibility among the countries of the world. When the South speaks in terms of a new international economic order, it asks that the international system be one that is not tilted permanently against it in terms of commodity prices, access to credit, flows of technology, and the control of markets and decisions, the majority of which are determined in the North. When we speak to the South about raising itself with its own boot-straps, we must be very sure that we are not standing on those boot-straps.

All very well, you say, but where do we find ourselves? With or without the expression of these four human qualities, the world around us is changing at a breathtaking pace. Canadians may participate in and influence those changes, or we can default and pretend we can get along without the world, as if a Canadian or even a North American ghetto were either possible or desirable. The first option leads to survival; the second guarantees disaster.

Development in the South is an imperative for a future that works: - an economic imperative because of the interdependence of our economies; - an ecological imperative because of the singleness of

our biosphere; - a political imperative because of the tinder box nature of international disputes. But it is more. Pope John Paul II argued in a speech in Tokyo last year that "the building of a more just humanity or a more united international community is not just a dream or a vain ideal. It is a moral imperative."

Understanding, patience, humility, fairness - all are admirable qualities. All, too, are required qualities. But taken singly or together they are not "doing" qualities of the kind so evident in Alberta over the years. That kind of quality is needed as well. But that, Mr. Chairman, is another speech.

Tonight, let me conclude by recalling that Buckminster Fuller once summed up brilliantly this difference between being and doing. To him should go the last word. "God", he said, "is a verb, not a noun."