

ENTREPRENEURS IN EDUCATION

A Study Of The Capacity Of Canadian
Institutions To Respond To Increasing
And Changing Human Resource
Development Requests From
Developing Countries

3-A-84-4174

KANCHAR INTERNATIONAL INC.



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July 1987

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Kanchar International

This Study Was Carried Out for the
Fellowship and Awards Division of the
International Development Research Centre, Ottawa

ACKNOWLEDGEMENTS

I am indebted to my research assisant, Carol Sissons, whose clear thinking and good humoured patience were an important asset on this project. My thanks go also to Jan Simpson of Salasan Associates who provided excellent organizational and editing skills in the first phase of the work.

Unfortunately time did not permit her to be involved in the drafting of this final report. Jeannette Weston deserves recognition for typing and retyping the manuscript through various stages while the author struggled to decide what he really wanted to say. My appreciation is also given to the vast numbers of people in North America, Europe and the Third World who have helped to educate me to some of the realities of the development business and hopefully helped me to become more realistic without becoming cynical.

Finally I want to thank my wife Marion who over the years has supported me in the various quests which have kept me travelling for long periods of time; has encouraged me to dream of new life styles for the future; but at the same time has helped keep my feet on the ground by not taking me too seriously and by helping me to laugh at my failures. Her friendship is a treasured asset.

IDRC not only provided the financial resources which made the study possible but also encouraged me to investigate the broad aspects of the subject rather than focussing more narrowly on topics of specific interest to these program areas. They encouraged me to pursue some of the action projects which began to flow out of the study even though this meant the completion of this report would be delayed. My frequent discussions of the preliminary results with the staff of the Fellowship and Awards Division (particularly Chris Smart) were highly satisfying, both professionally and personally. For all these reasons, I owe IDRC a debt of gratitude.

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THIRD WORLD HUMAN RESOURCE DEVELOPMENT

THE CANADIAN CAPACITY TO RESPOND

SECTION I. INTRODUCTION

A. PREAMBLE

This is a report about new challenges and new opportunities in the changing world of international human resource development (HRD). This field which for many years was left to a committed band of development agency personnel and educators has fast become a multi-million dollar international business attracting a wide range of public and private groups.

The new challenges come from a vast array of new requests for Canadian expertise, tough new competition from other industrialized countries and a concern that while the number and variety of Canadian organizations offering HRD capacity is expanding the overall quality of the Canadian response is not keeping pace.

The new opportunities come from the recognition that Third World demands for HRD skills from industrialized countries is large and growing and represents not only a useful focus for Canada's aid effort but also a huge export market for Canadian services. What implications for Canadian organizations are suggested by these changes in the international HRD environment? Do these changes represent a cyclical trend requiring only ad hoc responses or do they require a fundamental restructuring of the approach of those Canadian organizations interested in international training opportunities?

By responding to the lure of large dollars for tailor-made education programs are the Canadian post-secondary institutions in danger of undermining the integrity of their institutions? Are Canadian private development agencies (NGOs) becoming competitive rather than supportive of the Third World NGOs they are supposed to be helping?

Are the policies of our aid agencies weakening rather than strengthening the Canadian HRD community?

Can the Canadian development community provide the leadership for the required new responses by the public and private sector or are they hopelessly stuck in the ideological mind set of the sixties?

Does the recognition of substantial economic benefits to Canada offer the chance of broad based political support for an expanded aid program or will it lead to a disastrous undermining of the altruistic Canadian commitment to international development?

Will Canadian institutions be able to respond successfully to the growing complaint from overseas institutions that our marketing efforts, including our lack of a national education mechanism, leaves foreign clients in great confusion about what it is that Canada does well in education and training?

By involving the private profit making sector in Canadian HRD projects internationally, are we gaining access to an important new source of capacity or are we in danger of becoming "hustlers posing as educators"?

This transition period has caused considerable confusion particularly for those Canadian organizations which are new to the field; have little understanding of Third World development problems and have even less knowledge of the historical development of Canadian involvement. Somehow the benefits to be gained from lessons learned in our past efforts have not been maximized.

This report tries to assist Canadian organizations in making appropriate responses by sorting out some of the vast array of information about international HRD opportunities and responses and by putting it in historical perspective. For Third World institutions it offers some understanding about the way in which Canadians view some of their requests, what constraints influence Canadian responses, and what new mechanisms are being developed to insure more appropriate responses in the future.

On the matter of private sector involvement there is a tendency to find in Canada substantial polarized reactions to this concept. Left wing ideologues see this trend as just another evil promoted by those forces which are determined to keep developing countries in a dependency position. On the other hand those of the far right seem to suggest that if allowed to function unimpeded in a free market the private sector is in the best position to handle most development problems successfully. Substantive space in the report is devoted to the role of the private sector in an attempt to broaden this debate.

A call is made for various public and private sector groups to provide entrepreneurial leadership in responding to the changing HRD environment. The definition of an entrepreneur is not limited however to a risk taking business person. Rather it includes all those who see change as healthy and who seek out changing situations as an opportunity for innovation. The point made is that the international HRD market today offers such an opportunity for social and technical innovation.

Overall the report argues that the shifts in the HRD environment in terms of Canadian relations with developing countries are not minor adjustments. They are substantial and require fundamental changes in attitudes, structures and

in arrangements for funding HRD efforts. How Canadians respond will influence not only the ability of the country's aid program to deliver appropriate responses but also will have a substantial impact on Canadian education and training institutions and on the overall economy.

B. METHODOLOGY

In 1984, the International Development Research Centre provided initial support for an inquiry into the capacity within Canada to undertake HRD activities for Third World countries. The goal was to understand better:

- (a) the types of requests that were being made by developing countries;
- (b) the range of human resources potentially available for international HRD activities;
- (c) the constraints impinging upon the utilization of these available resources;
- (d) innovative ways in which Canadian organizations were responding to the requests.

The principal researcher had been engaged for 30 years in international development work and could draw upon extensive field experience in over 35 countries working with universities, aid agencies, non-governmental development organizations as well private commercial firms. The study then was not planned, essentially as a library research project (although large numbers of reports were read), nor as a quantitative exercise involving the widespread use of questionnaires or research assistants. Rather the intent was to have the author analyze present realities and fit them into historical perspective by drawing upon his own experiences and by engaging in wide ranging discussions with individuals in education institutions, private companies, professional associations, aid agencies and in non-governmental development agencies primarily across Canada but also including a number of developing countries.

In 1985 a draft progress report was circulated to numerous individuals in North America, Europe and in the Third World. The report was also presented to a mixed Canadian and developing country audience at the joint University of Waterloo/IDRC Conference on "Research for Third World Development". The reaction to the draft report shaped the subsequent efforts which are finalized in this document.

The process was highly dynamic. Statements made in the initial report quickly became outdated as some institutions responded to the new challenges with new policies or new projects. Also as a result of the initial progress report the author was invited to become involved in numerous work related studies, policy discussions, project design and

operational activities being undertaken by public and private groups who were developing responses to the issues being raised in the study. This final report attempts to bring closure to 3 years of study which has involved movement between action projects, analysis, synthesis and back again to action in a rapidly changing environment.

C. MAIN FINDINGS

The process has led to a strong belief that new efforts are needed to increase the capacity of a variety of Canadian public and private institutions to develop and deliver support for human resource development to fit the changing needs of the Third World.

Unless a number of Canadian institutions are prepared to consider new approaches to program development, financing, and structuring both of projects and of their organizations, then institutions in the developing countries who are looking for Canadian assistance, and the aid agencies who require the Canadian capacity to deliver their programs, will be faced with a major resource problem. There is a feeling that the quality of much of Canadian international human resource development work is deteriorating and that the HRD community needs strengthening if the decline in quality is to be reversed.

In order to increase the international HRD capacity of Canadian institutions there will need to be:

- (i) changes in attitude (defining international HRD needs and potential capacity in new ways)
- (ii) changes in structure (organizing for cooperative efforts among public and private organizations)
- (iii) changes in financing (finding new ways of mobilizing capital to develop new Canadian capacity)

This report will explore what has been happening and what still needs to be done in terms of changes in these three areas.(1)

- 1 More detailed examination of a number of issues raised in this report can be found in the series of ISSUE PAPERS produced by the FORUM FOR INTERNATIONAL ACTIVITIES (FIA), a HRD network of public and private organizations formed as an outgrowth of this IDRC study.

D. STRUCTURE OF THE REPORT

The process of action and reflection over the past few years has resulted in the identification of 18 issues which the author feels are of strategic importance in moving towards an expanded international HRD capacity in Canada. Section II identifies these 18 issues and considers the climate of change in which they are currently being addressed.

The subsequent sections III through VII expand upon some of the strategic considerations and provide examples of some of the more innovative ways in which the issues are currently being addressed.

Section VIII deals with entrepreneurial fund raising related to specific issues of capacity building and Section IX looks at the use of networks as a way of increasing Canadian capacity. Section X is the conclusion which briefly summarizes suggestions and recommendations made throughout the report.

The study does not in any way attempt to evaluate the effectiveness of regular Bachelor, Masters or PhD programs in Canada in which students from developing countries are enrolled. The study does draw on a variety of alternative training approaches now in use. Included in the analysis are strategies for linking the public sector with the private sector to develop responses to the human resource development (HRD) needs of the developing countries.

Before turning to the 18 strategic considerations, a definition of HRD will be provided, as well as some background on the reasons for increased Canadian interest regarding Third World HRD.

E. REASONS FOR INCREASED CANADIAN INTEREST REGARDING THIRD WORLD HRD

Throughout the 1960s, the emphasis in aid and development activities gradually shifted away from education and training, toward capital assistance to strengthen physical infrastructure. The decision by aid agencies to reduce support for training was due partially to new development priorities and partially to administrative constraints. The management of training programs was labour-intensive and the aid agencies found themselves unable to continue to commit such substantial administrative resources to the delivery of these programs.

In the latter part of the 1970s, donors paid considerable attention to the issues of food aid and basic assistance for improved health and welfare of the "poorest of the poor". It was a laudable sentiment to share more aid resources with those at the very bottom of the economic ladder but aid agencies often found that it was not easy to find starting

points for development projects among these least advantaged people.

The 1980s ushered in a period where the focus moved again from an emphasis on infrastructure to an emphasis on people. Increased awareness of the complexities of economic growth, the interdependence of the world economy, and the limitations of knowledge to tackle some of the new development problems have been the main focus pushing for this shift in attitude. Thus the donor agencies once again have been forced to address the issues of human resource development, particularly as they relate to the problems of technology adaptation, economic development and trade, and management for change.

As donor agency interest in training projects was reviving, some Canadian institutions were beginning to see that these projects represented a substantial economic opportunity for them. Many developing countries began to push for access to North American technology and skills, and were looking to Canada for help. Canada has the ability to offer them this access in either French or English, and for some countries Canada is more acceptable politically than the U.S.A. The World Bank and other regional development banks (sometimes prodded by CIDA) began to offer more Canadian institutions access to the large Bank training projects that involve technical assistance overseas as well as placements in donor country institutions.

CIDA's decision to turn over the delivery of projects to other Canadian organizations makes it now technically possible to administer an expanded HRD program funded by the Canadian aid program.

One implication of the strong desire of developing countries to have access to Western technology is that, contrary to the expectations of many, the potential number of sponsored students from the Third World seeking access to Canadian institutions is increasing rather than decreasing. In 1983 the total number of students and trainees in Canada under CIDA's auspices stood at 971. Some internal CIDA reports are predicting that this number could be as high as 10,000 by the year 2000. Past speculation that Canada's interest in supporting institutional development within developing countries would mean declining numbers of trainees in Canada, has not been borne out. Most efforts to support institutional development overseas seem also to involve a substantial amount of training in Canada.

However, there is an awareness of a new competition among industrialized countries to attract the best students from developing countries, particularly from the newly industrialized countries. The fact that among development assistance committee (DAC) countries, Canada stands twelfth out of seventeen in terms of the number of students and trainees per \$1 million of aid indicates that we have not

yet made as large a commitment of our own aid money to training as many other aid agencies have.

Some government policy makers have begun to realize that the demand for Western human resource development capacity (including technical assistance and courses in North America, Europe, or Japan) is huge. This demand is reflected not just in formal education projects but also in substantial training needs related to capital projects funded by multilateral sources. In 1986 the estimate of overall world projects of this kind of training project was in excess of one-half billion dollars.

It is becoming clear then that the market for HRD capacity is huge and although Canada continues to have some success in attracting university students (35,000 a year) we have not been tapping much of the overall HRD market. The potential economic benefits to Canadian institutions of obtaining a larger share of this market has crystalized new support for international HRD work from many government, university, and business people who had previously shown little concern with development work in the Third World.

While some Canadian development experts wrestle with what they see as the contradictory interaction of Canadian economic interests and Third World development interests, others argue that both for sound developmental reasons as well as a concern for economic self-interest, there is a need to build an expanded HRD program within the Canadian aid program.

In response to this need some CIDA bilateral desks have dramatically increased their commitment to a wide variety of HRD activities. The Indonesia desk for example, has moved to make HRD spending a cornerstone of its programming. A majority portion of the China desk allocations to date also have gone to some type of HRD work.

CIDA's new focus on HRD has led to internal restructuring and the establishment of a new Social and Human Resources Division with a responsibility to assist all CIDA divisions in developing HRD programming.

Tentative CIDA policy plans speak of increasing the number of CIDA supported trainees by 300% by the year 1990. If this target is accepted it would also include raising expenditures on trainees from 2.3% of official development assistance (ODA) to at least 5%.

Two project examples from Asia provide an insight into the magnitude of the demand from the developing countries for Canadian expertise. Indonesia has recently obtained Canadian assistance from the British Columbia Open Learning Institute for developing an Open University to handle over 400,000 long distance learning students by 1990. The Chinese have included in their broad mix of requests to

Canada, one for assistance in training 40,000 auditors. As one CIDA official has put it, "the information/knowledge/skill revolution has begun in earnest in the Pacific Rim". This revolution in varying stages is underway throughout the world and one result is an increased demand for Canadian assistance in the area of Human Resource Development.

F. HUMAN RESOURCE DEVELOPMENT - WHAT DO WE MEAN BY IT?

The renewed emphasis on HRD in the Canadian aid program and the way in which it is being defined can be described as a compromise position between the development philosophy which focuses on "growth through capital projects and infrastructure support" and the strategy which argues for a focus on "the poorest of the poor".

The necessity of this compromise suggests that the present use of the term "human resource development" instead of "education and training" is not just a case of old wine in new skins. The focus of concern has returned to the individual in the development process, so when we speak of HRD in this new sense we are talking about the entire spectrum of development and not just a particular sector.

A country's state of development is measured by indicators of the quality of life: health, nutritional standards, housing, access to education, and employment. Human resource development is seen as the process of activating the available resources to meet the standard of living required by society.

The HRD sector as is now being defined by many is not restricted solely to the school system nor to these systems plus the formal and informal training programs of other government departments or private organizations. Seen as equally important are the technological inputs, material support, and on-the-job training components of capital projects that develop skills, increase productivity and assist in the use of new technology. The range of activities covered by this view of HRD is wide. For example, within CIDA at least three different categories of activities are now accepted as belonging to the HRD sector.

- direct assistance to education and training institutions;
- inputs to projects in other sectors (job training, transfer of technology, organizational improvements);
- social development activities (training for better health, nutrition, housing, etc.).

This changing definition of HRD requires a closer link between education and economic development. It stresses the

notion that the development of human resources requires both personal and professional supports. Project requests increasingly will call for tailor-made formal training, backed by on-the-job training and a host of follow-up support activities. Demands for this type of HRD may require co-operative efforts between the public and private sector in Canada. This approach suggests that it is not enough simply to build a school, pay for a teacher, or offer a fellowship. The process of building HRD projects is complex. It involves relationship-building as well as institution-building and requires long-term commitments.

SECTION II. SOME STRATEGIC CONSIDERATIONS REGARDING INTERNATIONAL HRD DEMANDS AND THE BUILDING OF CANADIAN CAPACITY

During the research, while grappling with the most appropriate definition of HRD, the nature of the changes in requests for HRD assistance, and the extent of Canadian capacity to respond to requests, the following 18 issues have been identified as strategic. An understanding of these issues and their implications for action seem critical if Canadian capacity to respond to HRD requests is to expand and improve.

A. 18 STRATEGIC CONSIDERATIONS

1. Human Resource Development can be seen to refer to almost the whole spectrum of development, and has the potential to be the centre-piece of any aid program.

This approach to HRD has been growing in the minds of some key policy makers in the federal government. The recent report of the Parliamentary committee looking at External Affairs and Trade agreed that human resource development "has the ability to serve as a kind of prism through which the entire aid program should be viewed."(2)

Bilateral desks at CIDA which are considering seriously the most appropriate definition of HRD find that HRD cannot be considered as a distinct program area. Rather, HRD permeates the entire country program and greatly influences both overall development and operational strategies. This definition of HRD sets new parameters on the evaluation of the extent of appropriate Canadian capacity and what needs to be done to strengthen capacity.

The manner in which HRD is defined will strongly influence the way in which changes in program design implementation strategies, financial arrangements, and evaluation requirements are viewed. Thus aid agencies and delivery agencies need to be concerned with understanding the implications of the new definition of international HRD in order to understand how it can be undertaken within their activities. They need to take time to think through the implications of the new approach to HRD in order to decide what changes in program design, implementation strategies and financial arrangements are needed.

For CIDA, utilizing HRD as the underpinning of an entire country program will have serious implications for program

- 2 "For Whose Benefit: Report of the Standing Committee on External Affairs and International Trade on Canada's Official Development Assistance Policies and Programs", May 1987, page 15.

design and management as well as requiring substantial new support systems. It will likely force the personnel on the bilateral desks to take a fresh look at the aid/trade debate, the selection of appropriate executing agencies from a wider pool of institutions, the need to link design, planning and implementation in one CEA, and the need for more serious on-going monitoring/evaluation procedures. Some new problems will be created in quickly raising disbursement patterns to reach the desired new level of HRD spending.(3) Managers will have to be concerned about offering short training experiences to help their staff understand the implications of this concept of HRD.

2. There is a tendency to turn a variety of unrelated training inputs for a given country into a coordinated project which has some overall strategy and coherence

In the past, there might be only a few Canadians who actually know the extent of the Canadian HRD involvement in a particular country. Through a system of supporting discrete projects, it was possible to have individual Canadian experts scattered through various ministries, a number of technical assistance personnel related to different projects, a number of uncoordinated twinning arrangements between Canadian and local institutions, and a variety of other inputs from various institutions. In addition to these efforts there might be a variety of programs by which trainees from the country were brought to Canada.

The tendency now is to package many of these elements within a country HRD program. There are some potential advantages when training awards no longer consist of a number of ad hoc decisions in different sections of the aid agency, but rather are part of some identifiable project. However, in moving to rationalize training schemes through integrated general training plans, CIDA should be aware that if the programs are not carefully designed and backed with appropriate new administrative and monitoring capacity, this move to turn the HRD activities into projects, might merely lead to increased bureaucratization, a slow down in the process of approval, and a stifling of the initiative of the Canadian non-governmental community.(4)

- 3 (See FIA ISSUE PAPER NO.9 for more details. Peter Morgan, "Implementing Human Resources Development Projects in China and Indonesia: Some Emerging Lessons of CIDA Experience".
- 4 See Loubser Consultants "Mid Project Review of the Kenya-Canada General Training Fund", CIDA, June 1985, and Canadian Bureau of International Education report on "Managing Scholarship Programs for Indonesian Students in Canada".

3. HRD linkages with Canada are beginning to form an important part of the foreign policy of some developing countries e.g. (China, Indonesia, Malaysia).

In their development strategies, these countries see their international comparative advantage being determined by their access to Western technology and training. These countries are asking for more inputs from North America and most of their projects involve multi-faceted training components. Canadian institutions will be at a disadvantage in responding to requests from these countries unless they both understand the strategic importance and give some thought as to how international HRD fits in with their own institutional interests or with Canadian national strategic interests.

4. Requests from developing countries for Canadian HRD support are changing in a variety of ways

They include the following:

- a) Requests for donor assistance are being made to support almost all sectors of national life.

In earlier years most aid assistance to education and training was directed to state institutions (schools, parastatal organizations or government departments). In the present period renewed interest in the non-governmental sector as crucial to development has generated HRD requirements for a host of new private sector groups in developing countries: non-governmental development agencies, professional associations, consulting firms, private medical organizations, and chambers of commerce.(5)

Providing assistance to this broader range of organizations in developing countries requires some careful consideration to insure that the Canadian efforts prove to be an enabling force rather than a competitive one.

- b) Requests for assistance in differing disciplines are being received.

While HRD requests will continue for such basic development sectors as agriculture, education and health, priority is increasingly being assigned to such new areas as energy, trade marketing, industrialization, financial management and

- 5 Examples are requests to the Canadian Association of Municipalities for assistance in strengthening the administration of urban government institutions and requests for a Canadian financial institution to train staff of an African private sector finance company in developing new products and services for a broader range of clients.

monetary policy, informatics and computerization, and the environment.

Interest in supporting small scale private enterprise has prompted new requests for small scale credit schemes and training in such areas as costing, finance management, mobilization of capital, and marketing.

In the more traditional development sectors, such as health and agriculture, there is a new interest in training people in broad policy skills that grapple with the delivery of wide-ranging services and require cross disciplinary skills.(6)

Canadian public and private development agencies need to clarify what are the required responses to the new HRD requests and how the agencies might best indentify and mobilize Canadian resources which can respond to these new kinds of requests.

c) There is a new emphasis on support for management training.

There is increasing recognition that a shortage of management skills is a major constraint to development. Requests for assistance in management development is coming from a wide variety of organizations such as commercial enterprises, educational institutions, research centres, government departments, NGOs, and social development projects.

There is a need for some Canadian group to take the initiative in cooperation with some top management institutions from developing countries to map the range of management needs, the different skills required for different managerial roles, the methodologies which seem most efficient in developing those skills, and the various Canadian organizations now delivering these methodologies in a Third World setting. Only then will it be clear where the Canadian gaps in management training for development are and what actions might be necessary to close the gaps.(7)

6 See further references in "Poverty and the Development of Human Resources; Regional Perspectives", World Bank Staff Working Paper, No. 406 (July 1980), p.78

7 See FIA ISSUE PAPER NO. 5, Peter Green and Art Wright, "The Case for a Canadian International Management Development Institute".

d) New types of training programs are being requested.

Old style "naked scholarships" which provide only a place in a regular degree program with no other support are less attractive to many of the developing countries.

More frequently, training requests include provision for selecting and preparing the trainees, for tailoring programs to fit the students' specific needs, and for personnel and equipment to assist the student once they returned to their own institutions.

Programs that include a mix of formal training, on-the-job experience, and personal and professional support systems are in great demand. Skilled workers and trained technicians are needed by countries pushing to industrialize and "hands-on" experience in plants is becoming an important part of the training process. Short specialized programs for mid-career professionals are also part of the changing pattern of requests. (8)

Many of the requests for tailor-made programs do not fit easily within the regular programs offered by most Canadian educational institutions. Special efforts will have to be made to link the expertise of two or more different types of organizations in order to provide the desired program. How these linkages will be developed requires some new thinking.

5. There is a need to find more Canadian executing agencies to deliver the HRD projects.

It is clear to all aid managers that HRD projects are extremely labour intensive. The present policy in CIDA does not allow the agency to hire additional administrators to handle the delivery of the expanding HRD projects. This means that large numbers of new Canadian executing agencies (CEAs) must be found. It will not be easy to find groups with Third World experience who can quickly take on these new responsibilities in an effective and an efficient manner.

It is important to recognize that although many Canadian non-governmental organizations have been active in Third World development, few have operating-staff overseas and few have any experience in administering large HRD projects. Changing HRD requests mean that new executing agencies must sometimes be found among Canadian organizations which have the required technical expertise but little or no commitment to or experience in international development.

8 For evidence of this type of thinking applied to the development of a CIDA bilateral program see Human Resource Development Sector Study (Indonesia) by Salasan Associates.

The mandate of the federal government to share some aid projects across the country in a more equitable manner also means an active search by government to recruit agencies who have never been involved in international development work before.

All of these developments suggest that unless efforts are made to strengthen the ability of many different organizations to administer projects overseas, the quality of delivery of Canadian HRD work in developing countries will be under severe stress.

6. International HRD activities are being influenced by the competitive spirit of the market place

Political support for Canadian aid is currently being influenced by the extent to which assistance to developing countries has a positive impact on the Canadian economy.

The international demand for HRD assistance has spawned a variety of responses by new Canadian agencies and has brought the competitive spirit of the market place into education.

In the past, CIDA relied heavily on Canadian educational institutions to provide training and technical assistance. Increasing and changing demands are requiring new responses at a time when these institutions are caught in a financial squeeze and facing reductions in their international involvement. Now private non-profit groups, profit-making corporations, professional associations, crown corporations, and government departments have been entering into competition with the universities and colleges in an area they see as a growth business opportunity.

The intrusion of market forces into the development business will be seen by some as an abomination. However, the development community needs to realize that used creatively these market forces can not only add to the overall development process but can be a useful catalyst for improving private development agencies. The need to comprehend and use the positive aspects of these forces in development is a key issue at this time. Both public and private aid agencies need to grapple seriously with these issues.

7. Canadian HRD Capacity is now being viewed by some people as an export but the Canadian HRD community is not organized well enough to develop this export opportunity.

As developing countries become more interested in access to North American technology, training systems, and managerial capacity, Canadians need to consider that HRD usefully could be viewed as an export. Indeed it would appear that "HRD"

is one of our most competitive exports.(9)" The recent study of the service sector in Ontario argues that "our best hope for competitive advantage in international trade lies not in the mass production of goods but in the specialized application of knowledge."(10)

The financial stakes for CEAs in tapping this export market are soaring. It is not unusual for organizations to be bidding on projects worth \$15, \$20 or \$25 million. The potential benefits to the executing agency through fees, support costs and general overhead is substantial.

The way in which CIDA's decisions to back a number of national organizations (ACCC, AUCC, CBIE, CFDMs) and a vast array of for-profit and not-for-profit organizations to be CIDA's executing agencies in HRD has brought quick growth to some of these groups. However it has propelled them all into the international marketplace without any overall Canadian strategy. CIDA's policy of encouraging a diverse group of agencies across the country has also encouraged the proliferation of small competing agencies who enjoy some minor international success (usually backed by CIDA's money) but who are left too small and weak to compete with organizations from other countries for the large international tenders of the development banks and foreign governments.

In order to tap the larger HRD markets there is a need for a mechanism which permits a more comprehensive Canadian response to match the centralized German, United Kingdom, and Japanese responses, and the responses of substantial U.S. organizations such as the Academy for Educational Development, RCA Victor, the large accounting firms or the International Bureau of Education.(11) and foreign governments.

This situation is a problem of great urgency which needs serious attention at the highest levels of government, private and public institutions.

8. Need for new attitudes toward the role of profit in development.

Although most Western aid agencies in their recent pronouncements have paid a great deal of attention to the

9 See FIA ISSUE PAPER No. 3. Don Simpson, "Canadian HRD Capacity As An Export".

10 Government of Ontario Ministry of Treasury and Economics, Ontario Study of the Service Sector, 1986

11 See FIA ISSUE PAPER No. 4 for a proposal for cooperative international marketing of Canadian HRD resources.

role of the private sector in development, the attitude of many of their staff towards new mechanisms for involving the private sector has been negative.

The fact that the Third World private sector is often low on the priority lists of bilateral aid agencies, and that Canadian voluntary agencies readily define themselves as non-profit organizations and for the most part actively avoid the private sector at home and abroad, indicates that there is a fundamental problem in interpreting what role profit can play in the development process.

There is a critical need to address this confusion in Canada and to help the private and public aid agencies to actively seek mechanisms which will help more private sector firms in both Canada and the Third World to focus their strengths on some of the key problems of development.(12)

9. Increasing need to consider institution-building in developing countries as part of most HRD projects

There is a concern among many people working in development and among some Third World personnel that Canadian institutions may push concern for Third World institution building into the background in their rush to take on HRD work for profit.

Most donor agencies agree that their understanding of the best ways to improve the effectiveness of Third World institutions is limited. The donor community's approach to this work is essentially ad hoc and the causes of success and failure are poorly understood.(13) Indeed in some parts of the developing world (particularly parts of Africa) there is increasing evidence that the project approach to delivering aid monies is actually hurting the institutions they were meant to support.(14)

10. Need for long-term commitments by Canadian institutions

Inherent in the new definition of HRD, which sees individuals within the organizational context where they

12 See FIA ISSUE PAPER NO. 1, Ian Smillie, "Profiting from Experience: The Role of Profit in Development".

13 See FIA Paper No. 14. Charles Lusthaus, "Institution Building in Developing Countries: What Can Be Done To Improve The Effectiveness of Canadian Contributions?"

14 Elliott R. Morss "Institutional Destruction Resulting from Donor and Project Proliferation in Sub-Saharan African Countries", World Development, Vol. 12, No.4, April 1984.

will function with new knowledge and skills, is an emphasis on institution building. This approach requires Canadian participants to think about long-term (5, 10, or 15 year) commitments to an HRD program. CIDA's planning process will have to begin to take this time frame into account. Even though there are legal limitations to long-term commitments by CIDA, changes nevertheless can be built into the process which will assist all participants to deal with this essential need. Planning should consider where the institution wants to be in 10 or 15 years and what programs will be supportive of that development.

11. Need for Changes in Internal Procedures in CIDA to Adjust to Implications of New HRD

CIDA is being urged to adjust its thinking in a number of ways. It is being challenged to engage in more strategic and longer term contributions to specific aid programs. It has shared responsibility with others in developing a more coherent approach to the development of institutional capacity in Canada and a need to share more information and experience, at an earlier stage, with its prospective Canadian partners.

It is also clear that it needs to accept and implement some different internal procedures to fit the new approaches and new institutional arrangements it is encouraging.

Although CIDA talks of a new policy to pass on administration of HRD projects to Canadian executing agencies, there is little evidence that the necessary internal changes in attitude, strategy, policies and procedures have been considered seriously. CIDA officers are using basically the same approaches they did when they had direct contracts with individual cooperants. Basically the same officers in CIDA are operating with the same mechanisms and the same procedures even though now the contracts are with private organizations. This is a recipe for failure.

CIDA also must realize that many internal procedures derived from the demands of capital-intensive projects do not suit the development of HRD projects and need to be changed.

For example, the separation of contracts for project design work from implementation activities may make a good deal of sense when building a dam or a bridge. It makes almost no sense with large integrated HRD projects. In trying to force this inappropriate model on HRD agencies, CIDA has angered the implementers by bringing them in to operationalize a project in which they have had no design inputs. It also frustrates the designers by pretending that design and planning for such projects can be compartmentalized and completed before anything is begun.

The issue is serious as many of the best project design groups are about to withdraw from this work. Not only does it not make pedagogical sense, it is hurting them financially, because although the process understandably builds upon their beginnings and always takes longer, they are paid as if it is a neat precise package.

There is a need for CIDA to realize that HRD planning is a process which continues over the life of the project. This suggests that on-going monitoring and evaluation procedures are crucial and that it is essential in many projects to allow one executing agency (or consortia) to do both the planning and the management of the project.

12. Need for support from the aid agencies for capacity building in Canada.

Core funding from CIDA, in addition to project support, has helped to build a few substantial NGO organizations, as well as a number of strong professional associations. As CIDA continues to deliver more of its HRD assistance through NGOs, attention must be given to increasing the field experience and program implementation skills of more NGOs so that they can actually deliver programs overseas effectively. At the same time CIDA and IDRC must decide the extent to which they now should become involved directly in building the capacity of private companies and educational institutions.

The educational institutions under severe financial constraints will be hard pressed to continue their present level of involvement and will find it extremely difficult to build expertise for a long-term commitment to a particular country or region without support from the aid agencies to build and sustain this expertise.

Since it is now clear that expertise from the private profit-making sector is needed for the HRD projects, aid agencies need to consider how much they wish to assist these private companies to add the development knowledge and cross-cultural skills to their technical knowledge.

The cost of capacity building for both profit-making and non-profit institutions could be shared between CIDA and the organizations. CIDA's new Social and Human Resource Development Division is pioneering some new design efforts in this field and their efforts should be encouraged and supported.

13. Need for cooperative efforts between public and private or among public institutions.

The argument in this report is that changing requests and the need for long-term commitments, requires the need for cooperative efforts by both public and private institutions. There is a need to illuminate, explain, and promote some of

the successful and innovative partnerships and joint ventures between private sector firms, NGOs, and educational institutions in designing and delivering HRD projects for developing countries.

Brokers with extensive Third World experience have a part to play in bringing together public and private organizations in cooperative efforts to address some of the new HRD requests.

Also there is a need to nurture various types of networks among Canadian organizations to strengthen the capacity of these organizations to deliver the required response to Third World HRD requests.

14. Need for post-secondary institutions to recognize new opportunities, and to realize that participation in these new opportunities will likely require structural changes.

Educational institutions for the most part have not seen developing country HRD in business terms, nor have they realized that the game is being played by new rules and that the stakes of the game have increased considerably.

These changes offer new opportunities but require institutions to work at developing an overall strategy and more flexible structures for their international activities which might involve joint ventures with other public or private institutions.

The community colleges have made substantial responses to the new opportunities. A few universities have reorganized themselves in creative ways to enter into negotiations on the large projects and are benefiting from these changes. A great many institutions are unaware of the opportunities, or are vaguely aware but not sure whether or not they want to be involved.

Increased efforts are needed to make more post-secondary institutions aware of what the opportunities are in the field of international HRD and how their strategies and structures will have to be altered if they decide to take advantage of these opportunities.

15. There is a growing concern about the role of women in development.

Donor agencies are placing more emphasis on the role of women in development, and on the impact of development projects on women. The trend is growing and new agencies and associations focusing on the role of women in development are appearing in various parts of the world.

Among the aid agencies, CIDA has played a leading role in developing an agency-wide policy on women in development.

More effort is needed among all Canadian participants to work out practical implementation schemes for CIDA's Women-in-Development policies which will activate the policies without allowing inappropriate quotas or ideological limitations to distort the serious developmental concerns which motivated these efforts. (15)

16. Africa presents a special case for HRD support.

Since the state of industrial development in most African countries is well behind that of many other Third World countries, new HRD initiatives being implemented in Asia and in parts of Latin America may not necessarily be appropriate at this time in many African countries.

Canadian businesses see fewer commercial opportunities in Africa than in the Pacific Rim and as a result it will be more difficult to create joint public/private sector initiatives for Africa than it has been for Asia and Latin America.

Serious new creative efforts are needed both to assist the development of African based NGOs and to find a way to motivate increased joint public and private sector initiatives in Africa. Perhaps it is time to consider the establishment of a Canada-Africa foundation which would build on the work of a number of outstanding leaders in Canada and Africa who in their own individual ways have been nurturing this connection.

17. Developing more Canadian centres of excellence for Third World HRD

Historically Canadians have not developed a significant number of centres of excellence concerned with a geographical area in the Third World or a specific subject area related to international development. The present financial constraints combined with the desire to provide good quality HRD training, has resulted in a search for new mechanisms which will enable existing resources to come together around a topic or problem of mutual benefit to Canada and a Third World country. Consideration needs to be given to the most appropriate ways in which to support the growth of "centres of excellence" for Canada's international HRD efforts.

- 15 See "CIDA's Cross-Agency Committee Report on WID Training and Scholarships", June 1986. This report provides an overview of the data, trends, issues, constraints, opportunities and suggested options for implementing specific new strategies for increasing the representation of women in training and scholarship programs.

18. Specialized support services to improve HRD projects

In order to increase the effectiveness of existing efforts in the HRD field a number of areas which support the design and implementation of projects need consideration. There are a number of ways of improving the understanding and analysis of Third World needs which is an essential first step in the design of a good quality program. Issues relating to the selection of trainers, language requirements, language and cultural preparation, professional support in-country, and the data bases for Canadian HRD capacity, all impinge on the quality of Canadian programing.

B. THE CLIMATE FOR ONGOING REFLECTION OF THE STRATEGIC CONSIDERATIONS

As recently as 1984, the attitudes of various organizations interested in international HRD work to the implication of the strategic issues raised above were highly skeptical. For example:

CIDA personnel (with some notable exceptions) showed little concern about the problems of finding quality capacity in Canadian institutions. The conventional view was that there were many unemployed professors and teachers looking for work and institutions were short of money. Thus CIDA would be able to purchase whatever type of assistance it needed. CIDA's basic position was that it had no responsibility for developing the capacity it needed to undertake overseas activities. That was the responsibility of individual Canadian institutions.

Most of the NGOs were skeptical of cooperation with private companies which they characterized as being exploitive.

In a similar manner, educational institutions were wary of entering into joint ventures with private companies, feeling that their legitimate academic interests would be lost in such a venture.

Few educational institutions or private companies felt they had much to gain from interaction with NGOs who many viewed as well-meaning but unprofessional.

Many educators committed to international development work found it hard to believe that considerable resources for this work were available if they organized themselves to respond to new needs. Most educators were skeptical of any suggestions to form non-profit corporations to take on joint ventures in international development.

Many Canadians interested in development work were

skeptical of the advantages of applying some business approaches to organizing HRD activities. The idea of treating HRD capacity as a product, and of viewing it as a competitive export, seemed to many people to look like opportunism.

To some Canadian development workers placed in developing countries and to some Third World educators, all this talk of the need to develop new Canadian capacity was just another way of diverting resources away from Third World institutions to be used in developing Canadian institutions.

This study has been one of a number of initiatives underway over the past two years to interest a variety of agencies in grappling with the need for new attitudes and responses to changing HRD requests. These initiatives through discussion and example have:

a) Helped Canadian post-secondary institutions to appreciate that:

- they cannot respond appropriately to some of the requests from developing countries;
- some NGOs and private companies are addressing seriously the design of appropriate teaching programs;
- market forces are influencing the selection of delivery agents more than before;
- there is an increasing market for HRD work of a new nature;
- Third World HRD work can pay for itself and earn a profit for institutions but the institutions have to decide priorities, structure themselves to address these priorities and, in some cases, seek joint venture arrangements with other public or private sector organizations.

b) Helped CIDA, IDRC, and other Federal and Provincial institutions to realize that:

- the resource crisis at the Canadian educational institutions seriously impedes their capacity to address Third World needs;
- many of the HRD requests from developing countries require tailor-made programs which might require a mix of formal courses, apprenticeship and on-the-job training;
- in order to develop such tailor-made programs, a mix of public and private sector involvement will likely be needed;
- Canadian institutions will need financial assistance from donor agencies to develop this newly required capacity;
- brokers will be required to package these types of programs and the people with these skills will be found among various public and private agencies or

- in networks established by these groups specifically for this purpose;
 - the Canadian HRD community needs considerable strengthening as the quality of some of the Canadian international HRD work shows signs of deteriorating;
 - there is a need to improve Canadian ability to tell others what types of HRD are done well in Canada.
- c) Helped aid agencies and developing country personnel to consider that:
- the focus on building Canadian capacity does not negate the need to strengthen institutions in developing countries;
 - as long as Third World countries want access to Canadian expertise there is a need to give them access to a wider range of programs tailored as much as possible to their needs and at a price which is competitive;
 - in developing such Canadian programs concern should be given to maximizing returns for the Third World institutions from which the trainee comes.
- d) Helped Canadian NGOs to grapple with the fact that:
- the Third World NGOs are starting to make requests which cannot be met from their normal range of resources;
 - to respond to some of these requests will require the NGOs to become more aware of other personnel resources in Canada some of which are located in the private-for-profit sector.
- e) Helped all concerned to realize that:
- to speak of using the private sector in Canada to provide more of the drive for international development will be empty rhetoric unless more is done to find new processes and mechanisms to link the public and private sectors in a way which brings useful new resources to address the Third World HRD needs.

The events of the past 2 years, indicate a substantial shift in Canadian thinking concerning Canadian HRD capacity to address the needs of developing countries. Some of the arguments raised in the first progress report on this study (May 1985) have been outrun by events. There has been a noticeable change in the degree of interest shown in the activities mentioned above.

This is not to suggest that all the activities have begun in the last two years. Some quiet efforts to break new ground have been under way for some time. But the activities have increased in number and recently reached a point where it

seems possible to speak of a new phase or a new vision of Canadian HRD involvement in international development.

A recent meeting of those Canadian executing agencies involved in programs in China, encapsulates the sense of the new players in the international HRD drama. Included in the review meeting were 43 organizations ranging from university international offices, AUCC, ACCC, management schools, provincial ministries of natural resources, civic hospitals, private foundations, Agricultural Canada, the Canadian Seed Trade Association, the Potash and Phosphate Institute of Canada, B.C. Hydro, Auditor General's Office, and private companies such as Lavalin, (consulting engineers), Semex (export of semen), D & S Petroleum Consulting, T. M. Thomson and Associates (architects).

At this time, there is a new stage set for HRD activities in international development. Arguments have been articulated which urge Canadians to appreciate the new drama, get their act together, and take it on the road. Yet many people are still asking "What is the act and where is the road?"

As a result of activities of various organizations over the past 2 years, it is now possible to describe the various acts that are being written and to indicate some of the roads being taken to showcase the new acts. Subsequent sections of this report will elaborate on some of the strategic considerations and new initiatives under way in order to enable others to continue the momentum for change.

SECTION III. INFLUENCE OF MARKET FORCES AND PROFIT MAKING IN INTERNATIONAL HRD: WHERE IS IT HEADING?

A. CAN MARKET FORCES PROVIDE NEW SOLUTIONS TO DEVELOPMENT PROBLEMS?

This report has suggested that one of the major new strategic considerations to be addressed is the role that market forces have come to play in influencing the way in which Canadian capacity for Third World HRD work is being developed. Evidence of this trend has been shown in such developments as:

- the recognition by many developing countries that access to Western technology and training is crucial in helping them to become competitive exporters internationally;
- the realization that increasingly middle and upper level developing countries come seeking Canadian HRD expertise not as supplicants seeking a hand-out but as clients ready to purchase tailor-made products with loans or their own funds which they can allocate as they choose;
- the inability of many Canadian universities to respond in innovative ways because of an increased concern about the allocation of their scarce resources;
- the linking of aid and trade in Canadian government policy and the selling of training programs which has now become big business;
- the emergence of many new executing agencies in the private and public sectors which have never been involved in international activities before but which see that it is a growth activity;
- the linking of aid and trade in Canadian government policy;
- recognition of the fact that the service sector in Canada now accounts for 75.6% of employment and 72.4% of gross domestic product;
- the recommendation by some Canadian policy makers that future economic development policies such as tax measures, industrial assistance and export promotion initiatives should be considered in a context that fully recognizes the importance of the services sector to our economy;
- the emergence of a belief that HRD capacity should be seen as a highly competitive export product which is eligible for some of the export incentives;

- the use of PEMD and DRII grants (usually reserved for the export of manufactured goods) to promote the export of educational services;
- the concern in Canadian government circles that we must do more to compete successfully with other Western donor agencies in attracting good Third World students and trainees to Canadian institutions;

The application of commercial terminology and bottom-line evaluations to international development work is not appreciated by many people in the international development community. Many have a concern that a true interest in the development process and in international equity will be lost if these forces come to dominate.

References in this study to the private sector, market forces, return on investment, marketing the HRD product, analyzing customer needs, etc., have not been intended to suggest that the private sector can be the most significant element in our drive to bring about development. Rather, it is useful:

- a) to remind educational institutions and NGOs that some private sector companies are making significant contributions in both the design and delivery of HRD programs for developing countries. These companies could make more of a contribution if they were to work in concert with those who know the development field well;
- b) to suggest that the NGOs and the educational institutions could improve their ability to respond efficiently and effectively to HRD requests if they were to incorporate into their organization and their operations some of the normal procedures required to keep a private business operating.

B. THE ROLE OF PROFIT IN DEVELOPMENT

There is some recognition that the development community is about to come to grips with the whole issue of profit. The association of profit with self-interest and/or exploitation limits many peoples flexibility for action in terms of partners for development projects.

Ian Smillie writes that "the word 'profit' has the same Latin root as the term 'proficient' and means, at its most elementary, an excess of revenue over expenses. Taken at this level, 'profit' might appear to have the same generic meaning for business as it does for government and non-governmental organizations which seek to create jobs, to

develop 'income generation' projects, or activities which lead to 'self sufficiency'."(16)

There is a fundamental difference in the interpretation of what profit means, and therefore a difference of opinion exists between three important groups with strong interests in the Third World - government, the private sector and voluntary agencies.

It is counterproductive to ignore totally the private profit making firms in developing countries, when in our own society these firms have played a productive role in our development by creating jobs, products, and wealth.

1) Universities and the profit motive

When university people state that their institution is not concerned about making money out of its international work, they imply an altruistic commitment towards this activity. While this commitment is laudable, in an era of stringent budget constraints if there is no return on the investment (profit) how can continued allocation of scarce human resources to these endeavours be justified?

Unless they are required to have a margin above costs, how will they have the resources to develop additional capacity, to test the market, to see what products the Third World institutions want, and to tailor-make programs to fit their clients' needs?

Unless they make a profit, where will they find the money to cover the initial development costs on major projects, or to organize a serious tender bid on a major project, or to advertise to overseas clients the range of resources they have to offer, or to explore various potential associates to find the correct joint venture partner?

2) The NGOs and the profit motive

Many NGOs are also stymied in their need to obtain key resources from a number of companies, by their stereotype of the capitalist community. Some NGOs, along with some development experts in Canadian universities, are stuck in a 1960's mentality. They are reluctant to become too linked to a private sector firm either in Canada or in a developing country, for fear of being viewed as supporting the exploitation, rather than the development, of the Third World. They feel that the private sector (by definition) will put the return on investment ahead of the development objective in any undertaking. On the other hand those few NGOs who have taken a more entrepreneurial approach to their

16 Ian Smillie, "Profiting from Experience: The Role of Profit in Development", EIA ISSUE PAPER No. 1

operations and have come to grips with the profit motive are viewed with suspicion by many in the aid agencies.

3) The aid agencies and the profit motive

Emphasis on the involvement of private profit-making companies in development activities is now part of Canadian government policy. Support for this policy comes from the minister responsible for CIDA, the president of CIDA, and from the special joint committee of parliament on Canada's international relations. However, in some ways, this trend remains a policy without clear implementation plans. Many Canadian aid personnel are having difficulty accepting and internalizing the positive link that is being argued.

When CIDA personnel talk about the requirement that they work with the private sector, often they are referring only to the Canadian private sector whose involvement in the tendering process for CIDA contracts they now accept, albeit reluctantly. Many do not appreciate the need for new mechanisms so that CIDA inputs can be leveraged in attracting increased commitments to developing countries by the Canadian private sector. Many also do not appreciate the role that private companies in developing countries do play in development. They find it abhorrent that Canadian government money might end up helping an African private firm to make money. Although this link between government and the private sector has become commonplace in nurturing development in Canada, a psychological barrier to similar cooperation in our overseas aid work remains. As a result, few CIDA officers are taking an active role in developing new projects of this type.

The industrial cooperation division has worked hard to develop a more positive link between CIDA and the private sector both in Canada and in developing countries. However, their understanding of the potential role of the private sector in development has not spread widely through the agency, not even among some of the people responsible for policies on CIDA's relationship with business.

While the USAID is winning plaudits overseas for the energetic and creative way it has moved to work with the private sector, Canadian aid agencies are lagging behind. Although some bilateral desks are beginning to explore creative new approaches with the private sector⁽¹⁷⁾ most Canadian aid personnel are still struggling with the question of whether this link is appropriate.

17 See the joint IDRC/CIDA proposal for developing new mechanisms for trade and technology transfer in S. E. Asia.

Of those who speak favourably of the role of the private sector, many still lack the knowledge of how private companies make decisions and what incentives are required to obtain their desired services.

The alienation of many Canadian aid agency personnel from and ignorance of private sector enterprise in developing countries, and the profit motive that fosters it, is a barrier to present development work. The use of private sector people to help shape new aid projects and the organizations of workshops to help both CIDA and IDRC personnel sort out frameworks for involving the private sector in development, is urgently needed. In searching for their appropriate role in this area, IDRC staff have recently carried out, for their Board, a review of the policies of different aid agencies toward private sector participation.

C. THE LINKING OF TRADE AND AID.

The increased interest in linking trade with aid actually brings together a long standing interest of many Third World spokesmen with a new found interest of many recession-battered North American companies in finding new markets in developing countries. Canadian high technology firms need to realize, if they have not already done so, that the obtaining of international commercial contracts is becoming more dependent on their ability to deliver efficient and effective training programs. Also the international development banks have begun to insist that engineering firms bidding on large capital projects have to include detailed training plans for transferring their skills to local firms through on-the-job training.

A consideration of the issues during the course of this study has led to the following conclusions:

- the debate over linking trade activities and development has helped to shape a more positive attitude by some politicians to increase funding for international HRD activities.
- CIDA bilateral programs which have tried to use HRD as an integrative element in the overall country program have been forced to address directly how the HRD component links with the commercial trade aspects of their program.
- there is some evidence that programs in which Canadian interests are openly acknowledged, may lead to activities better suited to the overseas recipient than programs developed in an atmosphere which suggests complete altruism.

Increasingly, people from developing countries, when discussing potential projects with Canadian institutions are

asking "What is in it for the Canadians?" They are not asking this in a critical way. Rather, their point is that unless there is some clearly understood Canadian self-interest how can they (the developing country group) count on the Canadians staying with them over a long period of time?

D. HRD CAPACITY AS AN EXPORT

The view of HRD capacity as a competitive export is helping to reshape the views of the Canadian populace and the politicians toward foreign students. Those Canadians who are concerned with international development should realize that this concept may be used by them to win some of the battles over developing more attractive, open, and less costly opportunities for Third World students and trainees. The recent report, Closing the Doors, from the Canadian Bureau for International Education, in arguing for more open policies on foreign students, makes the economic arguments that those students currently spend in excess of \$400 million on goods and services in Canada and that 4500 jobs in Canada are directly supported by the international student body.

Some academics see this concept of treating HRD as a product and of linking Canadian HRD capacity with the world of business and trade as heresy. The issue is a complex one; linking our Third World activities with Canadian trade should not be the sole or even the prime goal of our development efforts. However, those Canadian educators who are appalled at their institutions for linking HRD efforts with trade and profit should not automatically assume that development concerns of Third World countries could not be well served at the same time.

Consider the example of the HRD programs with China. A serious effort has been made in this program to develop links between institutions on the basis of their mutual strengths and needs and to increase the chances of success by developing such methods of support as language training, orientation centres, and participant profiles. Some of the approaches used in the China projects have been advocated for years by Canadian non-governmental development agencies but have always been rejected as being too costly. Why were they possible in the China project? The answer seems to be that the decision to focus on HRD work in China was a high level strategic one in Canada based on a desire to promote long-term Canadian economic interests in China. With minimal money to spend on developing Canadian relationships and with a sense that the Chinese market had important potential for Canada, the decision was made to use HRD projects as the easiest way to help the Chinese learn what Canada has to offer.

There is nothing earth-shattering about this approach but the subtle difference in emphasis has had a significant

impact upon the development of the program. It is important to note that in a program where our own self-interest has been one of the driving forces, CIDA (along with a number of Canadian public and private sector groups) has often produced training projects which are better suited to the overseas recipient than those that are developed in an atmosphere where altruism was the major driving force.

Why is this so? If the overseas institution is seen as a client, rather than a recipient getting a handout, then different responses may be made to stated needs. If it is important to offer the client language testing and training in China to ensure a good program, then such a program can be quickly prepared and paid for. If specialized orientation centres in Canada are seen as a crucial part of the two-way movement of personnel, then such centres can be established. If the client wants a combination of formal and on-the-job training, then a modified cooperative program can be established, even if it would be prohibited by the normal constraints of the employment and immigration department.

If HRD work is directed by self-interest, the goal is to please the client and that means making a serious effort to find out what the client wants and then tailor-making programs that fit as closely as possible the stated needs. In the China case, it should be realized by the Canadian development community that the long-term Canadian commercial interests seem to have had a positive effect on the development of training programs, and the link between HRD and trade has been direct.

The argument that market forces may help to increase the efficiency of a variety of development activities is summarized nicely in another report by "The Task Force on Federal Policies and Programs for Technology Development", which states: "Everybody needs customers. The innovation process in other words functions best when it is subjected to real world demands, and when research and development are conducted for somebody."(18)

E. CAUTIONS

As the pressure increases to allow market forces to play a greater role in shaping our international HRD activities and to link Canadian trade and development interests, participants should be aware of a number of potential problems:

- 18 "Task Force on Federal Policies for Technology Development", A Report to the Honorable Edward C. Lumley, Minister of State Science and Technology", July 1986.

Private development agencies should be wary of some Canadian equipment companies who may come knocking on the doors seeking to use them as inexpensive sales representatives in foreign countries.

Some private companies may want to form joint ventures with NGOs in order to use their HRD component as a lost leader in a joint tender bid for an international contract.

Canadian NGOs, or education institutes doing joint efforts with profit-making firms, will have to be careful to avoid a conflict of interest situation in which they are doing a feasibility study for a foreign client and using that knowledge to give a Canadian supplier the inside track on a contract.

CIDA will have to decide whether or not it is desirable to have an NGO use CIDA funds to soften the terms of a joint venture bid with a private company so that the Canadian company can be more competitive in international bidding.

Various provincial and federal agencies need to consider the growing evidence that there are too many different Canadian groups competing for the same international market. Theoretically it is argued that this free wheeling competition (which sees various groups, often supported by different Canadian government agencies going after the same project) will insure a better product at a better price for the Third World client. Too often, however, it means wasteful duplication that hinders the chances of Canadian firms and forces some of our better HRD groups to decide to withdraw from these types of activities. Inadvertently Canadian aid policies have fragmented the Canadian HRD community, and been highly wasteful because of the duplication of expenditures by the vast array of competing organizations. These policies have also turned some private agencies into "carpet baggers" chasing any aid project no matter how appropriate in order to meet monthly cash flow requirements. The result has been to confuse the international clients who are met with an array of Canadian agencies offering the same services for different prices even though the different agencies may plan to tap the same Canadian resources.

There is a danger that in trying to involve too many players too quickly in the expanding international HRD market, without assisting in their development or without building good networks, Canadian responses will lose sight of the original goals and become fragmented, low in quality, and non-competitive. There is a need for high level action on these matters of marketing our HRD expertise internationally in both

an efficient and an effective manner.

If winning international bids and maximizing profits become the key issues, many Canadian institutions may be inclined (or forced) to turn to the easier, less risky, projects in order to insure success. This will not be a positive change in terms of development needs.

It is essential to recognize that the forces which led to the strategic decision to support the broad tailor-made HRD programs in China as a means of increasing trade, will apply to a limited number of Third World countries which have the potential to be good commercial clients of Canada. We must not lose sight of the fact that many countries (particularly those in Africa) are not seen as large trading partners and thus will not necessarily benefit from the same enlightened self-interest which Canadian officials view China and much of South-East Asia. However, the concept of treating all Third World institutions as "clients to be pleased" could provide a stimulus to better planning and better development.

It is important to acknowledge that a purely "bottom-line" approach to development could have considerable negative impact.⁽¹⁹⁾ However, if faced squarely, market forces can be used in a positive manner to both increase and improve Canadian capacity to deliver appropriate HRD activities in response to the developing country requests. It is important to note that while there may be purely political reasons for bringing the interests of the private sector to bear on international HRD work, there are also functional developmental reasons.

In summary Canada needs to develop new mechanisms which allow Canadians to link trade and aid, view HRD as an export, link the public and private sectors together in projects with some bottom-line accountability and still maintain some integrity about putting the interests of the client foremost. These new mechanisms will be crucial if we are to avoid the accusation recently heard in South East Asia that they were seeing something new from Canada: "Hustlers posing as educators".

19 See the debate on this linkage in Chapter 4 of the Parliamentary Committee Report on External Affairs and International Trade.

SECTION IV - CHANGES IN STRATEGIES AND STRUCTURES BY VARIOUS PUBLIC AND PRIVATE ORGANIZATIONS IN RESPONSE TO NEW HRD REQUESTS

A. POST-SECONDARY INSTITUTIONS

1. Impact of resource constraints

The exciting new challenge for involvement in international HRD work has come at a time when the flexibility of Canadian post-secondary institutions to develop alternative and specialized programs, to place more of their top staff overseas, and to mount research efforts aimed at developing countries is limited by severe financial constraints.

While it may be difficult for many Third World academics to comprehend that a Canadian institution with a multi-million dollar budget can have real financial problems, it is important for everyone to realize that this financial crisis threatens the ability of Canadian post-secondary education institutions to continue to commit quality resources to international efforts.

The expansion of the post-secondary system in the 1960s, fuelled by the post war "baby-boom" and by the increased participation rates, created heightened expectations for higher education. However, by the mid 1970s governments were faced with fiscal pressures as they tried to fund increased public sector services stimulating economic recovery in the private sector. Throughout the country the governments began to retrench, and per capita spending for higher education was severely reduced by the 1980s.

2. Level of awareness in the universities of the new environment for international HRD activities.

Interviews with a wide variety of university personnel brought forth some of the following views.

Administrators supportive of international involvement often had the sense that these institutions would never make money on international projects and that they would be lucky to break even. Many individuals felt there was no real viable market in international HRD which would warrant their institutions' involvement in a serious and substantial way.

Faculty members who wanted their institutions to work in the Third World often found themselves arguing that although international projects might cost the institution money, they should stay involved for reasons of morality, staff development, and the need to give their students access to a wider world. These educators found it hard to believe that considerable resources for international work were available if they organized themselves to respond to new needs.

Faculty and administrators were increasingly critical of CIDA's funding policies but often understand little of the rationale behind the policies of the Institutional Cooperation and Development Services Division (ICDS) and knew little of CIDA beyond ICDS. Only a small number had any direct connection with IDRC and knew only vaguely, if at all, of IDRC's cooperative program which was most likely to provide the opportunity for their participation.

Many university administrators were insulted by CIDA giving contracts to private consulting companies whom they saw as parasites. They were also upset at being asked to submit tenders against other institutions and private companies. They understood little of the reasons why market forces were playing a bigger role in the awarding of international projects by all funding agencies, including the regional development banks and the Third World countries themselves.

They were wary of entering into joint ventures with private companies, feeling that their legitimate academic interests would be lost in such a venture. They were even more skeptical of any suggestions to form non-profit corporations to take on joint ventures in international development.

There have been some institutions which have been following the changes with interest and have been developing processes to decide if and how they should participate in these new opportunities. However, many university personnel are still not comfortable with the idea of treating education as a product to be marketed internationally.

3. University participation in the new opportunities.

Sometimes universities reject requests to participate in major projects with the comment: "We are not in the aid business". This response should not be interpreted as a parochial and selfish attitude toward the world. Rather, it should be seen as an expression of concern for the integrity of the university. Universities have a mandate for teaching and research. They were not conceived as consulting centres for hire to the highest bidder. Thus, there is a legitimate concern among some university people about getting their institutions too involved in the massive aid projects. By responding to the new financial incentives and thus taking on new international commitments, universities may find it difficult to allocate its human resources. The resource constraint at the universities, of course, involves people as well as money.

Some institutions have responded to this challenge by setting international priorities, analyzing where the resources are, and organizing themselves to obtain some of these new resources in order to expand their Third World activities. These institutions have recognized that the market is substantial, that the required products are somewhat different from what they have offered in the past.

and that the development and marketing of their expertise may require new arrangements including joint ventures. They also realize substantial financial benefits can be returned to their institution. They believe that they can reap these benefits while still remaining true to their mandate as a teaching and research institution.

Universities interested in international work have been assisted by their own professional organization. The Association of Universities and Colleges in Canada (AUCC) established an international development office (IDO) as early as 1978. The initial success of the IDO in winning international contracts was limited by the unwillingness of some of its own members to give full support to these efforts. IDO's role has been mainly in the liaison and information areas where its activities have ranged from publishing newsletters and organizing conferences to the publication of specialized booklets. A second edition of their "Directory of Canadian University Resources" was published in late 1985. Those institutions interested in exploring World Bank projects will be greatly assisted by IDO's recent "Guide to the World Bank for Canadian Universities".

More recently IDO has begun to play a significant role as broker for international projects. There are clear indications that the role of the IDO office is becoming more significant as a lobbyist for the institutions, as a catalyst to stimulate international efforts by the universities, and as a broker to link interested institutions with other Canadian and international donor agencies, education institutions and government ministries.

4. Level of awareness in community colleges of the new opportunities for international HRD activities.

The community colleges have been much more aggressive and entrepreneurial than the universities in moving out to market their product. Initially, colleges hired their own international marketing people (in some cases salespeople from commercial agencies). More recently they have relied to a great extent on their own association, the Association of Canadian Community Colleges (ACCC) which was formed in 1972.

The ACCC represents over 100 of the 165 public community colleges in Canada. An early initiative of the Association was the establishment of an International Bureau which helps its member institutions to develop various international exchanges. Since 1979, with assistance from CIDA, the UN, and various international clients, the Bureau also has organized technical assistance projects to colleges in developing countries. The International Bureau has had considerable success in becoming the channel for those agencies and institutes which wish to gain access to the resources of the Canadian technical colleges. ACCC's

international work has grown to such an extent that they are now engaged in multi million dollar overseas education projects (mostly from CIDA) and students from the Third World are found in most community colleges in Canada. ACCC has been active in developing and encouraging links between colleges and private companies. Their 1986 conference was aimed at stimulating partnerships among industry, labour, government agencies, and the colleges. The conference workshops on college and private co-partnerships in overseas development, attracted a large audience reflecting both the interest and acceptability of this idea among the colleges.

The individual colleges have, like many universities, been struggling to learn how to participate internationally. It is one thing to rely mainly on the ACCC international office. It is another matter to try to develop one's own administrative capabilities and to market one's own expertise in the international marketplace. Indeed questions are being raised about the desirability of having a large number of colleges spending scarce dollars competing with each other for the same international projects. The question is, at what point does competition stop being a force for improving quality and improving efficiency, and instead become a weakening force.

The colleges have had less difficulty than the universities in deciding whether or not their role as institutions will be compromised by such international activities. Since they are not research institutions and have a mandate to respond to the needs in the community, they do not have the same theoretical problems becoming involved as some universities do. Also, since the colleges have always had to be more entrepreneurial in raising a considerable amount of their revenue in the open market, they are more in tune with many of the demands raised by the new international HRD opportunities. For example, the director of contract development services for Vancouver Community College works out of an office in Canada Place in downtown Vancouver thereby having wide exposure to Canadian and international public and private sector clients.

The colleges represent a tremendous capacity for international work, the full extent of which is only slowly being understood by both Canadian and developing country officials. The state of development of some new rural-based universities in the Third World suggests that Canadian community colleges might be a more appropriate resource for HRD activities than most Canadian universities.(20)

5. Necessary changes in strategies in the post-secondary institutions

If the institutions understand some of the new opportunities and decide that they want to participate, then they need to consider what strategies are necessary to participate successfully.

As the financial constraints increase and the allocation of human resources becomes more crucial, the institutions are becoming more sensitive to how donor agencies (or other private firms with international contracts) draw upon university resources. Many colleges and universities express resentment at being treated by the aid agencies as a "service centre" where the agencies come for fuel as they need it. The institutions are pushing for a partnership relationship which takes into account how the institutions allocate their own resources. They would like the donors to deal with the institutions, rather than individual faculty members, in developing new programs. On the other hand, most institutions are not well organized to deal with agencies on an institutional level.

Although they are asking donor agencies for full cost recovery, many institutions in the past have been ill-prepared to document actual overhead costs.(21) While they talk about the need to be treated in a more

- 20 For example ACCC has been engaged in a major training and facilities design project with ESPOL, a polytechnical university in Ecuador. Using 6 community colleges the project has been able to assist the school with some practical curriculum concepts and has suggested how the private sector in Ecuador could assist in training. The project has also tapped governmental financial sources which normally only support international initiatives for Canadian private sector firms.
- 21 The misconceptions in CIDA about university overheads are slowly being clarified through a series of focussed discussions. The latest contribution to the debate has been an AUCC sponsored study on overhead policies of federal government agencies. See The Hanson Group, "Policies and Practices of CIDA, IDRC, and DSS for the Payment of Direct Costs and Overhead", February, 1987.

business-like manner, universities have resisted the idea that they have a product which they must sell in a competitive market. While many of the community colleges have risen enthusiastically to this challenge, some universities have indicated that they will not get involved in tendering proposals and bidding on projects.

Yet if the institutions (in addition to going after CIDA's ICDS money) are going to enter into competition with other private sector companies for contracts from CIDA's bilateral desk, as well as from other federal and provincial agencies, World Bank, and developing country governments, then the likelihood of being treated as a consultant working for a client will increase rather than decrease. More frequently, these institutions will be expected to tender proposals. The colleges, with support from the ACCC, are becoming quite expert at this process. In general, the universities still have a great deal to learn, although the IDO has been moving to alert them to the need for this expertise and is offering some assistance in developing the skills.

It is clear that the universities and colleges who have made a strategic decision to take on more international development work, face serious challenges, both from the changing demands of funding agencies and from the competition of alternative executing agencies. It will be interesting to observe their responses as they come to recognize these challenges. To what extent will they restructure themselves for international work? Will they organize themselves to market their own products or will they try to work more closely with other agencies who have obtained a contract and need an institution to deliver some or all of the product?

In order to respond to the new international opportunities, most post-secondary institutions need to organize themselves better to let other agencies know what they have to offer and at what price. They need to be able to respond quickly to requests for proposals and to competitive opportunities for joint ventures. If they are going to participate in the new broad based ERD projects, they will have to organize themselves to manage the wide variety of inputs, and to find ways to strengthen their capacity to manage projects in Third World countries.

It will almost certainly mean allocating some development money for the preparation of tenders. Although most institutions will want to leave all interested faculty the freedom to develop their own projects, they may have to decide what the institutions' major strengths are internationally, and which departments are most interested, most experienced and therefore most likely to win some of the tenders. If the institutions were to develop such priorities they would then be in a position to allocate rationally any available funds for responding to tender bids.

In other words, post-secondary institutions will have to consider developing a serious plan for their Third World involvement. They need to set medium and long-term goals, set priorities and allocate some of their resources accordingly. The stakes are now high enough and the competition stiff enough to warrant this type of effort

6. Reorganization models for international work.

The crystalization of attitudinal changes and the creation of a coherent plan for Third World involvement within post-secondary institutions, will require simultaneous structural changes.

The following outline of a variety of ways in which post-secondary institutions have been organizing themselves to pursue these international opportunities, indicates the range of options available.

a) International Liaison Officers

At a minimal organizational level a majority of institutions have a position (often on a part-time basis) called international liaison officer. Initially, the main responsibility of these officials was to handle the administration and support for CIDA sponsored students on campus (CIDA pays a per capita fee for this service). In some cases the university has expanded the role so that the officer deals with all foreign student issues and is an advocate on campus for international issues. Such officers now exist in 68 out of 85 universities (47 English speaking and 21 French speaking). Many community colleges also have a person handling similar responsibilities although the responsibilities are not always formalized and the title is often international coordinator.

b) Use of president or vice-president's office

The University of Alberta has used a strong coordinating office at the vice-presidents' level which, among other activities, develops mechanisms for strengthening that university's capacity for international programs and creates a data base relevant to the university's international activities.

Simon Fraser's approach to international issues has been serious, but has not concentrated on building an official structure. Instead, the president's assistant, backed by strong presidential support, focuses on developing university priorities. International activities are informally linked to the new industry liaison office in order to help develop an understanding of the private sector.

In some community colleges, the president has taken on the role of coordinator in order to underline the institution's serious interest in international affairs.

c) Establishment of an international centre for the institution

Some institutions have developed distinct international centres as coordinating structures for their international activities. The following examples indicate the variety of forms which these centres are starting to take.

(i) Dalhousie University has established the Lester Pearson Institute as a coordinating mechanism for international activities. This institute assists other teaching institutes and departments in finding support for their efforts, as well as serving as an active catalyst on campus and in the community for extending the university's role in Third World development.

(ii) University of Guelph has perhaps the oldest (1968) and best established centre. As a catalyst, it not only encourages and assists other departments to become engaged internationally, it has been successful in getting the entire university community to establish some stated priorities and commitments in the international development field.

It has also spun off a separate non-profit consulting arm Guelph International Consultants to serve as the mechanism for marketing much of Guelph's HRD capacity, and for organizing joint ventures with the private sector. This approach represents a significant new development which should be watched closely by other institutions.

(iii) Ryerson has a well organized centre which reflects the institution's commitment. Of particular interest is their clear priority to developing projects in concert with the private sector.

(iv) Carleton University has placed its international liaison officer in a position to link the international aspects of the graduate studies office, and the research office with an international teaching centre (Norman Patterson School of International Development). Because of these links the university now can respond quickly to outside requests and can speak with one voice as to what priorities the university is prepared to pursue.

d) International centres built around one school within the institution

McMaster Medical School has built an active international committee which has pursued a unique method of developing their international strength and focus. They concentrate on the building of international networks with institutions in

developed and developing countries around specific issues, (e.g. epidemiology, community based medical education). They are also actively exploring the establishment of a separate non-profit structure to facilitate their activities with government agencies and the private sector.

Western Ontario Business School has for 13 years had an active Centre for International Business Studies whose activities are supported by the university and by the Department of External Affairs. This centre stimulates and organizes student and faculty exchange, research, and specific development projects overseas, only some of which are carried out in developing countries. An interesting recent development has been the preparation of a detailed 3 year plan for internationalizing the school.

e) How do smaller schools organize their international efforts?

Technical University of Nova Scotia has a small international centre which is of interest because it administers and coordinates projects not only at TUNS, but at two other small institutions nearby which have some complimentary resources.

Trent University could serve as an exciting model for the international involvement of smaller institutions. With a clear commitment to international education and an entrepreneurial expertise, Trent has had an international program for many years which attracts substantial numbers of international students, and offers short overseas placements for some of the Canadian students in this program, often using money which they have raised from the private sector.

f) International Centres built around a geographic focus

Dalhousie and the University of Montreal have a Centre for African Studies, the University of British Columbia has one on South-East Asian Studies, while York University and University of Toronto have a combined Centre for Asian Studies. University of Calgary's new international centre appears to be directing the university towards a geographic concentration on the foothills of the Himalayas.

As more institutions strengthen their commitment to international activities, the number of creative organizational changes which occur will increase. (22)

22 For more details see FIA ISSUE PAPER No. 14, "The Reorganization of Post-Secondary Institutions for International HRD Activities: Insights into Various Canadian Structural models".

It is important for post-secondary institutions to learn from the models emerging in different Canadian institutions and to consider structuring changes more appropriate to the goals and strategies of their own institutions.

B. PRIVATE SECTOR ORGANIZATIONS

1. Private-for-profit companies

This report has already mentioned a number of reasons why the Canadian private-for-profit sector has been increasing their involvement in HRD activities related to developing countries. They can be summarized as follows:

- changing requests from developing countries require considerable on-the-job training with information and skill inputs, which only private profit making companies have the capacity to offer;(23)
- links with the HRD activities of Canadian not-for-profit organizations is a good entry point for Canadian firms to sell their goods and services abroad;
- new tendering requirements by World Bank and regional banks on large infrastructure projects require Canadian consulting engineering firms to include with their tender detailed training design to pass on their skills to local counterparts;
- new commitments by aid agencies to HRD and recent decisions by CIDA to contract out the delivery of their projects to CEAs, has resulted in a growing market for HRD work for Canadian firms;
- the decision by the Canadian government to award more of their HRD contracts to private for-profit firms increases their opportunities for international aid contracts;
- the growing interest of many foreign countries (developing and industrialized) in purchasing access to North American technology and training also means the overall HRD market potential is growing;.
- the establishment of a number of private consulting firms by Canadians who have been working in international development activities for many years, increases the number of profit making organizations

 23 See FIA ISSUE PAPER No. 8, Paul Brennan, "The Role of In-Plant Programs for Mid-Career Training".

which are partially or wholly committed to Third World HRD development.

This is not to suggest that the Canadian industrial and commercial sector has never been involved in Third World HRD work in the past. A couple of examples from the past will show how some firms have used the HRD work to support the main efforts of the firm. For example:

Dominion Textiles has been involved since the mid 1970s in a government owned textile plant in Tunisia, training senior managers, supervisors, and foremen. This exercise provided a small amount of consulting income for the firm but more importantly, helped it make a decision about investing some capital to buy equity in the Tunisian firm.

Similarly, Delcanda which has been involved in engineering projects in developing countries since the early 1960s, has always included in their projects an effort to train local engineers. Through identifying good Third World engineers and training them to run local firms in partnership with the Canadian firm, Delcanda helped maintain local contacts. This eventually increased their opportunities to participate in projects which required a locally owned company as major contractor. Their work is a model of how a private company may pursue activities which are in their best interest but also represent good development for the Third World counterpart.(24)

As with many other companies who carried out some training as part of their international projects, the training described above was often informal and was not seen as the main activity of the company. With an increased demand for structured on-the-job training as a requirement in many international projects, a number of firms have come to see the importance of HRD as either a crucial support for their main activities or, in some cases, as a new product line in itself.

Many Canadians have been surprised to learn that major U.S. manufacturing corporations have moved vigorously into the international HRD work which they see as a growth industry. The giant RCA Corporation, for example, has become the strongest competitor for many Canadian groups bidding on World Bank training projects and a group of American electrical appliance firms recently have established a training group which seeks out international as well as domestic contracts.

24 See the case on Delcanda International by Western's Business School.

Large Canadian commercial firms are beginning to view international HRD as an important product line. A few examples illustrate the point:

Dominion Textiles has established a separate consulting arm to sell their consulting and training services throughout the world;

Delcanda has recently set up a new company, Resource System Management International, to be able to offer soft science components in a multidisciplinary approach. They see these now as critical elements in obtaining international contracts particularly from the development banks and aid agencies;

Lavalin, one of Canada's foremost consulting engineering firms has established a subsidiary company called Econosult to deal with the training components related to their international projects;

Bell Canada International, a subsidiary of Bell Canada enterprises, sells Bell's knowledge and expertise abroad. In 1984 Bell Canada International worked on 58 projects in 34 countries and earned close to \$350 million. Training of company personnel is a substantial part of this effort.

A group of Canadian high technology communication firms (public and private) has recently established the Tele Communications Executive Management Institute to seek out training contracts in developing countries.

Firms such as those above, in responding to training needs related to selling their product lines internationally, need to consider drawing on the resources of educational institutions and NGOs. (Indeed Lavalin and Guelph International Consultants have joined forces for joint marketing efforts in Africa.) These large firms are now also able to draw on a number of relatively new smaller private companies who have made international HRD work a priority. In many cases these firms were established by people who have worked as technical assistance consultants on aid projects, and who organized their firms to bring a private sector orientation to the development process to which they are committed. While the number of firms in this latter category has been increasing, a recent report to the Department of Regional and Industrial Initiatives, suggests that the number still remains frustratingly small. (Included in this category are such firms as ARA, Salasan

Associates, Kanchar International, Universalis, Canedcom and CEGIR. (25)

A new category of private HRD firms with international interests is being created by CIDA's desire to attract more firms and thus to spread the aid money allocation among more participants and to firms from all regions of Canada. In principle one would not argue against a policy which encourages the development of more Canadian capacity. CIDA should realize however, that the implementation of the policy raises major concern at least in the short-term results. Instead of being encouraged into the international field slowly, through government shared-costs programs for developing capacity or through joint ventures with more experienced firms, some substantial contracts are being given to firms with little or no international expertise. It is highly discouraging for a company which has built up expertise in a certain type of training or a certain country only to find that the next big CIDA contract in their field has gone not to them or one of their close competitors, but to a company which has no recognizable experience in that area. Similarly Third World agencies likewise are frustrated to find that instead of immediately benefiting from the Canadian executing agency which is delivering an aid package, the developing country team has to conduct a remedial orientation program to familiarize the Canadians with the work they are supposed to carry out. This disregard for quality and fairness in evaluating international HRD tenders has, in the minds of many development experts in Canada, been moving towards a crisis point. As a result of these actions, good firms are discouraged from developing serious capacity for international HRD work and our international clients begin to question the value of our products.

The above disturbing events come at a time when we need to be doing everything we can to strengthen the capacity of Canadian groups to offer quality HRD projects. We are caught in a vicious circle. Unless Canada can obtain more of the large international contracts, it will not be economically viable to strengthen Canadian HRD capacity. Indeed it may not be possible to maintain some of the existing capacity. However, unless the capacity is strengthened, it is unlikely that Canada will be able to win many of the large international tenders.

In breaking this circle, some of the internationally experienced Canadian profit-making firms mentioned above

- 25 For more details on the role of the commercial, private sector in international HRD, see FIA ISSUE PAPER NO. 7. Alan Alexandroff and Dave Simpson, "Beating the Competition: The Canadian Private Sector in the Third World".

have a major role to play. The recognition of this role comes slowly to many people in the public and private development agencies who still view the movement of private companies into international HRD as a "disturbing" intrusion. Their concern is understandable as the literature on exploitative efforts by private companies in developing countries is vast.

However, there are outstanding examples of companies who take the time to understand the culture and development plans of a country because it makes good business sense. Viewing their developing country counterparts as clients, these companies have studied the market, designed a product to fit the client's needs, been careful to meet delivery schedules, and have been concerned with after-sales service. All of these efforts are good development principles.

Increasingly there are firms who have been working hard to understand these principles and to shape their behavior accordingly. This process has been assisted by a number of activities, including the following:

- the leadership of the Industrial Cooperation Branch of CIDA which has done a good job of encouraging business to participate in development as a commercial venture while still keeping true to the development wishes of the foreign buyer or partner;
- the leadership of the Canadian Executive Services Overseas (the NGO of the business Community), which more and more is providing leadership in linking business expertise with development of new HRD capacity;
- the formation of business councils and forums directed to increasing commercial activities with developing countries (Canada - Egypt, Canada - Indonesia, Canada - Kenya, etc.);
- the leadership of the Asia Pacific Foundation in bringing together the Canadian public sector in addressing opportunities in the Pacific Rim.

2. Private-not-for-profit organizations

a) Definitions

The terms "private-for-profit" and "private-not-for-profit" may be more useful distinguishing terms than "private company" and "NGO". The term NGO in the field of international development may be outliving its usefulness. When business people first confront the term they are either confused, or assume it refers to them, for they certainly see themselves as non-governmental organizations. Secondly, the distinction between the large NGOs and many private companies involved in development is becoming blurred.

Indeed, there are a handful of NGOs now who have larger staffs, larger budgets and who sometimes generate a larger surplus than a number of private firms interested in international HRD. For example, WUSC, in 1976 was a small group with a budget of just over \$200,000. In 1986 the agency has a staff of 90 in Canada and 45 overseas, and a budget of over \$25 million. Another example is the growth of the international bureau of the Association of Canadian Community Colleges (ACCC). Formed as recently as 1979, the bureau in 1985-86 had a staff of 28, an operating budget of \$1.6 million and over \$10 million in project activities.

There has been some effort to apply the term "private development agency" (PDA) to the NGOs. The phrase is an appropriate one although it is too early to know if it will catch on.

The question obviously is not whether the private not-for-profit groups or (PDAs) are involved in international HRD work, for many of these agencies have been the leading proponents and fundraisers for Third World development since the early 1960s. The more pertinent questions are:

- (1) how many of these agencies are actually able to develop and manage the delivery of large HRD projects either in Canada or overseas?
- (2) to what extent are these agencies responding to some of the different requests for training assistance from Third World NGOs?
- (3) to what extent are they developing new strategies that allow them to tap new resources of both finance and trained human resources in the public and private sector?

b) Ability of NGOs (PDAs) to serve as executing agencies

As a result of the increase in HRD activity and a need within CIDA to contract out the implementation of the programs, there is a need for many more Canadian NGOs to be executing agencies. Unfortunately only a handful of NGOs have developed the capacity to do this. Even these organizations are concerned about improving the professional capabilities of their staff in project management and development as the HRD projects become more complex.(26)

Many Canadian agencies are good at fundraising and public education. They are often weak at actually managing

- 26 For an example of this type of professional development, note the establishment within WUSC of an Educational Advisory Service.

projects. Indeed some of the agencies with large budgets ship most of their funds out of Canada to parent organizations mainly in the U.S.A. Few Canadian NGOs actually have extensive field staff and many are short of staff with extensive program design or program management skills.

There are 115 NGO members of the Canadian Council for International Cooperation, attempting to convince donors (and beneficiaries) that they are providing unique, effective development support and/or relief in times of disaster. In reality, many are indistinguishable from each other and most maintain contact with their overseas programs on the basis of infrequent flying visits, or through larger US or European affiliate or parent organizations. They consume considerable financial and human resources in the maintenance of their bureaucracies, and are increasingly sustained not so much by the efforts of committed Canadians across the country, but in large measure by CIDA grants, sophisticated and costly direct mail campaigns, and sheer determination. As with the private companies, the number of NGOs being attracted into international work by CIDA is increasing. Although the addition of new specialized capacity is applauded, there is a need to help these domestic groups develop the skills to work in developing countries.

It is estimated that during the recent African disaster, only 2% of the \$56 million dispensed through Africa Emergency Aid was actually spent by Canadian agencies using their own field staff. In itself, this situation is not necessarily bad, but it is an indication of the very weak Canadian representation overseas, which too often shows up in the Canadian approach to longer-term development programming. Canadian Embassies and High Commissions usually have only one or two CIDA officials to plan and monitor complex multi-million dollar projects. CUSO has approximately 25 overseas offices, but there are probably not another 25 full-time, permanent representatives of Canadian NGOs, and educational institutions combined, throughout the entire Third World.

Those directors of agencies who see the need to rethink their strategies and structure are sometimes challenged by boards of directors who are unaware of the need for these changes. There are some directors however who have a growing awareness of the need for development activities for their own organization. Non-profit agencies might improve their ability to respond efficiently and effectively to HRD requests if they were to incorporate into their organizations and their operations more of the procedures required to keep a business operating. Some have done this admirably and have hired people with financial, administrative, and management skills. More recently some agencies have been benefiting from CIDA officials on loan through the executive interchange program. However, some

organizations have been growing with little concern for developing their costing, budgeting, salary scales, and general financial management. Others operate a tight administrative operation in Canada for project fundraising and public education, but have little capacity for project design, field project management, and the strengthening of overseas NGOs.

There is increasing recognition of the need for some organized training efforts to build this capacity, both for non-profit agencies which have been in the development business for some time and for many agencies which are being attracted to this international work by the new opportunities.

c) Responsiveness to new requests

The voluntary groups have prided themselves on their record of concern for addressing some of the basic development problems, and of attaching their projects to community based operations in developing countries. They have good reason to be proud. These organizations have been most successful at mobilizing funds for development from private individuals and many have carried out extensive programs, both to educate the Canadian public on the situation in developing countries, and to lobby politicians for appropriate policies.

Frequently they now find themselves dealing with a different non-profit community overseas and the needs of that community are changing. An effort by Canadian PDAs to initiate relations between some top flight Indonesian volunteer agencies and their Canadian counterparts found the Indonesians asking for assistance in a number of new areas (project management, costing of projects, financial management, development of small industries, etc.) in which the Canadian groups themselves had little expertise. In order to respond, the NGOs will have to either develop their expertise or find out where these resources are in Canada. This search is driving them toward some interaction with the private profit-making sector, post-secondary institutions and crown corporations.

Many Third World NGOs are not looking as much for Canadian inputs into their projects as they are seeking assistance in staff development. The complaint has been raised that the North American NGOs are insistent on having their own projects which can be used for their own public relations and fundraising programs. Some Third World NGOs are concerned not only because the foreign NGOs are not satisfied to concentrate on developing the local NGOs, but because some of their activities are seen as competition to the Third World NGOs.

At a recent U.K. Conference on "Development Alternatives: The Challenge for NGOs", the suggestion that northern NGOs

were becoming part of the problem was put forth by a number of articulate, experienced participants from the developing countries. They spoke of northern NGOs as too often being manipulative, secretive, obscure in their policies, slow in their decision making, and heavily project orientated in the face of growing needs for broader program support. Despite the jargon of partnership, their concern was that the north/south relationship is heavily affected by a financial dependency and little meaningful south to north feedback.

When Third World NGOs ask for institutional support they are often asking for support to get the NGO concept legitimized in their country. Canadian NGOs have to decide the extent to which they are prepared to become engaged in this broad view of institutional support and then they have to come up with an articulate strategy and the resources to work towards such a goal.

The Canadian NGOs claim that their inability to focus on strengthening of Third World NGOs is partly linked to their lack of capacity in staff development and management strengthening, and partly the result of funding policies of aid agencies which do not reward this type of activity to the same extent as they do the delivery of projects.

Many Canadian NGOs now need to concentrate on large scale delivery projects to support their large operations which have grown in response to CIDA's need for executing agencies. Surely some balancing of the needs of aid agencies and the Third World NGOs must be possible. CIDA obviously requires more substantial private non-profit groups which are dedicated to international development, are professionally run, and can serve as executing agencies. However, the need is to find mechanisms which allow Canadian NGOs to carry out large implementation projects and still help to nurture and strengthen Third World NGOs. (27)

d) Strategies of the entrepreneurial NGOs for mobilizing new resources

In the 1960s most universities and private companies would not have considered that the Canadian non-profit development groups would have much to offer them in developing projects or programs related to the Third World. NGOs, as they were referred to, were seen as enthusiastic amateurs who were prepared to work in difficult situations involving strong commitment, sensitive appreciation of foreign cultures but low level skills.

- 27 See the work of FIT, Salasan, the Manitoba Institute of Management, and Kanchar International in developing NGO management capacity. See also upcoming FIA ISSUE PAPER on, "The Case Method Approach to Strengthening the HRD Capacity of Canadian Development Agencies".

The stereotype had some validity, although even in the 1960s the volunteer agencies were attracting a smattering of highly trained people (doctors, engineers, architects) and were blazing new ground in developing preparatory courses for overseas work which governments and training institutions were to emulate in later years.

The volunteer agencies also produced substantial numbers of young Canadians with Third World experience. These returned volunteers not only have provided the staff for many of the government and non-governmental development agencies but they have also provided a resource base for educational institutions, private companies, and government agencies of people with knowledge, experience and commitment to development issues in the Third World.(28)

By the 1980s the size and sophistication of a number of Canadian NGOs meant they could play a significant role in assisting educational institutions or private companies in their activities in the developing countries. This type of interaction was slow to develop, both because the private companies and post-secondary institutions were slow to recognize the resources in the NGOs, and because most NGOs were leery of working cooperatively with the private companies for fear they would be "corrupted" by this interaction.

However, some NGOs began to initiate these joint efforts as a useful way to get more capacity to respond to new opportunities which were developing. Non-profit groups (such as WUSC, CODE, FIT, ACCC, CECI) began to function in an entrepreneurial fashion. They were not content to wait until CIDA or foreign governments asked for their participation. In a proactive manner they put together project development units whose staff spent considerable time out in developing countries finding out what the different government agencies wanted. They began to work jointly with Third World people to design projects and then came back to Canada, both to lobby for the project within CIDA and to search throughout the Canadian society for the best resources to service the project.

These few NGOs have become skilled in serving as a broker to bring together the potential foreign clients and the human resources in Canada. They have also become pragmatic in responding to a wide range of requests which often require a tailor-made response. Rather than preparing a specific HRD product and concentrating on selling that product, they have developed skills in doing market analysis in Third World countries and then using their contacts in Canada and their

28 For an excellent analytical history of one of these agencies, see Ian Smillie, The Lost Content: A History of CUSO, 1985.

organizational skills to organize Canadian responses to these needs. More and more the needs they have been meeting require a response which forces them to seek cooperation with other agencies.

In moving to this more entrepreneurial approach these NGOs have organized themselves to do market research, to carry out product development, and to provide after sales service. For this approach to be possible, project development funds were necessary and the main source of these funds would have to be generated from specific projects by ensuring that the costs of delivering the project was less than the revenue generated. Creating surpluses required an ability to organize business plans, to cost products accurately, to handle cash flows efficiently, and to develop management systems to oversee the various inputs. One would have expected government agencies to be pleased with this business like approach of some growing NGOs. Yet this was not universally true. At first the claim was that NGOs could not make a profit and thus projects should be budgeted according to real costs without a profit margin. This battle has slowly been won, although skirmishes are still being fought.

Indeed new battles are on the horizon for those NGOs which are growing and which are competing with private companies on international projects. CUSO has for years been the largest NGO receiving an annual grant from the government of approximately \$20 million. However, since CUSO's activities have not brought them into competition with the private sector it has not been seen as a problem.

However, WUSC, CBIE, CECI, along with professional associations such as ACCC, are fast growing NGOs with an entrepreneurial spirit backed up with the technical competence to deliver. These groups do find themselves bidding on some projects which private consulting firms feel should be their domain. Some of these companies complain about the NGOs having an unfair advantage because of their core grants from CIDA and some CIDA officials have shown annoyance with the proactive stance of these few NGOs. Others realize that joint ventures with these groups can lead to a stronger Canadian response.

As far as NGOs taking on a proactive stance in developing projects overseas. "the genie is out of the bottle" and CIDA cannot hope to push the genie back in and insert the cork. It may be appropriate to develop new and perhaps different policies for the large NGOs. as opposed to the small organizations. Any new policies by CIDA for dealing with the larger entrepreneurial Canadian NGOs who have field based staff and a proven ability to deliver projects overseas. should be aimed at rewarding success not limiting it.

C. USING PUBLIC SECTOR DEPARTMENTS AND CROWN CORPORATIONS FOR A HRD TRAINING BASE

In the search for appropriate capacity for international HRD needs, federal and provincial government departments, along with crown corporations, should be considered as a new and useful source.

The Brazil program at CIDA offers excellent examples of the issues involved in using Canadian government departments for HRD capacity. The program has 22 projects involving government departments in Canada. Some of these projects are joint efforts among government departments, universities, and private companies.

The program operates under an official Canada-Brazil agreement which was initiated in 1981 but only became operational in 1985. In the process, much has been learned about how best to tap into the capacity existing in government departments and how to lessen the start-up time for future programs of a similar nature.

Cooperation from government departments, both at the managerial and at the technical levels has been mixed. In some cases significant efforts had to be made to help civil servants in specific departments understand the background and perspective and working environment of the Brazilians whom they were going to train. On the other hand, some departments had had considerable previous experience with the Third World and were eager for further involvement.

Agriculture Canada, for example, has an international mandate and has the structure in place to act on that mandate. It has an international secretariat paid almost entirely by CIDA. This arrangement provides CIDA with a low-cost, efficient, executing agency. In other government departments there is a real reluctance to become involved in CIDA-funded projects for fear of being seen as competing with the private sector.

What is it that government departments might do better than the private sector, and where might they be weaker? Government departments may have a comparative advantage where there is a policy component to the project; where there is an overseas government department or government research institute to be strengthened; where good scientists are needed at short notice for short interventions; or where government departments have specific unique training facilities in Canada. However, as an executing agency they may be weak in being able to source personnel from other sectors because their contacts may be limited.

The interest of personnel within departments in becoming involved in international projects depends on the outlook of the department. For example, it appears that young scientists in Agriculture Canada are keen to do

international work in order to: (i) be stimulated; (ii) have something against which they could compare their Canadian achievements; and (iii) expand their contacts. The key factor in ensuring the involvement of civil servants is to have their managers include overseas activities in their departmental achievement assessments. This type of incentive is needed to stimulate involvement.

In some government departments access to this useful capacity would be aided if the federal or provincial governments made it a policy that all departments could allocate a certain percentage of their training budget to international projects. Some crown corporations have established separate profit centres organized specifically for international efforts. For example, the crown oil company has spun off Petro-Can International with a mandate to help developing countries find and develop their own oil and gas resources using Canadian goods, services and expertise wherever possible. As the oil industry has slumped in North America, this non-profit subsidiary of Petro-Can is attracting increasing interest within the parent organization both as a source of interesting job opportunities, and as a source of revenue.

In a similar manner, Ontario Hydro established a New Products Division to market new products internationally as part of its effort to become a broad based energy company. Income from this division in 1986 was well over \$40 million. Only a small part of this was gained through training contracts, but their sense is that this area has high potential.

Both federal and provincial governments are recognizing the need to be involved in the marketing of the province's resources and skills abroad. The Trade Development Branch of External Affairs now views Canadian HRD expertise as an exportable item and has made such firms eligible for most of their export development supports. DRIE which only a few years ago saw international training as solely a prerogative of CIDA is now actively involved in shaping policies to support the export of educational services as a job creation program for Canada.

In 1986 the Ontario Ministry of Universities and Colleges established a staff position of international project officer, to explore the role of the ministry in nurturing international contacts. The British Columbia Ministry of Education also has been actively involved in marketing the education services of provincial institutions.

Quebec, Ontario and Alberta have established the mechanisms to market HRD capacity within their trade ministries. In Ontario, the Ontario International Corporation, a separate crown corporation, promotes the export of Ontario's private and public sector services abroad. While activities of OIC are not focused specifically on capabilities within the

government departments, the existence of the Corporation reflects an increasing awareness of the potential for the international use of public sector HRD resources especially within the following areas: education, transportation and communications, municipal affairs and housing, revenue, citizenship and culture, tourism and recreation, and northern affairs.

Expertise in policy analysis in the resource industries may be of particular interest to developing countries. The Ontario Ministry of Energy is providing policy development expertise in a project involving a Canadian consortia and the Kenyan government. In this CIDA-funded project a Canadian team consisting of Ontario Hydro, the Ontario Ministry of Energy, and York University is assisting the Kenyan Ministry for Energy and Regional Development in: (a) the development, implementation and modification of Kenya's national energy policy; (b) development of an effective energy conservation program; (c) the development of renewable and non-renewable energy resources for achieving self-sufficiency.

The development of the structure of any public sector consortium is important both for efficient administration and for the effective utilization of the best expertise from the appropriate partner. In the case of the Kenyan energy project there is an eight member board overseeing the project. The manager of project administration and secretary of the board is from Ontario Hydro and the chairman of the board is the assistant deputy minister of Energy.

Private sector companies sometimes have complained about the unfair competition they face on international projects from government agencies. Ontario Hydro has handled this complaint by giving its new business division the mandate to take Ontario companies along with Ontario Hydro on their international ventures either: (a) to help them make key contacts and develop credibility faster; (b) to become sub-contractors to Hydro on tenders which they win; (c) to enter into joint venture bids with Hydro.

The question needs to be explored further as to whether the good HRD capacity of government departments can be an asset to private sector companies who might either get spin off opportunities or actually develop a joint venture with them. In one of the Brazil projects, CIDA took a private company in the food business with Agriculture Canada personnel on one of their project trips. The company gave some assistance and got invaluable contacts, which led to a separate project between the Brazilians and the Canadian company.

Another useful example from the Brazil project is one involving the mathematics department of the University of Waterloo, Revenue Canada, and Clarkson Gordon. Each partner

had something unique to offer to the project, including two Portuguese speaking experts within the private sector company.

It may be that the successful use of Canadian government departments may have been facilitated in the Brazil program because Brazil is a relatively developed country (Category 2 country in CIDA's priorities) with more industrialization and complex government administrations than some countries. However, poorer countries with less developed structures, have to rely even more on the public sector to stimulate development. It will be important for CIDA, IDRC and the private development agencies to continue to seek expertise in the public sector (federal, provincial, municipal and crown corporations) in order to help other countries.

The involvement of more and more government departments in seeking international HRD projects while making new capacity, raises the question again of coordination. For example: in Ontario, a number of ministries (Colleges, Universities, Trade, Housing, Agriculture, Energy) are all beginning to market HRD services. They may find themselves unwittingly competing with each other on some tenders. They certainly are finding that without some coordinated marketing strategy, they confuse their clients and are weakening their chances of success.

D. WAYS IN WHICH CANADIAN PROFESSIONAL ASSOCIATIONS ARE STARTING TO PLAY A ROLE IN INTERNATIONAL HRD

Many professional associations can be effective vehicles for designing and managing projects because their membership sometimes comes from all sectors, i.e. private, government and university. Their knowledge of different training options in Canada and the expertise available to develop specially made programs may give them an edge in designing appropriate training packages for some Third World needs. One initial problem for some associations will be lack of previous overseas experience for their administrators. It would be wise for these associations who are just beginning to take on international assignments to do them in concert with an experienced Canadian NGO or a post-secondary institution.

One association which has had considerable international experience is the Canadian Teachers' Federation which has been running specialized summer training programs in Third World countries since 1961. This program has been an excellent vehicle for giving a number of Canadian teachers their first professional exposure to work in developing countries, while at the same time providing some valuable in-service education for developing country educators.

A more recent move by a group of professional educators into the international field has been the establishment of the Educational Services Exchange by the Ontario Association of

Education Administration Officials. This new group offers development agencies access to a wide range of educational leadership from directors of education and supervisors, to administrators with experience in physical maintenance and financial management of education systems.

The Canadian Nurses Association has been involved in international nursing and primary health care for some time. With the help of CIDA funding, the CNA responded to numerous requests for assistance from Africa, South America and Europe, and have built up an extensive pool of expertise.

An example of good training design for development by a professional association is found in the exchange program proposal developed jointly by the Canadian Society for Tropical Medicine and International Health and the Canadian Public Health Association. The associations' overview of the Canadian situation suggested that "an experienced manpower pool needed to be established and expanded in Canada to address more comprehensively Canada's obligations to development in the health field in the Third World". The exposure of Canadian medical undergraduate students to health problems and health services in less developed countries was identified as an important phase in increasing Canadian human resources in this field. Another area identified was an exchange providing succinct, focused educational experiences for post graduate physicians at residency level. Led initially by committed volunteers the society now has an active secretariat which has initiated the above programs on a continuing basis.

Another example of a training program which was developed through the work of a professional association is the hydrographic training for Malaysians developed by the Canadian Institute of Surveying. With its broad knowledge of the field in Canada it was able to work with the officers of the Institution of Surveyors in Malaysia, the Directorate of National Mapping, and the Hydrographic Department of the Royal Malaysian Navy to design a program which involved a variety of modes of training, drawing from expertise in the Canadian private sector, government departments, and universities.

The September 1986 issue of the development newsletter of the Canadian Home Economics Association outlines their group's international work. It lists 14 twinning projects overseas, discusses plans for World Home Economics Day (March 20, 1987), reports on a number of international development workshops, and discusses CHEA plans for a project with the Home Economics Association of Africa on "Food Security and Human Survival in Africa".

The Canadian Association of Adult Education has for many years been instrumental in influencing many organizations and individuals to commit their energy and experience to work in developing countries. They played a key role in the

establishment some years ago of the International Council on Adult Education and they continue their creative linkage efforts through such recent projects as the \$1.05 million CIDA sponsored China/Canada adult education program coordinated by a senior faculty member from the University of British Columbia.

The professional associations are also a source of short courses which might be of use to brokers packaging a mixed offering of formal and on-the-job training for overseas trainees in Canada. The range of offerings are wide. Only a small number or the wide range of offerings might be of interest to people from other countries. However, it represents another source of capacity which has scarcely been tapped. A partial listing of such offerings can be found in a survey by the AUCC of University level courses offered by other than regular educational institutions. Examples of programs which might be of interest are the following:

- Municipal Administration (by the Association of Municipal Clerks and Treasurers of Ontario);
- Fellow's Program (of the Canadian Credit Union Institute);
- Organization Design and Administration of Cooperatives (by Cooperative College of Canada).

The potential in the professional associations for appropriate capacity for international HRD work is high and the interest of these associations in international work needs to be encouraged by both private and public aid agencies.

E. THE CASE FOR JOINT VENTURES IN THIRD WORLD HRD PROJECTS

1. The changing environment calls for cooperation

The following points summarize some of the forces that suggest why a cooperative or joint-venture approach (either among educational institutions or between the public and private sectors) will prove particularly useful in increasing Canadian capacity to respond appropriately to some types of Third World HRD requests:

- financial constraints on post-secondary educational institutions which reduce their flexibility to develop new programs aimed particularly at Third World participants;
- the need to get donors to make a long-term commitment (5-10 years) to HRD projects in particular countries. The agencies will be reluctant to make a long-term commitment to a single institution for fear that the institution will eventually run out of quality people to assign to a long-term project;
- the new government policies to encourage partnerships among all those involved in international development including private sector companies;
- an interest in Third World countries and in Canada to link HRD programs with economic development programs;
- requests for training that require skills and experience which are not likely to be found in a post-secondary institution.

Thus the linkages between the private and public sectors in international HRD work will continue to grow. As more and more projects are designed to fit the wider concept of HRD, the actual portion of these projects dedicated to formal course work decline. The coordination, linking, scheduling and overall management of a diverse number of program inputs drawn from many sources, will be a paramount concern. These management skills are not normally the strengths of universities and so the hiring of project managers from the private sector, or the establishment of joint activities with companies or private associations will have to be considered by post-secondary institutions taking on these complex delivery projects.

There are other mutual advantages to these partnerships. The private sector can bring entrepreneurial expertise to the competitive environment of marketing and winning contracts. They generally have more experience in analyzing risks, assessing benefits and responding quickly to opportunities.

The NGOs or PDAs bring a knowledge of the Third World, a commitment to development; an ability to mobilize human and financial resources and a sensitivity to working in cross cultural environments. Both the PDAs and the private companies provide the flexibility (which universities lack) of finding new people with different skills, on short notice, as over time the needs of the project change.

Educational institutions, on the other hand, bring to the partnership the prestige of the institution, a range of individual experts and an institutional history of experience and achievement in education which could never be duplicated by private consultants. They provide the continuity which donors desire, if they are going to make long-term commitments.

Educational institutions find it difficult to make the necessary commitments to build and/or maintain a strength in a particular discipline related to a particular geographic area unless they can be assured of substantial and long-term support from funding agencies outside of the provincial ministry. For their part, donor agencies are reluctant to make long-term commitments unless they can be assured that the institution can deliver or can draw upon all the varied types of expertise needed over the long period of the contract. In the U.S.A., this had often led initially to the formation of consortia of universities to tackle a long-term institution-building effort in a developing country.

The U.S. consortia approach is a continuous operation in which the consortium markets the skills of a number of institutions in a number of disciplines. It is clear that some type of separate administration and development office must be established. The sharing of the costs of developing project proposals among two or more institutions assists them in overcoming some of their difficulties in finding these initial costs in order to win a contract.

Formal consortia among educational institutions have not been part of the pattern of the Canadian response, although in some cases a contracting university has gone outside the institution to recruit required personnel. There are more signs now of two or more institutions getting together to plan and implement a project, but the consortium tends to be project orientated and dissolves when the project is completed.

The consortium of western universities led by Simon Fraser to handle the university development project in the eastern island of Indonesia is one example. The agricultural project in China involving Olds College and the University of Alberta and Guelph is another. Another consortium organized to bid for a project in Thailand consists of Guelph (Agriculture), McMaster (Medicine), Windsor (Law), and Olds College (Agricultural Technology).

Another interesting new type of consortium has developed in the Maritimes to seek the proposed Zimbabwe General Training Fund contract from CIDA. The Lester Pearson Institute has been working with the Council of Maritime Premiers in a regional consortium which would involve a three province universities/colleges, and private/parastatal joint venture. More of these type of linkages could not only improve the capacity of Canadians to respond to new international opportunities but could play a key role in educating interested private sector companies in the realities of Third World development projects.

Carleton University and the University of Ottawa recently joined together for a long term commitment to operate IDRC's \$800,000 per year Pearson fellowship program. The contracting out of this outstanding program which had formerly been administered by IDRC staff has already shown beneficial results to all concerned.

More recently the mechanism for providing continuity, commitment, and flexibility, has been joint ventures among educational institutions, PDAs, and/or private companies. Indeed CIDA in its tender calls have been inviting such a mix of organizations to the table and making it clear that CIDA would be encouraged if they wished to submit their tender in partnership with someone else. Recent examples of this approach has been the ARA/Salasan bid for the CITEP training project in the Caribbean and the successful bid by CBIE and Cogesult for the large general training program in Indonesia.

2. Attitudes of various public and private sector groups to cooperative efforts

Since the development of such cooperative efforts in Canada between the private and public sectors will depend obviously on the willingness of the different parties to cooperate, it is useful to examine the state of the interest of various parties in such endeavours.

Most provincial bodies, crown corporations and other federal agencies are now eager to work co-operatively with both the post-secondary institutions and the private sector. Indeed the raison d'être of some provincial agencies (e.g. Ontario International Corporation) is to assist other groups to obtain international contracts. More than ever before, various government ministries and agencies are being directed to be supportive of the efforts of the Canadian private sector. However, in Alberta, a concern about public institutions competing with the private sector makes it difficult for the universities to undertake joint ventures with private companies. Some government departments, particularly the ministries of education, do have difficulties in working cooperatively with some universities who jealously guard their independence and are often highly suspicious of any activities generated by the ministries.

The universities, by nature highly independent organizations, tend to be less eager to work with other universities and are often highly suspicious of international activities generated by the Ministry of Education and are uneasy about working with the private sector.

Many university personnel feel they have the main resources for ERD work and argue that the government will get more for less if they deal directly with them. Many institutions feel that aid agencies are pushing too hard to get the private sector involved for political reasons. On some projects they are convinced that the government has bent over backwards to find a reason for giving a contract to a private firm, even to the point of inventing capacity in the private company and being prepared to pay an inflated cost for this questionable capacity. Academics are pressing the donors to ensure that the projects involving private enterprises still have a strong development thrust and are not just aimed at developing the Canadian private company.

Universities, for sound pedagogical reasons, want to be involved with overseas clients at all stages of the project from problem analysis through design to implementation. They are wary of being brought in as a sub-contractor to a private firm which has already designed the project, including the parameters under which the university will participate.

The value conflicts between the two cultures of the universities and the private-for-profit sector historically have made it difficult for collaboration to flourish between the two groups. One recent study has described the differences by saying: "The university is oriented towards the extension of knowledge, the transmission of culture and the analysis of society, not the development of new commercial products." (29) Faculty members are free to select their own research projects and to work according to their own timetable. Not only is open publication of results permitted, it is the key to the reward system for the academics. On the other hand, the study reminds us: "the corporation has an obligation ... for efficient, profitable and responsible delivery of a product process or service." (30) Research in private firms is oriented towards the commercialization of new ideas under tight deadlines and the proprietary rights to these ideas are closely guarded.

29 Partnership for Growth, Corporate-Higher Education Forum, page 65.

30 Partnership for Growth, Corporate-Higher Education Forum, page 65.

However, the pressures for further collaboration in Canada have been building. The universities need more funds for research and more access to the research and development projects related to new technology which are being carried out by industry. Thus, the universities and colleges by necessity are being drawn towards work with the private sector. On the other hand, the complexity of the technological challenge, the strong competition from both domestic and international sources and the speed with which changes in technology are occurring, have turned the attention of many private firms to the issues of training and research and caused them to take a much greater interest in the activities of the post-secondary institutions.

The University of Waterloo is seen by many as an example par excellence of the result of university corporate sector cooperation. Under the leadership of President Douglas Wright, the University of Waterloo has forged new mechanisms for cooperation with the private sector. Having established a major co-op education program with private industry, the university has gone on to develop a number of applied research centres with strong links to the private sector. These centres include the Institute for Computer Research which has corporate partners, visiting professionals from industry, and a number of private and public operations who are principal affiliates.

There are still many who voice concern about such developments and worry about the negative impact on the mission of a university if it starts to define itself mainly in terms of its usefulness to the economy.

The debate about the appropriateness of the corporate-higher education linkage will continue. Nevertheless, tough economic times and changing education and training needs brought about by rapid changes in technology, are pressing the corporations and universities to consider significant new collaborative efforts. These new collaborative efforts are being carried into the international HRD field.

The Guelph International Development Consultants have bid on various international projects in concert with different Canadian companies. Ryerson has numerous international ventures which are operated jointly with the private sector. The Cooperative Program in International Development Studies at Scarborough College (University of Toronto) utilizes the private sector (profit making and non-profit making) in giving their students practical field experience. This mix of formal training and practical field experience gives the students the necessary background for graduate studies in environmental geography, economics and political science. It also prepares them for employment with Canadian and international governmental and non-governmental development agencies.

A most successful collaborative effort among various education institutes and the private sector has been the summer energy institute for Third World trainers organized by the University of Calgary with cooperation from the Alberta Institute of Technology and members of the Alberta oil industry.

Although the educational institutions are often reluctant to acknowledge it, some of the private consultants have experienced program designers and trainers on their staff who are designing and delivering creative training packages. What the private company also can bring to the mix is flexibility and time to develop new program proposals, experience in submitting tenders -- particularly to the international funding agencies -- and a capacity for managing the project which many educational institutions find hard to provide.

Not surprisingly, the companies show some reluctance to co-operate with their competitors (other private firms) although in many cases, the programs would benefit from such co-operation. We note with interest a major development among manufacturing firms battling to save some market for themselves against tough world competitors. Former competitors in the same field (electronics, computers, automobiles) are joining together in generic alliances in order to compete better. Canadian firms in the field of HRD need to consider seriously the formation of generic alliances with domestic competitors in order to have the strength to win large international projects and deliver a quality product successfully.

It has already been noted that among the post-secondary institutions, the community colleges -- by their background, governing structure and mandate -- have much closer ties with the private sector than the universities. They are eager to put together packages with other colleges or other companies which their association (ACCC) can market internationally.

With regard to the quality and scope of the product, community colleges note that there is an increasing demand for assistance to develop mechanisms of collaboration with the private sector similar to those currently employed in Canadian colleges. Examples include industrial advisory committees, co-op work programs, instructor hiring criteria and in-service training programs, competency based curriculum development, business extension centres, etc.

The colleges should be applauded and encouraged to expand their efforts, where appropriate, to assist Third World educational institutions to tap into the resources of the local private sector in a manner similar to that followed by community colleges in Canada.

Since the colleges are exporting educational models which emphasize relationships with business and industry, it makes sense to them that they involve those sectors in the actual delivery of educational services to overseas projects.

Also, the requirements of overseas clients for a package of integrated services in the educational sector often require partnerships which enable Canadians to meet their various needs. The ACCC/ESPOL Project in Ecuador is an excellent example of the issues to be faced when developing links between education institutions and private companies in terms of who does the initial exploration, how it is financed and where conflicts of interest can arise.

In the Fall of 1985, the International Program Advisory Committee of the ACCC, created a special task force to work out guidelines for colleges to work with the private sector on international projects. These guidelines suggest that there are two distinct but related reasons for forming partnerships with the private sector in overseas work:

- (i) to improve the scope and quality of the educational products and services which can be offered in a growing and highly competitive world market;
- (ii) to access a broader range of funding from both Canadian and international sources.

This task force has developed some guidelines and invited private companies to take part in discussions. Watching ACCC representatives, colleges, and private companies amicably discussing these issues of joint cooperation for development projects provided an indication of how far the momentum for cooperation had already gone. (See Appendix 5 for full details of these guidelines.)

Most NGOs fearful of being viewed as exploiters are reluctant to work either with private companies or educational institutions. They also have difficulty in cooperating with each other. Although there have been some creative initiatives by the Canadian Council for International Cooperation, most NGOs rigorously compete with other NGOs and still seem wary of sharing their experiences or of jointly developing a proposal. A shift in this attitude may be evidenced by the fact that CUSO as part of its 25th anniversary, in collaboration with the North-South Institute, hosted a NGO conference which featured the question of partnership - with other NGOs at home and abroad, with governments and with the private sector.

There are, certainly, some NGOs who appear ready to use whatever educational institutions can deliver, and who have also shown a great facility in arranging projects using crown corporations and private companies as well as

educational institutions. Two examples are the recent programs with China undertaken by CBIE and WUSC).

Another innovative example of cooperation between a Canadian university and an international NGO is the plan by McMaster to work with the African Medical Research Foundation in Nairobi in the development and operation of training programs for middle level (post basic) health workers.

3. Where is the debate on cooperation heading?

In spite of the concerns and suspicions mentioned above, in the past two or three years, there have been some very successful and innovative partnerships and joint ventures between private sector firms, NGOs and educational institutions. There is a realization by some organizations that they may find themselves in a more competitive position on both CIDA and international contracts with a joint venture. The bidding process on tenders from the international, financial institutions (IFIs), is particularly onerous and expensive. In such cases both educational institutions and PDAs could benefit here from a link with large, private firms with international experience.

An interesting example of a provincial government tying in HRD work with their external trade initiative is seen in the new Ontario-Jiangsu Science and Technology Centre in China. The two governments have developed this non-governmental body to assist in carrying out exchange and cooperation between enterprises and institutions in science and technology in Ontario and Jiangsu.

Unfortunately, just as these partnerships between public and private sector groups are beginning to show results, some pressure is developing to limit or even prevent their further growth.

While CIDA has encouraged, and in a few cases even forced such cross-sectoral cooperation, many senior officials within CIDA have become annoyed with the businesslike, entrepreneurial activities of some NGOs, and have attempted to limit them by changing consultant selection rules, and by fuelling the perception that some NGOs are 'not really NGOs'. This attitude is supported by a few private firms which, although not averse to working with NGOs, are unhappy about bidding for contracts against them. The conventional wisdom is that NGOs have unfair advantage because they are recipients of government core grants, pay no taxes, and do not enjoy the discipline of the profit (and loss) motive. NGOs argue that they are arbitrarily and unfairly restricted by CIDA in the overheads they are allowed to charge (restrictions which, ironically, sometimes increase their price advantage over the private sector). They also point out that they are not eligible for any of the project identification, starter study, feasibility study, and other

grants available to Canadian business, nor for any of the Canadian-based government assistance programs and guarantees which could be equated with the core funding provided by CIDA to some NGOs.

As the debate warms, there are isolated vocal recommendations that traditional Canadian compartmentalization should be reinforced, rather than breached. For example, the Desmarais report, commissioned by the Minister of External Relations, (31) states, "the much-vaunted formula of partnership between firms and not-for-profit organizations appears to be...problematical. It would be in CIDA's best interest to allow Canadian partners to choose each other, rather than encouraging marriages of convenience...". What this apparently means, is that credit unions should deal with Third World credit unions, business should stick to business, and NGOs should deal with (Third World) NGOs, popular groups or rural communities. "This is the best method of proceeding, that partners choose each other according to their orientations."

It is an illogical conclusion that because 'forced marriages of convenience' should be avoided, all marriages should be avoided. Such criticisms of new approaches, and particularly of cross-sectoral partnerships, seems both naive and unimaginative. Given the burden placed on the Third World by the continuing proliferation of Canadian players, and given the modest success of the partnerships so far created, (and encouraged by overseas beneficiaries), it also seems parochial, self-seeking and lacking in serious development initiative.

Therefore, changes should be made both in policies and regulations (related to bidding on AID contracts) in order to promote the growth of partnerships between sectors to deliver HRD activities.

31 Study of the Policy and Organization of Canada's Official Development Aid; Report to the Minister for External Relations", August, 1986.

SECTION V - DEVELOPING MORE CANADIAN CENTRES OF EXCELLENCE FOR THIRD WORLD HRD

A. BRIEF HISTORICAL OVERVIEW

Various studies in the past have argued that there is a need in Canadian institutions for more centres of excellence with a focus on developing countries.

The large Third World area studies programs in some U.S. institutions have been supported by funding linked to defence and security interests. In contrast Canadian funding agencies (provincial ministries, research granting bodies, and aid agencies) have not, for the most part, moved to provide individual institutions with sufficient resources to develop the "centres of excellence" which many post-secondary institutions have argued are essential if Canada is to respond adequately to the issue of international development. Interestingly the present President of CIDA has been urging universities to consider concentrating their international development efforts in specific fields or geographic areas.

During the present times of extreme financial constraints, the lack on individual campuses of strong teaching and research centres dedicated to Third World issues often means there is no focus for faculty members in their efforts to maintain the allocation of human and financial resources from their institution to Third World efforts. There is a need to continue the search for new mechanisms to help create centres of excellence as a focus for international training and research efforts.

B. NEW APPROACHES TO DEVELOPING CENTRES OF EXCELLENCE

1. Examples of centres which have been able to attract new sources of finances

a) Institute for Resource and Environmental Studies, Dalhousie University

A central objective of the Institute for Resource and Environmental Studies is to provide a mechanism for interdisciplinary research and training in natural resource management and environmental problems of significance to Canada or abroad. Special emphasis is given to themes linking biological, physical and social sciences.

This institute stands as a prime example of how various domestic and international funding agencies can be encouraged to fund a Canadian centre of excellence which has strong Third World interest. The Institute, particularly through its Environmental Manpower Development in Indonesia project (EMDI), has served as a model of how to bring creative linkages among: various disciplines; various

universities (North American and Indonesian); private sector companies and NGOs; and various donor agencies.

The EMDI project can be considered as a model for promoting institutional development in the Third World, for developing new capacity in Canada, and for mobilizing funds from a variety of sources.

Its success has depended upon a number of factors:

- an institute structure which allowed the director to put together a loose consortium and to offer sub-contract arrangements to NGOs and private companies;
- funding from a variety of sources which gave the director more flexibility in developing the above arrangements;
- quality capacity to deal with a range of research, teaching, and materials' development in the Indonesian setting;
- partners in Indonesia who had a commitment to the development of the environment institutes and who had the credibility and responsibility to move things through the system.

Even with all of the above elements in place, the building of a project or a series of projects into centres of excellence in Canada and Indonesia likely would not have happened without the entrepreneurial leadership of the director at IRES who combined the qualities of good teacher, good researcher, and good manager with an entrepreneurial flair.

b) Centres focused on international trade

It is interesting to note that money has become available in recent years for centres of excellence related to issues of international trade and investment (e.g. the original four centres of international business at UBC, Western, Montreal and Dalhousie supported by the Department of External Affairs). Also grants were made in 1984 from the Secretary of State's centres of specialization fund (now defunct) to chairs of international trade at UBC, business and trade at Simon Fraser, international commercial law and Asia Pacific Studies at the University of Victoria, and an Asian Pacific Business Centre at a consortium of B.C. universities.

c) National Centre for Management Research and Development

An interesting model to consider is the recent formation of the National Centre for Management Research and Development in London, Ontario. While connected administratively to the School of Business at the University of Western Ontario, it is a national centre with a national board, and researchers drawn from various Canadian and international public and

private sector institutions. With this structure and with a research focus on such topical areas as entrepreneurship, productivity and international business, this new centre of excellence has been able to attract funds from the federal government (External Affairs), the university, and the private sector. At least some of its likely research activities will be of interest to researchers concerned with technology transfer, mobilizing capital, joint ventures and management development in developing countries.

d) Asia Pacific Foundation

Another recent model for a centre of excellence which steps outside the regular institutional model is the new Asia Pacific Foundation established in 1984 as an independent, non-profit foundation to be funded in equal portions from the federal government, the provincial and territorial governments, and the private sector.

The stimulus for this foundation has been the rapidly growing interest of the Canadian government and the business community in the economic opportunities in the Pacific Rim. This economic interest has made it possible to mobilize capital in order to stimulate some initiatives in relation to that area of the world. Although the prime rationale is economic, the Foundation's mandate includes cultural and educational interests.

e) International Centre for Ocean Development (ICOD)

Following the UN Conference on the Law of the Sea, more than 80 states, many of which are developing countries, now claim an extended zone of jurisdiction. As an advanced nation in marine science and management, Canada was presented with great opportunities by the extended jurisdiction, but also felt the responsibility to develop new forms of international cooperation. To help developing countries meet the challenges of ocean management, the Canadian government created a new organization in 1983, ICOD, within the Canadian development assistance structure. Initially conceived as a NGO, ICOD had difficulties getting established due to a "confusion of identity" (an NGO established by government) and it was converted to a crown corporation in 1985. ICOD operates under the policy guidance of a 14-member Board of Directors, appointed by the Canadian government, including four international members. It has no share capital and is dependent on the federal government for operating appropriations. The budget for 1986-87 is \$4 million.

ICOD is unique among development assistance agencies in that it focuses exclusively on one sector: ocean resource development. It stresses expertise, rather than capital spending, and development by developing countries themselves. The programs place special emphasis on activities related to food production, and has a priority

concern with the training of personnel and the strengthening of the management of Third World institutions concerned with developing the resources of the sea.

2. Linking a substantial Third World project with a Canadian based program to develop a small centre of excellence

There is nothing new in having a department or a program in a university faculty take on a Third World project which complements the focus of that department or program. Many examples exist across the country. However, if a long-term commitment is made, and if the department has serious interests in international development, and if they have entrepreneurial leadership and good management, this type of activity can become much more than the sum of its parts. The basis for a new Third World centre of excellence can emerge from such an effort.

The program for rural development at the University of Guelph is a good example. Although the program was not organized primarily as a Third World centre it has developed some outstanding expertise on rural development in developing countries, particularly Indonesia. Key elements of the program include:

- a teaching program which draws on experience from various disciplines;
- a desire to attract academics with extensive experience in rural development in developing countries;
- an arrangement by which academics outside the university who have field projects are encouraged to bring the project to Guelph;
- a keen interest in attracting graduate students from developing countries, and Canadian graduates interested in developing countries;
- opportunities for graduate students and faculty to work in developing countries (these are dependent on evidence of their commitment including the learning of the language);
- a willingness to allow faculty in the program the flexibility to work with private companies on other related projects in developing countries;
- a willingness to reach outside the university to the private sector for experienced managers of projects related to developing countries;

This type of program has been possible because there is a strong commitment within the university to Third World activities, a good structure within the university (Office

of International Programs) to be the advocate and support at the general university level, and a good manager with appreciation of academic constraints to fit all the pieces together.

3. The "internationalizing" of domestic centres

Another important approach to developing Canadian centres of excellence for developing countries is to seek out significant centres which have been developed for purely domestic purposes, and then try to interest and assist them in developing an international aspect to their endeavours. In the past, some centres which were developed mainly for purely domestic purposes (management training, crops research, forestry, environmental studies, adult education) have become strong resources for Canada's involvement with developing countries.

An example of a new domestic centre which is attracting financing from a variety of sources and which will be of interest to some of the newly industrialized developing countries, is the year old Centre for Advance Technology Education at Ryerson Polytechnical Institute. The centre offers some courses to regular Ryerson students but its primary focus is hands-on courses of one to four days for middle managers in computers, robots, laser and fibre optics. More important for our analysis of models is the fact that the centre received a \$11.4 million grant from the federal/provincial Skills Growth Fund, another \$1.1 million from Ryerson, and substantial donations of equipment and manpower from IBM Canada, Northern Telecom and Hewlett-Packard (Canada) Ltd.

Waterloo, with its large number of applied research centres has become a focus of considerable interest to educational institutions and government policy groups in developing countries.

The first disbursements out of the new \$1 billion technology fund announced in last year's throne speech by the Government of Ontario have been directed to establishing seven new centres of excellence at Ontario universities. Although the focus of the centres' activities does not suggest any clear links to developing country interests, the method of organization and operation add strength to our argument that new links between public and private groups are needed to attract funding. Each of the Centres involve not only a consortium of universities but also joint ventures with a number of participating private corporations.

The pressure in Canada for corporate-higher education collaboration for centres of excellence for research, training and consultancies has been building. The universities need more funds for research and more access to the research and development projects related to new

technology which are being carried out by industry. Thus, the universities and colleges are being drawn towards work in the private sector. The need to consider different kinds of joint ventures between the public and private sector for focussed activities to support Third World work can be greatly assisted by the fact that domestic demands are pushing in a similar direction. The key question is, who will work at internationalizing such centres? Should it be left to chance, or the forces of the market place? What kind of brokers could play useful roles in promoting this concept?

Assistance in exploring the internationalizing of some of these domestic centres might be provided by the newly created Corporate-Higher Education Forum (CHEF) -- an on-going association of corporate and academic leaders who have come together for the specific purpose of strengthening the linkages between these two communities.

CHEF's 1985 report, Partnership for Growth, in outlining the main forms of collaboration between the public and private sectors, describes a type of centre which it labels as "university-based interface institutes". These are centres specializing in a particular discipline, usually located on a university campus. These institutes can be owned by the university or they can operate as semi-autonomous or independent organizations. They provide a facility where research that is beneficial to university and industry can be undertaken. Typically, the centres also provide training and consulting advice to local industry.

Such institutes, which are financed from both public and private sources, are proliferating across the country as centres of specialized research for the university and as centres of specialized expertise for corporations. Some of them are already used by Third World institutions and international donor agencies as a source of research training for their personnel. Many in the international development field, however, scarcely know of these centres. Third World governments, agencies and institutions could benefit from a clearer understanding of the mandate and the potential for HRD support for Third World personnel of these widely diverse centres.

An extensive list and description of university-based institutes appeared in the October 1983 edition of Canadian Research, Vol. 16, Number 6. Many of these, although acting as centres of excellence on a university's campus, do not really function as an interface between industry and the post-secondary institutions.

The report Partnership for Growth lists a substantial number of university-based interface institutes where initial sponsorship and, in many cases, continuing operational support has been obtained from the federal government. Some of the industrial research institutes and the management

training centres in this group have been developing expertise on Third World issues. Also in the same report is a further list of interface institutes listed by the institutions in their response to the survey questionnaire taken by the Corporate-Higher Education Forum. The IDRC has also produced a useful listing of Canadian technological research centres and institutions.(32) Some of these may be of interest to Third World institutions and organizations. More importantly, perhaps this type of interface institute may be a model for the development of institutes with a focus more directly related to Canadian and Third World relationships.

It is interesting that in 1985 the Corporate-Higher Education Forum expanded its interest beyond the domestic environment by organizing a Task Force on International Business Education and Partnership for International Development. Included in the terms of reference is a mandate "to survey the nature and extent of short-term education and training for Canadians engaged in international activities within Canada's universities, business, and government, and to recommend ways in which these programs can be made more effective, particularly through university, business, and government cooperation."

The CHEF should be encouraged to play a lead in documenting opportunities for and stimulating support of joint corporate-higher education centres of excellence which could provide training and research capacity for Third World projects.

4. Developing new centres of excellence which deal with issues of high priority in developing countries and which cannot be handled by available institutions in developing countries

There is still a need to consider additional centres which could serve a useful purpose for both domestic and Third World needs. From the point of view of those concerned with HRD in the Third World, these research and training centres should focus on areas which are of high interest to developing countries and which are not served by Third World institutions. Perhaps IDRC should take the lead in identifying some of these subject areas.

It is likely that a number of them would focus on policy issues: energy policy, food policy, science and technology policy. Other possible topics which might be considered are law and development, and research management. In the case

32 See "Guide to Canadian Technological Research Centres and Institutions", prepared for the Cooperatives Program Division of IDRC by Marcel A. Mercier and Associates, October 1984.

of law and development, there are some programs developing at UBC, at Dalhousie (in connection with the EMDI program), and at the University of Toronto. All of the above centres of excellence could be based either in universities or in the public or private institutions.

When Canada wishes to support trainees in technology policy or food policy, it is usually necessary to pay them to attend institutions in the U.K. or U.S.A. The ability to sustain these types of expenditures out of Canadian aid funds comes under question periodically. It would appear, then, that if Canadians concerned with international development are going to lobby for some new centres of excellence in Canada, they should focus on centres which have domestic as well as international importance.

5. Using networks to develop a centre of excellence

The high costs of building new institutions suggests the validity of conceptualizing a centre of excellence consisting of a network of institutions and individuals organized in such a way that the critical mass needed to create a centre of excellence can interact and be drawn upon, even though a centralized institutional structure has not been created.(33)

A domestic example of such an institute is the Canadian Institute for Advanced Research which creates networks of researchers from various institutions each organized to work on specific projects (e.g. artificial intelligence). The director, Dr. Fraser Mustard, explains that the rationale for such a structure is based both on a changing research agenda (the need for more cross-disciplinary teams) and the cost. According to Dr. Mustard "to create one central institution to support 10 research groups with 135 serious research fellows and 300 other affiliated scientists would cost at least \$500 million and would have annual operating expenses of \$80 million. The institute could achieve much the same result for about \$15 million a year".(34)

McMaster University's Health Sciences Faculty has applied this same network concept internationally by participating in developing two centres of excellence. One, the INCLIN network, focuses on the training of university-based health services researchers. Young faculty members from selected medical schools in developing countries are trained at the master's level in four training centres -- one of which is McMaster. The second is a 20-member network of

33 See FIA ISSUE PAPER No.6 - "The Use of Networks as a Means of Delivering HRD Support to Third World Institutions".

34 Globe and Mail, February 11, 1985.

community-based educational institutions for health sciences which assists in the education of health professionals with a focus on the priority health case needs of the community.(35)

A recent initiative to make available to developing countries the Canadian capacity of land mapping through satellites has also been structured through a network organized by one private individual.

6. New centres jointly funded by government and private sector to tap international economic opportunities

It was stated earlier that there has not been any strong interest by any Canadian funding agencies to support centres of excellence at Canadian post-secondary institutions which were focused on developing country issues. The recent realization of the size of the international market suggests that governments and private companies should consider jointly sponsoring new training centres to tap this new market and allow Canada to respond to more Third World requests.

New initiatives and new policies may be forthcoming regarding what the government is choosing to call "specialized training institutes". The dynamic for this rethinking, once again, is the pressure of market forces. The Canadian government is becoming sensitive to what our competitors (U.S.A., Germany, Australia, Japan) are doing to attract the brightest students and trainees from developing countries. It is becoming clear that a number of these countries are developing, with government support, specialized training institutes to attract top flight overseas trainees. For the most part, these are not regular post-secondary institutions offering degree programs. Rather, they focus on shorter specialized training with more flexibility to tailor-make programs for overseas needs. The Japanese have developed a number of these institutes with an ability to teach in English. Even the Italians, whom few Canadians would think of as having a major aid initiative, are working hard to create such institutes and to market their opportunities to developing countries.

CIDA will be reaching some policy decisions on this type of commitment soon. If there is a decision to move significantly into the support of specialized training centres, then the whole momentum related to such centres might shift substantially.

An example of the type of centre that might be forthcoming under such initiatives is the recently announced

35 See FIA ISSUE PAPER No.7 - The Use of a Network Concept to Develop International Centres.

Telecommunications Executive Management Institute of Canada. With a focus on sales to Third World countries, the federal Department of Communications, External Affairs, and six telecommunication companies are splitting the \$4 million start-up costs of this training institute for senior telecommunication managers from developing countries. CIDA also has announced recently a grant of \$11 million to the newly created International Aviation Management Institute in Montreal to train managers from developing countries.

SECTION VI - SUPPORT FOR INSTITUTIONAL DEVELOPMENT IN DEVELOPING COUNTRIES

A. BACKGROUND

The comprehensive definition of HRD which underpins this report stresses the need for educating and training individuals in relation to some long-term commitment to building institutions in developing countries. Yet some Canadians who have devoted their professional efforts to Third World development are afraid that this concentration on developing Canadian HRD capacity may cause Canadian donors and institutions to lose sight of this primary goal of institution building in the Third World.

A key question is which mechanisms might best allow people from developing countries to benefit from some of the training facilities available in Canada and at the same time build the institutional capacity in their own country or region?

Similarly, there is an inherent need to avoid the problem of sending Canadian technical assistance people overseas with no serious plan as to how their availability to a Third World training institution will fit into the development plans of those institutions.

A recent article on institution building by Universalialia traces the rise and fall of the theoretical underpinnings and frameworks for Third World institution building which had begun in the 1960s. Charles Lusthaus and Gary Anderson note that: "despite good intentions of researchers and donors, the spirit of activity during this period did not lead to a sustained and continued commitment to the improved understanding of the process of institution building." (36) The authors also claim that part of the reason for the disappearance of institution building models was "the overemphasis of definitional and conceptual issues and their failure to be prescriptive". In other words, the donor community was looking for practical guidance which the research community had difficulty in providing".

In the 1980s there has been a re-awakened interest in models and frameworks for institution building. According to a recent U.S. AID paper, this concern is due to the overwhelming evidence that:

- weak and inappropriate institutions in developing countries are a serious impediment to development;

36 For more details on the evaluation of past Canadian HRD work in developing countries and the lessons learned from these efforts see a number of reports and papers by Universalialia.

- efforts by donor agencies to assist in the improvement of institutional performance have, in a large number of cases, produced disappointing results.

The concern is heightened by growing charges that the project approach for dispensing aid that has been the cornerstone of most aid programs is, in some countries, clearly beginning to impede institutional development. For example, in 1981, Malawi was 'benefiting' from 188 separate aid projects supported by 50 donors; the Ministry of Agriculture alone was 'managing' 44 donor-financed projects. It is no wonder a recent World Bank development study concludes that focus on participatory approaches, accompanied by donor and project proliferation, is contributing to the destruction, rather than the strengthening of institutions.(37)

There is an increasing need to look at how overseas HRD opportunities strengthen or complicate the capacity of local in-service training capacity to nurture institutional development. Also increasing concern is being voiced about training efforts related to capital projects in which little concern has been given to the wider infrastructure in which projects have to be imbedded. In many cases the training is done for reasons of short-term efficiency in a cocoon-like project run by outsiders, completely independent of the national training systems in a country. When the outsiders leave, the local training support is not in place.

From this type of thinking has emerged the concept of training that is characterized as "investment protection". As Kenneth King has described it, "the investment protection cycle might well last for 10, 15, or more years, if the human resource development process was going to institutionalize itself and become self-perpetuating. As part of this investment protection training there would need to be established a kind of repair and maintenance mentality, both in respect to the human capital, as well as the physical capital".(38)

37 "Institutional Destruction Resulting from Donor and Project Proliferation in Sub-Saharan African Countries", World Development, Vol. 12, No. 4, 1984.

38 Kenneth King, "Overseas Training for Development: An Analysis of Britain's Technical Cooperation Training Programme From the National and the Donor Perspective", unpublished paper, February 1986.

B. ISSUES TO BE CONSIDERED

Thus the issues of institutional development are a key to a renewed HRD focus. Most donor agencies agree that while they have considerable experience with institutional development, their understanding of the best ways to improve the effectiveness of these institutions is limited. The donors' approach to this work is essentially ad hoc and the causes of success and failure are poorly understood.

There is a need for new institutional development initiatives involving some intensive R & D efforts. This should include analysis of past experience and the development of some analytical frameworks to provide a better base for understanding how HRD efforts can be linked to more successful institutional building. The research should be aimed at developing some frameworks for looking at institutional support and some guidelines for project design.

New initiatives could start with a serious effort to develop some corporate memory of Canadian involvement in Third World institutional development. CIDA's new work with HRD monitoring units linked to bilateral desks, and the studies by Universalia on "Lessons Learned From Past HRD projects", could be a useful starting point.

The IDRC usefully could undertake some responsibility for organizing and designing some research into institutional development. It would be useful to categorize and analyze the Canadian models which have been used and then look at some models used by American institutions such as:

- 1) Ford Foundation's long-term involvement in Third World institutional development;
- 2) Agricultural Development Council;
- 3) George C. Marshall scholars;
- 4) U.S. Aid's pioneering new approach to funding African institutions.

SECTION VII - SPECIALIZED SUPPORT SERVICES TO IMPROVE HRD PROJECTS USING EXISTING CANADIAN CAPACITY

This report has been advocating the need to improve Canadian capacity to deliver complex human resource development projects which are likely to require a mix of formal training, on-the-job experience, and a range of follow-up personal and professional assistance.

In order both to attract and help prepare Canadian individuals and institutions to develop such programs in a quality manner, a range of specialized support activities are needed. Included in these activities are the following:

- improving mechanisms by which Canadian institutions can become aware of specific HRD needs of Third World institutions;
- selection of trainees including language requirements;
- language and cultural preparation;
- support for professional development for staff of Canadian institutions and Third World institutions;
- development of data banks in Canadian HRD capacity;
- the development of brokers in Canada to pull together capacity from various organizations.

Let us consider each of these in some detail.

A. IMPROVING MECHANISMS BY WHICH CANADIAN INSTITUTIONS CAN BECOME AWARE OF SPECIFIC HRD NEEDS OF THIRD WORLD INSTITUTIONS

Throughout the deliberations on this study, concerns have been raised about any activity which focuses on Canada's capacity to respond without first analyzing clearly what the developing countries want. Development agencies continuously reaffirm their desire to respond to the real stated needs of the LDCs. The following examples represent some of the efforts made to develop mechanisms which accomplish these goals.

1. Developing assessments of the HRD system in a developing country

Some of the bilateral desks have discovered that a basic starting point for any successful HRD program is to have a comprehensive inventory of the HRD system and the key players in the developing country. This background is needed to assist CIDA and the CEAs in designing programs, selecting and preparing technical assistance personnel, or selecting trainees.

There are a number of models to consider in determining how best to do this assessing.⁽³⁹⁾ It is important to stress that anyone doing such inventories must be sensitive to the need to include a broad range of institutions (governmental private-for-profit and private non-profit groups). Any comprehensive framework analysis should take into account capacities in the formal educational structures but should also consider the relationships between the education systems and the economy and job markets.

The IDRC also recognizes as a precondition for its program of support for training researchers the need for comprehensive HRD needs assessment at the country level. The concern is not just to know what trained research manpower is available. The important questions relate to how much of this manpower is actually used for research activities and what incentives are offered and what career patterns for researchers developed. The rationale for this type of planning and the mechanism by which this process can be undertaken at a country specific level for an entire region, is clearly outlined in a paper by the IDRC Fellowship and Awards Division, entitled "Human Resources for Research in Latin America and Caribbean Countries: A Regional Consultation".

2. Creating HRD monitoring units

The complexity of planning for the HRD component in different sectors of the economy has led several CIDA bilateral country programs to recognize the need for ongoing information throughout the life of a program.

The Zambia program, for example, established an HRD unit to do ongoing monitoring and assessment of changing HRD needs in relationship to CIDA funded activities within the country. The Indonesian desk has tackled the same problem by hiring a consultant to follow on from the initial country HRD assessment, offering continuing inputs on the relationship between needs and project activities.

3. ICDS programs for linking institutions

For many years CIDA, through its Institutional Cooperation and Development Services division has been supporting activities which enable early exploration by Canadian institutions searching for institutional needs overseas to which they are prepared to respond. The program requires some initiative and resources from both the Canadian and overseas institutions, so there is a degree of self-selection. This effort was a pioneering one which

39 See the HRD assessment for Kenya by Jan Loubser and the Salasan report on HRD in Indonesia, - both studies were done for CIDA.

helped many Canadian institutions develop close ties with a Third World institution.

In 1986-87 the ICDS provided support to 29 universities, 10 colleges, AUCC, ACCC, CBIE, and four Canadian institutes and Third World institutions in 45 countries. Its very success has led to problems. Rapidly increasing numbers of applications, a shortage of CIDA resources, and university unhappiness with the terms and conditions of support (caused by tight finances at the universities) has put the program under some pressure.

The new framework for the program involves a yearly competition judged by a high quality panel of non-CIDA personnel (organized by AUCC). The competition requires a highly detailed proposal. The next two years will determine if they can continue to attract high quality programs when the effort required to submit the proposal is substantial, the amount of money available is small, and the terms of the grants not particularly generous. Some universities have indicated they they will no longer apply for such grants.

The welcome addition this year is a small (up to \$5000) but much more flexible grant program to support initial contact between institutions who wish to consider making a detailed proposal for the yearly competition.

4. Brokering Activities of the IDO of the AUCC

An example of the new activities of the AUCC to help Third World and Canadian institutions develop appropriate match-ups has been the recent Thai Canada project. It is significant that this program, which has some of the flexibility of the early ICDS efforts, is utilizing bilateral funds. AUCC took a team of Canadian university people to ask a Thai government committee just what was wanted from Canada. The Thais outlined three areas in which they wanted to concentrate their requests: (i) energy; (ii) natural resources development; (iii) institutional development. Although the Canadians felt the last item was too vague, they agreed to support these goals and to help Thai universities to establish links with Canadian universities within these areas.

AUCC is serving as the broker in administering this project and bringing the institutions together. They arranged the exploratory visits and left in Thailand documentation on Canadian universities. The Thais responded quickly by sending detailed proposals directly to specific Canadian universities who had to be prepared to respond to these proposals quickly. For those Canadian institutions which had built the internal structure for international activities this did not create a problem. For others it was difficult, if not impossible, to indicate just what their university was prepared to do and under what terms. This

example certainly helps to point out the need for the universities to organize themselves with some priorities.

5. IDRC's Cooperative Programs Division

In IDRC the Cooperative Programs Division was established to foster sound participation by Canadian scientists and to encourage effective North-South institutional co-operation. As Prof. Len Gertler of the University of Waterloo has put it: "It is providential that the cooperative initiative came 10 years after the establishment of the Centre. Those first years provided an opportunity to acquire a truly global appreciation of LDC needs, priorities, research capacities and gaps, and of the people active in research in a multitude of disciplines.By design or good luck it established the basis for an LDC motivated cooperative effort".

Yet there are still many Canadians concerned with research on development who know little of the role of the IDRC Cooperative Division, even though 370 researchers from 30 Canadian institutions were involved in the first four years of the program.

6. Use of short term assignments

Some agencies would argue that short term (two to six month) assignments have little usefulness in development terms. However, if organized as part of a larger strategy, short assignments can be used effectively to increase knowledge and awareness of both sides as to what form appropriate, large, long-term projects might take. Examples are:

- short study tours of business faculty as a stage in the self-selection of partners in the China management project;
- as part of a long-term HRD strategy the Indonesian desk of CIDA laid out a process by which Canadian institutes could pursue some immediate short-term activities which would serve a need identified by the Indonesians but would also allow both sides to get to know more about other's needs and capacities. This approach, while involving a slow start-up period during which time the program had minimum ability to transfer substantial aid allocation, is coming to be seen as a sound way to develop this integrated long-term HRD approach in synchronization with the needs of the developing countries;
- regular summer teaching seminar in Indonesia by a professor of hydrology from the University of Manitoba. The seminar not only provided some useful in-service training for Indonesian scientists, it also allowed the Canadian professor to update himself professionally, and most important, it allowed him to gauge the quality

of the seminar participants as a first stage in determining who should be supported for University training in Canada. The positive impact of this summer program on the success rate of Indonesians in masters level programs at Manitoba has been substantial.

7. The Trent Colloquium

The Trent Colloquium provides an example of a small university willing to risk time and effort in a preplanning phase for identifying potential needs as they relate to Trent's resources.

A group of Trent faculty and students spent the best part of an academic year preparing themselves for a colloquium which was funded by CIDA. The Third World participants they attracted were first rate and appeared pleased to interact with the Trent group, who made it quite clear they had no fixed agenda but, rather, were eager to engage in a discussion that would help them know, first, what would be useful, and what Trent could appropriately take on.

When some of the participants asked for a follow-up from some of the Trent students, the International Office at the university raised its own funds and immediately placed some students in the field for the summer. All in all it was an impressive effort by a small school which takes its international responsibilities seriously.

8. Feasibility study support for private companies

While ICDS has been supplying grants to post-secondary institutions for start-up activities to explore joint efforts with developing country institutes, CIDA's Industrial Co-operation department has been doing the same thing for private profit-making companies.

More recently the trade development branch of External Affairs has been allowing PEMD grants to be used to explore the potential marketing of educational services.

9. Use of NGOs

While it is clear that there is no single static definition of a country's HRD needs in a world of changing priorities, some people feel that the real needs of many sections of developing countries can be articulated best by non-governmental organizations rather than by government agencies. Canadian agencies have responded to these initiatives by channelling considerable amounts of Canadian assistance either through Canadian NGOs or to developing country NGOs, and have allowed the Canadian and Third World NGOs considerable latitude to shape the project design.

10. Use of developing country agencies as executing agencies

Another approach within CIDA has been to leave more of the implementing responsibility with the receiving country, on the assumption that the project will then fit more closely with its needs. CIDA, in one of its first major new HRD projects in Africa in the 1980s, handed over to the Kenyan government the administration of the \$15 million program to place Kenyans in Canadian institutions.

Theoretically the plan gives the Kenyans ultimate flexibility in choosing what Kenya wants from Canada in the HRD field. Public or private sector people could be placed in various types of Canadian institutions for either short or long-term programs. The Kenyan HRD project has wide flexibility but the Kenya committee managing the project has chosen to interpret it narrowly, leaving many government departments, public institutions and private citizens feeling frustrated that they have no access to Canadian HRD support.

It is useful to consider whether this approach could have been structured differently in order to respond to a broader cross-section of the country's needs. Also one should not minimize the difficulty to be faced by a Third World embassy official in Canada being asked to place candidates in Canadian institutions. It is a complex task for people who have both experience in this work, and a knowledge of the Canadian institutions. It is a particularly difficult task for someone who has not been doing this work and who has little or no knowledge of Canadian institutions. CIDA appears interested in utilizing this delivery mechanism in other programs as one of the ways to deal with the shortage of executing agencies.

11. Developing country buyers

One of the new factors in helping Canadians know what the developing countries want has been the increased influence of market forces in the selection of projects by these countries. This development has been brought about by the sudden surge in revenues enjoyed for a time by some oil producing nations and by the fact that much of the aid from the World Bank, as well as bilateral aid agencies, is now soft loans instead of grants.

With this loan money the country is able to shop the world for the type of HRD project it wants and is able to set conditions and the returns which it desires. Institutions and agencies are forced to compete, often world wide, in terms of the product they offer and its cost. In these negotiations the developing countries with the money to spend have an opportunity to dictate what they want.

12. Where do we go from here?

For those concerned that the dynamics on some of the new HRD work will push Canadians to ignore what Third World organizations want, the above examples should be somewhat reassuring. We have come a long way since the early days of CIDA (then External Aid) when decisions were made in Ottawa without any field trips, let alone field staff, and the people to implement the projects were hired by CIDA without having been involved at all in the design of the project.

There is an ever increasing number of mechanisms being established to assist Canadians to understand what their Third World counterparts want and to give those counterparts a chance to influence the design of the project. Both the sensitivity of a number of Canadian development agencies and the market forces we discussed earlier have combined to push these types of efforts and it should be a top priority to refine and improve these efforts.

There is one caveat, however. It is useful to keep pressing Canadians to make sure they know "what the Third World people want". On the other hand, many Third World officials are expressing annoyance at the time they waste trying to talk to one foreign aid group after another about their needs especially when many institutes could use assistance with just about everything. The response of these officials has been to press Canadians to tell them what it is they do well, and who is it in Canada that does it well.

This is a legitimate challenge to put to the Canadian aid community. We have had too narrow a view about our capacity for international development work. As we come to better understand what we do well and who does it well, we need to make organized efforts to pass on that information to developing country groups. Part of this can be, and is being done through increased, well planned exploratory visits to Canadian institutions by foreign officials. It is also time to think of preparing a series of brochures and/or videos which document what we do well in different HRD areas and how foreign officials could make contact with these institutions.

B. SELECTION OF TRAINEES, INCLUDING LANGUAGE REQUIREMENTS

There is an increasing interest in having the recipient institution in Canada involved in the selection of trainees. Sometimes in the early days of CIDA a representative from the Canadian institution was allowed to sit in on the final interviews overseas and add comments. Often the feeling was that this process offered little scope for serious involvement. If more CIDA programs are going to be administered by the developing country governments (similar to the arrangement for the Kenya scholarship project), some consideration should be given to assisting the outsiders to develop an understanding of the Canadian educational system and to develop useful contacts at key institutions. Otherwise a great deal of time is wasted trying to push inappropriate applicants at reluctant Canadian institutions.

Today in some projects, such as the China management project, the Canadian director is a serious partner in the selection interviews. He/she is expected to indicate not only which candidates are acceptable but why the others, from the Canadian perspective, have weaknesses which would make it difficult for them to succeed. The Chinese participants might then add information on certain rejected candidates in an attempt to change the Canadian's mind.

The extensive reliance on TOEFL tests for language competence as a requirement for admission to institutions is often frustrating and counter productive. It makes no distinction between an average student who has taken four English language courses and has reached 450, and a bright student with no English language course who reaches 430. It may be better to select the bright student with the low score, especially if there is to be some specialized language training before school begins. Many people argue the need for a better test than the TOEFL test or an alternative means of providing criteria for sufficient English language competence in order to receive the training desired.

C. LANGUAGE AND CULTURAL PREPARATION

1. Historical view

Although the issue of language training, either for trainees coming to Canada or for technical assistance personnel going abroad, has always been listed as a significant issue, very little serious action has been taken in Canada. In the 1960s, when there was little support for preparation to go abroad or for trainees to come to Canada, the volunteer groups such as CUSO pioneered some work in both directions. CUSO pushed the development of TESL to better prepare teachers to work overseas when it was an ill defined and little known field in Canada. They also introduced Asian

and African language training for Canadians on a limited scale so that Canadian teachers would at least understand some of the broad concepts of thought in another language.

The CUSO West Africa Centre gradually grew into the Cross Cultural Learner Centre, which became a joint university-community project in London, Ontario. It was one of the resources drawn upon to establish the first briefing centre for CIDA, and some private firms began to seek assistance from it in preparing their personnel for work in developing countries.

The Cross-Cultural Centre was made mobile and travelled from coast to coast in Canada, eventually stimulating the establishment of 16 cross-cultural centres across the country (some were aimed at Native issues or Black studies, and some were geared to Third World issues). The CIDA centre began to flourish and brought together noted cross-cultural trainers from Canada and the US, from both the private and public sectors. Canadians began to involve themselves in the Society for Intercultural Training and Research (SITAR) then operating out of the University of Pittsburg. Efforts were explored by university people, CIDA and the Secretary of State's office to start a Canadian chapter. Interest in and support for this activity continued to grow.

However, during the last half of the 1970s, the trend reversed itself. CUSO ended its special joint venture efforts to operate training centres, partly because they had been successful in moving much of the orientation overseas. Also, some of the bigger NGOs felt confident in organizing their orientations internally (bringing in private consultants when needed).

CIDA went through a period when it lost interest in orientations. The following factors contributed to this decline in interest: a reaction against the over-use of sensitivity training, to budget constraints, the personality of some key managers, and the lack of hard evidence of the cost-benefit of carrying out such orientations.

Universities under budget restraints lost any ability or interest in committing funds for Third World training and SITAR, which had held such promise, moved more and more towards serving the academic researchers and further away from assisting in developing pragmatic responses to immediate training needs. Support for cross-cultural training had reached a low ebb, even though some individuals within aid organizations, universities and private organizations maintained their interest and carried on the work.

In the 1980s, a renewed interest in the field has become evident. Private companies, stinging from the huge losses involved when placements in a developing country project

came home early, began to take seriously the notion of special efforts for selecting and preparing people for overseas work. To answer this need private organizations providing cross-cultural training have come into being.

CIDA's Briefing Centre has taken on new life with increased budgets and personnel and an increased mandate, including service to the private sector. The most noticeable development has been the support by CIDA, as part of its new China program, of a serious program to develop both in China and Canada the capacity for offering language and cross-cultural briefing for Canadian cooperants going to China and for Chinese trainees coming to Canada. The program has three principal components:

- (1) the China Project Office (CPO) at St. Mary's University in Halifax which administers and coordinates the operations of the two other program components;
- (2) the Canada-China Language Training Centre (CCLTC) at the University of International Business and Economics (UIBE) in Beijing;
- (3) the five Regional Orientation Centres (ROCs) at universities in Vancouver, Edmonton, Toronto, Montreal and Halifax.

There is now some work underway to nurture the development of briefing centres for other bilateral programs (e.g. Indonesia). All of this activity suggests that we have entered renewed interest in cross-cultural orientation.

2. Impact of recent changes on professionals in the field

To those who have been concerned about cross-cultural training in Canada for years, this move by CIDA in the China program appears to be an amazing reversal of form. Why is it that money is suddenly available for this kind of program? Why is it that CIDA is now prepared to work cooperatively with Canadian institutions to build this capacity? Is this support for an orientation centre to be limited to the China program, or is it a possible model for other country programs? It would be helpful to those in the field of cross-cultural training if CIDA were to clarify its intentions.

The decision by the CIDA Indonesian desk to support at UBC an on-going centre for orientation for the Indonesian program increases the questions in the minds of Canadian academics and consultants interested in briefing work. Are they to assume that the work of CIDA's briefing centre is being downplayed and that more briefing work will be contracted out? Is CIDA interested only in developing a program which has a university base, or are they prepared to enter into agreements with non-profit groups or with private sector organizations? Are these country specific centres to

serve only CIDA's needs, or are they to be made available to other groups which have an interest in that country? Is CIDA prepared to make a long-term commitment to developing resources for orientation, or do they merely want to contract out the job of orientating a specific number of trainees? Does this action suggest that CIDA will be supporting the development of different orientation centres for a number of different countries in Asia? When CIDA speaks of orientation, how broad is their understanding of the term?

3. What useful lessons can be gained from the evaluation of the China/Canada language and cross-cultural program?

An interim evaluation report mentioned the problems which had occurred in the early stages of implementing the program and the necessity of having had to deal with them in a time-consuming, reactive manner, rather than according to a directed plan. It also emphasized the need for more thorough investigation in view of the many assumptions concerning cross-cultural education, adaptation and transfers, language learning and teaching practices, or inter-institutional communications, which the implementation of a program of this type calls into play. This evaluation suggests the need for an overall strategy on briefing before further major commitments are made.

4. Capacity to deliver briefing programs

Whether preparing Canadians to go overseas or preparing overseas personnel to come to Canada, the program should probably encompass at least five different types of activities:

- (a) intercultural training focusing on cultural differences such as values, perceptions, assumptions and customs, and how to interact with people from a different culture;
- (b) briefing on daily living conditions, costs, climate, customs;
- (c) appropriate technology training centered around how to adapt Canadian technology to local conditions. This could be specific to the particular profession, or could develop attitudes and frameworks which would allow the individual to avoid taking his/her Canadian training as infallible;
- (d) training trainers who can pass on skills and knowledge acquired so that the initial HRD activities can have a multiplier effect;
- (e) language training which involves developing language skills in social and technical areas. An introduction to techniques for self-study (learning how to learn) would also be useful.

An analysis of what Canadian capacity is available to undertake cross-cultural orientations has to be linked with some clear decision about what are the priority training needs. The overall strategy developed by CIDA for supporting cross-cultural orientation will influence significantly the expansion of Canadian capacity to carry out this orientation work. Before substantial additional funds are spent on orientation centres it would be important for the directors of the CIDA bilateral programs to understand:

- something of the reasons for a cyclical commitment to cross-cultural training in the past;
- the size and range of training needs for both private and public sector programs related to a particular country;
- the evidence available as to which training approaches are most useful in responding to specific training needs;
- the key operational and financial questions that need to be addressed before encouraging the establishment of a new training centre;
- the variety of resources for cross-cultural training which already exist in Canada (in CIDA's Briefing Centre, in university centres, in NGOs, in private companies);
- the organizations in developing countries which have the capacity to carry out some of these cross-cultural briefings.

D. SUPPORT FOR PROFESSIONAL DEVELOPMENT IN THIRD WORLD INSTITUTIONS

Staff development support continues to be a priority for a variety of educational institutions, NGOs, private companies and parastatals in developing countries. Universities face the problem of how to release staff to upgrade their professional skills and to keep abreast of their discipline when many institutions do not have either the funds or efficient staff to allow regular sabbaticals. As most aid agencies are out of the business of supplying replacement line faculty in large numbers new mechanisms are needed to nurture this need. What is new for some of the other agencies are some of the areas in which these agencies need to train their staff. For some of the larger Third World NGOs (AMREF in East Africa, Sarvodaya Shramadana in Sri Lanka and Aware in India) there is a need to help them strengthen their core management needed to run the growing institutions.

The aid agencies and private development agencies need to increase the available opportunities and design new mechanisms for supporting professional development of staff in Third World agencies. Most of these efforts should be aimed at educational institutions or NGOs or the agencies which support them. However, some special efforts should be aimed at key areas in the private sector which have a significant role to play in development. (e.g. finance and credit agencies, low cost private health schemes, private associations to assist small business, consortiums in the housing development field, private institutions offering middle and senior level management development).

To accomplish the above requires new funding programs but most importantly it requires the design of new mechanisms which are aimed at these specific needs. The greatest difficulty in design mechanisms for professional development support for CIDA and IDRC will be when they are challenged to find ways of supporting private groups in the Third World who have committed themselves to new risky but important efforts. Here the Canadian policy of support for the private sector will be tested seriously.

Some examples of the types of projects which might be pursued are:

- support for multi-faceted long-term follow-up support to scholars and researchers which might include regular short research periods, access to journals and periodic attendance at conferences (e.g. the George C. Marshall scholarships of USAID);
- support to Third World NGO umbrella organizations to enable them to run professional development programs staffed by local trainers and/or foreign consultants whom they are able to hire and direct (Voluntary Association for Development Agencies - Kenya, Dina Desa Environmental Organization - Indonesia, Sarvodaya Shramad - Sri Lanka);
- support to private agencies assisting small entrepreneurs in developing countries (Kenya Management Assistance Program, Incubator Project by Kanchar, and ARA);
- formation of donor consortium to assist large NGOs in avoiding the destructive aspects of project financing and thus to enable them to strengthen their professional management and administrative staff (e.g. consortium of donors for Sarvodaya Shramada).
- assisting public and private agencies in Canada to help private and public agencies in the Third World to design new products to mobilize domestic capital for development and to assist in staff training related to the delivery of these products (e.g. Accion projects in

Latin America for micro-credit schemes, Calmeadow Foundation proposal to support rural banking system in Ghana, Guardian Trust training work with Kenya Finance Corporation);

- supporting Canadian agencies who take on as a priority the staff development of Third World NGOs (Manitoba Institute of Management projects in Africa and Asia;
- developing training capabilities to assist Third World enterprises in their export interests (FIT's project in Amnui province China, WUSC export development seminars for Chinese);
- developing senior staff in a wide variety of Third World private companies (CESO's technical assistance program).

E. SUPPORT FOR PROFESSIONAL DEVELOPMENT OF CANADIAN PUBLIC AND PRIVATE AGENCIES INVOLVED IN THIRD WORLD DEVELOPMENT

Because of the great shift in the importance and complexity of HRD projects some staff development is needed for Canadian agencies who are involved in development. This training is needed first of all for aid agency personnel who have to know why significantly different project designs will be a necessary part of future projects. They will need to know both why the shape of HRD projects is changing and what different administrative skills will be required of them.

NGOs who are expected to play a bigger role both in managing field projects and in developing the staff of foreign NGOs need help in developing their training, project design and project management skills.

Private companies who are given large contracts to implement in developing countries without any prior experience could benefit from short training programs aimed at developing their knowledge and their implementation skills.

Some universities need help in understanding the expanded opportunities in Third World HRD and what organizational and financial commitments it will take for their institution to benefit from these opportunities.

Young graduates who wish to commit themselves to development work, or trained professionals who want to make a mid-career shift into international development work require means by which they can be assisted in their preparation for this type of career.

These needs suggest that various new support programs and training efforts (mostly short-term) are required in order to support the professional development of Canadian

individuals and private and public agencies who are committed to development.

Specific examples might include the following:

- seminars to strengthen the leadership of Canadian private and public development agencies for the development priorities for the future (see Niagara Institute);
- workshop to analyze the need for and the appropriate structure of mechanisms by which Canadian agencies can assist the Canadian and developing country private sector to play a larger role in Third World development (Aga Khan Enabling Conference);
- the improvement of the capacity of Canadian NGOs and private firms to do project design, develop implementation strategies and carry out project management of large HRD projects in developing countries;
- training sessions for Canadian development agency personnel
 - (i) in the use of the case method to assist the strengthening of NGOs and educational institutions in developing countries (IDRC's support for AMREF-Kanchar management development project),
 - (ii) to understand the crucial issue of mobilizing domestic capital for development and how their agencies could support Third World institutions with these efforts (Calmeadow Foundation project),
 - (iii) to develop skills in assisting the development of small business in developing countries.

F. THE DEVELOPMENT OF DATA BASES FOR CANADIAN HRD CAPACITY

A look at some of the present attempts at data bases related to Canadian capabilities in HRD will suggest possible directions. There are a number of useful guides to resources within the university structure related to international development work. For example, AUCC has published a Directory of Canadian University Resources for International Development, and is developing a computerized data base on Canadian University Projects in International Development (CUPID). The University of Alberta has a data base on the strength of their faculty to undertake international work. The International Directory of Human Resources compiled by the University of Saskatchewan in 1984 is interesting for its three-way listing. First there is a faculty and staff member listing indicating areas of expertise, language skills and countries in which the person has worked. Then there is a listing by countries where

individuals have worked. Finally, there is a listing by language competence revealing university expertise in 39 languages.

Another need is to include in an inventory resources of more than the educational institutions, and to list them according to specific problem areas or subject matters. An example of a data base by subject area is the IDRC-funded attempt to produce a computerized data base which offers a quick, reliable and easily updated reference to individuals and institutions in Canada capable of training Third World personnel in energy policy research. The results of this ground breaking effort will soon be ready for distribution to interested organizations. The package will include a technical manual, diskettes to enable you to access the program on most personal computers, and 5 diskettes which contain the reference material. Using this material one will be able to access references under 6 categories:

- regional area fields (African, Canadian, Caribbean....)
- sectoral area fields (agriculture, commerce, education....)
- energy source fields (coal, geothermal, hydroelectric....)
- policy area fields (program planning, energy utilization, energy supply and demand)
- program area fields (is a diploma, bachelor, master or doctors degree obtainable?)
- Third World experience or interest.

It will be useful to analyze the way in which this material is utilized. In another development, CIDA has employed a consultant to prepare a data bank to assist bilateral program officers in finding appropriate Canadian consultants. Some interesting resource banks have been emerging from some of the large multi-disciplinary HRD projects being carried out by Canadians.

For example, Dalhousie's EMDI project has produced an extensive data base on Canadian capabilities to respond to HRD requests in one specific area in a particular country. EMDI has published a topic "Guide to Environmental Studies Programs in Canada". The project has an extensive base of information on individuals in private sector industries and consulting firms, NGOs, government departments and educational institutions, with interests and expertise in areas of the environment relevant to Indonesia's needs. Such a base of information developed in a pragmatic way in response to a specific request ensures its initial usefulness. A key question is how such data bases are maintained, updated, and accessed by other individuals outside the project.

Another way of organizing the data on Canadian capacity to respond to international training requests is to take a geographical unit within Canada of manageable size and

organize the resources from various institutions, departments and companies along the lines of the important sectors of the economy in that geographical area. This approach is being considered in a joint venture proposal by two private companies to design the most advantageous institutional and operational model for coordinating and packaging Atlantic Canada's impressive international training capability and selling it successfully on the world market.

The information technology available to us makes possible the development of data banks that were unheard of a decade ago. So often, however, the problem is not with the technology but with the understanding of and attitude towards the technology by the potential user. Vast amounts of money are spent to build data bases which are seldom used. The question becomes how to organize data banks which are driven by the needs of the user and can be easily accessed by the user to solve his or her problems? How can potential users become technologically literate in the information field?

There is a need to make more people in the Canadian HRD community (including the aid agencies) aware of the ways in which "electronic bulletin boards" and "electronic conferences" can be used:

- to link together Canadian institutions and individuals who share a common interest in Third World development;
- to link the Canadian institutions with developing country institutions in a manner which could have a significant positive impact on joint project design;
- to develop data bases which directly flow out of the problems and concerns of the above groups.

The assistance of IDRC's Information Science Division should be sought in designing pilot projects using "electronic bulletin boards" and "electronic conference arrangements" for individuals and institutions interested in developing Canadian capacity for HRD work in developing countries. Such projects should:

- be aimed at supporting the immediate goals of developing HRD networks through the sharing of information on capacity and on specifics of project design;
- include a research effort to understand better the elements of an electronic network which are necessary in order to stimulate a diverse group of individuals and organizations to use it.

A recent move in this direction has been undertaken by the Department of External Affairs and CIDA's Indonesia desk who

are utilizing the COSY system developed at the University of Guelph. This project is electronically linking most Canadian institutions involved in Indonesian projects with each other on a continuous basis and with 6 key institutions in Indonesia. The project is working well and is achieving many intended and some unintended results. For example turnaround time and information sharing between Canadian and Indonesian teams doing joint project design work can now be as low as 12 hours. This direct almost instantaneous link between Canadian executing agencies and their clients in the field has a dramatic impact on the role of the CIDA office in the field and their ability to serve as "gatekeeper" on these projects. Developments now, even at an early stage can proceed quickly and without any input or control by the CIDA team in the country.

A report needs to be written which will introduce individuals to the potential for electronic network, what it takes to start one, including hardware, software and operating costs, as well as some analysis of lessons learned from some networks which are already operating.

G. WHO WILL PLAY THE BROKER?

Recently an aid agency official was searching for a Canadian institution which could offer an appropriate program for government officials being prepared to open a renewable energy section in one of many new ministries of energy being established in Third World countries. The program suggested to him involved the following mix of activities:

- short specialized program on planning by a university department with extensive Third World experience;
- on-the-job training in a provincial utility which is moving to become a broad based energy company;
- on-the-job training with a provincial ministry of energy;
- on-the-job training with one of the many small renewable energy companies which are commercializing the research results;
- short general management course from a business school.

The officer's reaction to the above plan was, "Great. We will play the banker on that one". The response, however, was, "You may be pleased to play the banker -- but who will play the broker?" The above program could not be offered as a package at that time, for although all the capacity for making such a response was available, the applied capacity of packaging it was not in place. It is clear through many of the new public/private joint venture responses to new requests that the role of "broker" has become a crucial one. The term is used here not as simply a person or agency which puts people in touch with others for a fee. Rather, it

requires people who have a commitment to the broad end goals of the projects and who are prepared not only to bring the right partners together but also to stay with the project through to the implementation and management stages. There is a need for aid agencies to be more aware of the important role these brokers play and to find ways of encouraging the development of these types of brokerage skills.

The qualities required to be a good broker include:

- negotiating skills
- good ability to listen
- innovative entrepreneurial style
- ability to dream of new lifestyles for the future
- willingness to take risks
- high tolerance for ambiguity
- strong background experience in Third World development
- ability to develop credibility and a sense of trust in moving across cultures (government, academic, private sector, Canadian, African, Asian, etc.)
- good cross-cultural communication skills
- ability to develop networks
- patience
- tolerance
- sense of humour

These types of people with the skills to play the brokers' role can be found in various public and private agencies including the aid agencies themselves. Those in Canada who are concerned with increasing this country's capacity to undertake quality Third World HRD activities, need to be concerned with encouraging people in this broker's role. There is a need to articulate what it will take in terms of changes in attitude, structure and financial support to help more individuals and organizations to develop and use these skills as a support to turning the potential Canadian HRD capacity into actual capacity.

SECTION VIII. ENTREPRENEURIAL FUND RAISING RELATED TO
SPECIFIC ISSUES OF CAPACITY BUILDING

A. FINANCING INITIAL OVERSEAS OPPORTUNITIES FOR
YOUNG CANADIANS

A number of NGOs in the 1960s tapped a variety of community resources in order to provide young Canadians with their first study and/or work experience in developing countries. First WUSC, then Crossroads Africa, followed closely by CUSO carried out successful fund raising activities in the private sector, received contributions from the universities (mostly in the form of free administrative services) and challenged the participants to raise part of their own money themselves for their international experience.

These programs also counted on the foreign institutions, which were to receive the Canadians, to cover part of the costs in cash or in kind. Eventually a precedent was obtained in getting the Canadian government to become one of the partners in these schemes, initially through the provision of transportation (using planes of the RCAF) and eventually through matching grants.

In the 1960s these programs were outstanding examples of entrepreneurial ventures which mixed public/private and Canadian/foreign funds to both accomplish a task and develop Canadian capacity in an effective and efficient manner.

There is a need to encourage various new initiatives for the 1980s to match the 1960s' ingenuity of organizations such as CUSO, WUSC, and Crossroads in financing opportunities for more Canadians to become involved in their first work placement in developing countries.

Recently new initiatives are surfacing as more institutions recognize the need for increased opportunities for Canadians to initiate their developing country experience. Examples include the following:

- The Cooperative Program in International Development Studies at the Scarborough campus of the University of Toronto has tapped a variety of outside financial sources to support their innovative program which involves an 8 to 12 month work placement with an agency or industry in a developing country. The Donver Canadian Foundation awarded them \$75,000 for a variety of support activities and the Rotary Club of Scarborough awarded two \$1000 scholarships for students in the program. In the formative period they received \$300,000 from CIDA to help them develop and implement their overseas work placements. More recently they have arranged these placements through assignments with other private and public development organizations such as WUSC, FIT and ARA.

- University of Guelph's Rural Development program requires overseas field placements for all participants and requires students to pay for this experience.
- The Society for Tropical Medicine and Public Health, led initially by a few dedicated medical volunteers, has been able to win financial support from aid agencies and private foundations for its varied activities. IDRC has been a prime supporter for its efforts to place medical students and interns in developing countries as a mechanism for developing Canadian capacity in the field.
- The University of Western Ontario continues to operate its own medical electives program in developing countries. Aided by considerable volunteer effort and by personal fund raising efforts of the individual students, they are able to place students overseas in well selected locations at a minimum cost.
- Trent University operates short term overseas student placement funded often from private fund raising activities as part of its international program.

The above are a few of the examples of how organizations are finding ways, at low cost, to develop Canadian capacity by offering first time overseas assignments. What more could be done?

Development of university capability would be greatly assisted if CIDA's ICDS grants could include some commitment to supporting first time experiences for capacity building.

Also if IDRC proceeds with a planned new program to support young professionals interested in a career in development activities in the Third World, this would fill a gap in the opportunities presently available.

Individual activities by various public and private organizations would be stimulated greatly if CIDA were to proceed with recommendations now before it to expand its direct involvement in capacity building in Canada. CIDA's Human Resources Division which for years has offered a small scholarship program to build Canadian capacity, commissioned a serious study on the capacity of Canada to respond to new requests from developing countries. This study, now completed, points the way to an expanded capacity building program in which private and public institutions would share the costs with CIDA.

B. FINANCING INCREASED INVOLVEMENT OF POST-SECONDARY INSTITUTIONS

A few institutions have shown initiative in developing their own fund to provide faculty with an initial opportunity to explore projects overseas or to bring developing country personnel for a short visit. Of particular interest has

been the range of special efforts initiated during the 1980s by the University of Alberta. These include:

- (a) Allocation by the University Endowment Fund for a pilot project to support short-term visits of scholars from developing countries for up to 12 months;
- (b) University of Alberta Scholarship for students from developing countries (beginning in 1981 the university committed \$100,000 a year to be matched by CIDA and were receiving over 700 applications for the 6 awards);
- (c) Fund for the support of international development activities - established in 1982 through allocations from the University Endowment Fund to assist faculty in developing contacts and projects in Third World countries.

Various other institutions have begun to establish more broad based development funds which can be accessed by members with a strong commitment to international work backed up by some quality experience. One such fund is the Academic Development Fund of the University of Western Ontario. This was established by the Senate with the primary purpose of providing seed money for academic innovation, and amounts to 1% of the operating budget of the university in any one year. The awards are made mainly to groups of faculty and for project support in excess of \$10,000. While not targeted particularly at building capacity for international HRD, it clearly plays an important role in strengthening the capacity of the university and could be drawn upon for innovation of particular relevance to international development.

As institutional members see the significant opportunities for outside funding limited to the development of some particular international capacity, the likelihood is that more efforts will be made to draw on these funds to develop international HRD capacity. Also if post-secondary institutions make an overall commitment to international work, more frequently we will begin to see special fund raising appeals related to centres of excellence which could be involved in this work and which could then attract funding from other sources.

Since its inception CIDA's Institutional Cooperation Development Service has played a creative role in leveraging small amounts of government funds through a flexible matching arrangement, which encourages educational institutions (as well as professional associations and some other private development agencies) to commit some of their time and money to improve their capacity and develop contacts with Third World institutions.

There is concern that the program in its present form, although still useful, is not attractive enough to play a

major role in stimulating the needed commitments, particularly from the post-secondary institutions. New financing innovations are once again needed so that ICDS can continue to play this needed role in the new circumstances.

One creative approach to shifting the ICDS arrangement has come through CIDA's program with AUCC aimed at developing links between Canadian and Third World institutions. CIDA's money covers some of the up-front development costs which universities find difficult to find. Also, the process used is similar to the creative linking process pioneered by the ICDS project but has access to bilateral money in CIDA. This program began with a specific contract for Thailand. Hopefully the process will be expanded to other countries.

Another example of how CIDA is moving slowly to grapple with this problem is seen in the Management for Change program's use of the Canadian Federation of Deans of Management Schools to build networks with management educators in Latin America, South East Asia and Francophone Africa. Again, these funds cover the development costs of making contact and gaining personal experience which universities find difficult to fund.

CIDA has begun another small but important effort to assist post-secondary (as well as other non-profit institutions) by seconding (at reduced salary) senior aid agency executives to Canadian institutions concerned with international HRD (recent examples include ACCC and the Banff Management Centre). Agencies who use this opportunity creatively get a proven senior executive who can help them develop new programs and they get access to contacts and ideas of the aid agency, all at a reduced cost.

It would be useful also for institutions to seek the loan of executives from private companies concerned with Canada's involvement in the Third World, to help the institutions develop long-term strategies and practical business plans that will permit them to make long-term commitments in their areas.

In what may be the first appointment of its kind in Canada, Imperial Oil seconded a senior executive as a full-time special advisor to the President of the University of Toronto. This type of support should be explored for international HRD work. Could CESO be interested in placing short-term executives into short-term planning positions with post-secondary institutions to strengthen the institutions' ability to respond appropriately to requests from developing countries.

The AUCC-IDO has also been helpful in getting the World Bank to pass on more of their grants to Canadian institutions by:

(a) using AUCC-IDO offices to link Canadian institutions and individuals with CIDA supported grants from the Economic Development Institute of the World Bank;

(b) establishing the secretariat for the China education program in Canada.

CIDA in 1985 concluded a cooperative program of technical assistance with the Economic Development Institute (EDI) of the World Bank. Under the terms of this agreement, the first of its kind between EDI and an external aid agency, CIDA has been providing \$1 million over 3 years to assist EDI in its human resource development program. CIDA's contribution must be used by EDI to engage the services of Canadian individuals, consulting firms, associations and institutions. This initiative therefore presents a unique opportunity for a broad range of Canadians to become involved in the development programs of the World Bank and to start to win funding directly from the Bank. The report has already shown how some institutions, using their new structure for international activities, have begun to play the role of broker in bringing together a number of institutions in a consortium for large international projects. This brokering effort allows these institutions to have a reasonable opportunity to obtain contracts on large projects for which they would not individually have the capacity to make a bid.

More and more universities are being forced by budgetary pressures to work cooperatively with the private sector to develop centres of excellence for both teaching and research, and to work out ways for commercializing their research results. This has meant working out agreements for sharing the costs and then the more complicated job of sharing the profits, not only between the public company and the university, but with the faculty members as well. Difficult as these arrangements are the pressure of changing times is pressing institutions to find ways to make them work. The more aggressive entrepreneurial institutions are doing just that.

Post-secondary institutions also are having to consider new ways of using institutional facilities or holdings to raise new money which can be applied to areas of concern to the institution.

Example: York University plans to lease 400 acres of prime property for commercial development (hotel, shopping plaza, business and government offices), in order to bring in extra funds to a cash-starved university. They also hope to share badly needed offices and classroom space with private businesses on campus. This effort is being initiated by the York Development Corporation. In a similar manner the University of Guelph has opened a real estate division and hired a land developer whose

job is to make money for the university from its impressive holdings of vacant land. These approaches, while controversial, represent a return to the policies of the early years of the province when the government with few financial resources made land groups to different organizations (often church groups) to help finance the development of education institutions.

The post-secondary institutions also are having to become active lobbyists to improve or protect the grants they get from federal funding agencies. For example, they have had to battle hard to slow-down the cut-backs in funding for many of the federal research councils.

They have been successful in getting a new program of support for the Medical Research Council, the Natural Science and Energy Research Council, and the Social Sciences and Humanities Research Council. This involves matching grants from the government for any new monies pledged to universities by the private sector. The matching is on a 50/50 basis. SSHRC, for their part, plans to return to the universities 20% of the matching grants and to retain 80% for allocation by the Council. This program of course is not aimed primarily at international work but that field has an opportunity to benefit directly or indirectly from these new funds.

The institutions are having to be more entrepreneurial in winning support from provincial governments for grants. For example, the new increases in general funding for post-secondary institutions in Ontario came as a result of organized lobbying by the institutions who had to learn how to make their point more strongly to win political support. In Ontario for example, the support of the Bovey Commission for increased funding, came partly from the realization by the businessmen on the commission that the universities had been required for too long to do too much with too little. They also found that the universities have been effectively managing their financial resources. As the businessmen chairman Edmund Bovey reported in a Maclean's interview (Jan. 28/85), "Contrary to general business opinion, as we went around from campus to campus, I became terribly impressed with what they were doing and how they were trying to cope with financial constraints -- they use a private sector approach to cost control and are just as businesslike as they are in Trans Canada Pipe Lines Ltd., or Norcan, or Mother Bell."

In May 1984, the Government of Ontario established the University Research Incentive Fund with \$30 million to improve the research capacity of the universities and to strengthen their partnership with the private sector. Also the funding under the new centres of excellence program requires institutions to create consortia and develop proposals in competition with other consortia. Out of 28

applications only 7 were chosen for funding. More often the institutions have to be entrepreneurs in order to reap the benefits of new government programs.

C. FINANCING TO GIVE MORE FLEXIBILITY AND AUTONOMY TO THE NGOS INVOLVED IN THIRD WORLD PROJECTS

The establishment of CIDA's matching grant approach to non-profit organizations in the early 1960s was a major innovation in the financing of international development. The matching of private funds by government (at the federal, and also later in some areas at the provincial level), was a creative, innovative breakthrough which for a time made CIDA a world leader in this area of cooperative efforts.

The down side of the matching grant process in recent years has been that many agencies have come to depend almost completely on CIDA for their resources. The new interest by CIDA to use NGOs and private firms to do more of CIDA's implementation work is showing signs of exacerbating this situation.

The worry is that the non-profit agencies, who get tied so closely to the aid agency because of the funding begin to fit their programming almost exclusively to the donor's priorities and cease to play the creative exploratory developmental role that has been the watchword of NGOs. Also any sudden change in the donor's priorities can leave the NGO extremely vulnerable. Being so dependent on one agency for funding can also hinder the ability of the agency to be competitive on projects funded by international bodies - thus continuing the dependency cycle.

Lastly, being dependent on CIDA's funds means the agency has little opportunity to negotiate independently with Third World NGOs for new programs to fit their new needs. Indeed visiting NGOs are often startled to find that Canadian NGOs often appear to have little opinion or program separate from CIDA.

While applauding the partnership that has grown up between the NGOs and CIDA, it is necessary that some new financing arrangements be created for the NGOs. Without these new arrangements many will become increasingly sterile as a development agency, some will go out of business and the ability to develop new skills to respond to new requests will be limited. CIDA needs to respond to new entrepreneurial efforts of the NGOs with some new operating policies which reward and encourage these efforts.

What are some of these new initiatives? One spin-off from this activity is illustrated by the work of WUSC in developing an English language training project which, if supported by CIDA, would give WUSC access to training funds from a large World Bank project in Indonesia. In other words, small funding from CIDA could be leverage into a

substantial contract from the World Bank. Clearly the regular CIDA procedures will not fit these cases. One cannot expect an NGO to spend these development costs and then have to tender in open competition for CIDA support on the project which they themselves developed. More importantly access to the larger bank funds is tied to the creator of the project not the winner of a Canadian competition. New financing arrangements need to be developed to fit these opportunities.

Our NGOs for the most part preach the ideology of self-reliance to their clients in developing countries. Yet because of the nature of Canadian government grants few really have to practice much creative self-reliance at home (except for the creativity involved in getting CIDA grants). In this decade of social cutbacks it is clear that both domestic and internationally orientated NGOs are being challenged to take on a wider variety of operations to raise their own funds.

Many examples are being offered by U.S. non-profit organizations making an unprecedented foray into the unfamiliar world of commerce to raise their own funds. There are considerable risks involved. Serious questions are raised of legality, propriety and ability. The private sector with whom the non-profits might compete argue that it is unfair competition because of tax-exempt status. Many within the NGOs themselves say that by entering the marketplace they risk blemishing their image which has been important in raising contributions.

Also the management skills of the non-profits has been questioned. There is a fear that business mistakes could affect an organization's ability to fulfill its service orientated or charitable mission.

The stakes are high and need to be carefully considered. It is crucial however, that our NGOs with a commitment to international HRD do not become mere extensions of CIDA departments. All participants including CIDA lose when this happens.

It is well known that a few NGOs particularly WUSC, FIT and CBIE have been developing the capacity to serve as entrepreneurial brokers in locating major international projects and then packaging a complex mix of skills from the private and public sector to respond to such bids. This gives the NGOs the chance to participate in substantial HRD projects funded by a variety of national donor agencies, the international development bank and the Third World governments themselves.

Few Canadians know that Oxfam in England runs its own procurement agency which buys and supplies goods and equipment to numerous development projects run both by Oxfam and by various other international agencies. Often Canadian

money goes into an international relief agency program which then pays Oxfam to supply the goods, many of which quite naturally come from U.K. sources. In the meantime Oxfam raises funds to support its own programs.

A few Canadian NGOs have made tentative moves to establish a similar operation in Canada. CODE has gone so far as to establish such an operation in cooperation with a Canadian trading house. Yet there is little evidence of concern in government bureaucratic circles about the lack of such a facility in Canada even though this type of legitimate development activity fits precisely the mandate being preached by the politicians. A serious effort should be made by NGOs, CIDA, External Affairs and some Canadian private companies to explore how more procurement for international projects could be handled by a joint NGO/private sector procurement agency in a way that would insure that the projects get quality products at good prices, that Canadian companies get an improved chance to supply international projects and that the NGOs involved obtain a new source of revenue for their other activities.

There is also an opportunity for NGOs to benefit from blocked funds, held by Canadian private sector firms in developing countries, which they cannot repatriate. By creating a project in the developing country which can utilize the blocked funds (if donated by the Canadian company which earned them) the NGO can use these funds and legitimately give the Canadian company a tax receipt for a charitable donation. Both groups win. This type of activity has become a substantial fund raiser for NGOs in the USA and for some international NGOs. Some Canadian NGOs are involved but slightly more aggressive efforts might prove rewarding.

Few NGOs are yet taking advantage of the fact that Manpower job creation grants can now be used by Canadian development agencies to pay part of the salary of young staff as long as a clear training obligation for the new staff person is undertaken by the agency. (See program between Manpower and Foundation for International Training.)

Another intriguing new effort to mobilize new funds for international development work is the exploratory effort by a group of NGOs to form the Canadian United Fund for International Development (CUFID). The broad objective is to link a significant number of members from the NGO community to work at generating more revenue for their work from the corporate community. It is encouraging to note that this cooperative approach to fund raising is being approached by the NGOs in a very businesslike fashion based on a realistic business strategy. The assumption is that the corporate community will not take the organization seriously if there are too few members and if there are no clear financial benefits to membership. Joint fund raising

efforts by NGOs have now begun in Europe. It will be interesting to watch the result of this Canadian effort.

NGOs must take seriously their fund raising responsibilities and CIDA, through its policies and procedures, should do everything they can to support the NGOs in their attempt to build a wider base of financial support.

D. FINANCING TO OBTAIN MORE PRIVATE SECTOR INVOLVEMENT IN DEVELOPMENT BOTH BY CANADIAN AND THIRD WORLD PRIVATE FIRMS

It is clear that private sector firms are more than ever before favoured by donor agencies as potential suppliers for the goods and services for international projects. We have argued that this can be both a blessing (as it offers access to needed skills) and a curse (as it puts development money in the control of some companies who know nothing and care little about development issues).

The above problem can be alleviated somewhat by offering shared cost capacity building programs which will be attractive only to those firms who have a serious long-term commitment to working in developing countries. However, most of the problem is a political one. As long as the government interferes in the aid tendering process to give patronage grants to Canadian firms with no international experience our ability to deliver quality programs will be hampered severely.

There is an argument to be made for a more creative type of intervention by the Canadian private sector. No one will be so naive to assume that a private company can enter development projects for purely altruistic reasons. However, over the past 20 years Canadian governments, in trying to rehabilitate bankrupt industries or to encourage the development of new industrial projects, have developed domestic mechanisms by which government grants or guarantees have been used as leverage or collateral to help private companies attract capital for these projects. It is important that in moving to involve the Canadian private sector in Third World development CIDA policy makers should make a serious effort to develop in a similar manner mechanisms by which aid money can be used as a lever to attract more private sector money into Third World investments. Mechanisms by which Canadian capital, Canadian technology and Canadian managerial and training capacity are combined would be most attractive. Pilot designs for such efforts are available. What seems to be lacking is any clear understanding of (a) why this type of Canadian private sector involvement could provide much needed new investment money for developing countries, (b) what it will take to encourage Canadian firms to take this type of risk.

The shortage of domestic and international capital for Third World projects is a crucial problem, yet many experienced

people in the development field know little of it and show little interest. There is a tremendous need to educate aid personnel on these matters and to test new initiatives to mobilize capital. Note should be made of:

- a) the newly formed Family Care International out of New York which has been organized by people with a long commitment to NGO activities in developing countries. The overall aim of the project is to strengthen and expand the role of the private sector in the delivery of curative health services at reasonable costs to urban populations in developing countries. With the acknowledged inadequacies of government health services in developing countries, FCI plans to operate a network of private ambulatory clinics to provide the required services at a reasonable cost for an urban based, wage earning population.
- b) the proposal by a group of Canadian private sector people to seek government involvement in the formation of an investment company which would pull together Canadian capital, technology, and management skills for specific projects in the Third World. (See proposal for Economic Development Investors International.)

Of particular interest as a new model is the Resources Development Foundation (RDF) formed with initial support from USAID and the Rockefeller Brothers Fund. RDF is a tax-exempt, non-profit organization chartered to help mobilize public and private funds in support of development activities throughout the world. Their initial focus is the establishment of commercial biotechnology enterprises in Third World countries.

After extensive planning a consensus was established that profitable and appropriate biotechnology projects in selected Third World countries could best be established through two separate but cooperating organizations - the International Biotechnology Group - IBG (for profit) and the Resources Development Foundation - RDF (non-profit).

The IBG will be a for-profit business development corporation in technology transfer and technology development that creates biotechnology and biotechnology-related enterprises in Third World countries with developing country partners. The RDF would undertake biotechnology and development projects that have promising but insufficient immediate return potential to attract exclusively profit-orientated development. In addition, RDF will make program-related investments in IBG and other biotechnology development enterprises. The model bears watching.

Similarly it is important for CIDA to come to grips with the manner in which it might most usefully finance appropriate

support for Third World private companies. Increasingly Third World governments (socialists, mixed economies, and market economies) are counting on their private sector to mobilize capital and provide jobs. As their role in development is significant and if our aid policies are committed now to supporting private sector involvement, then a necessary next step is to develop mechanisms which can assist key entrepreneurs to play their expected role without compromising the integrity of a Canadian government agency using taxpayers' funds.

The agency appears to be in a dilemma. It believes there is a legitimate role for private companies in cooperation with aid agencies. Yet the staff, given their past experiences, tend to be suspicious of any special private sector initiatives by either Canadian or Third World private companies. It is important to break through this impasse.

The argument is not to push support on Third World private sector personnel. However, we need to find mechanisms to make the link when requests are made.

E. FINANCING TO IMPROVE OUR ABILITY TO MARKET CANADIAN HRD CAPACITY INTERNATIONALLY

Canada's educational institutions have suffered from the strong reaction against increased funds for education and training triggered by the radical movements in the institutions in the 1960s and early 1970s. However, once again human resource development slowly is being recognized as a major element in strengthening Canada's domestic economy. In consideration of Canada's place and potential in the international market for HRD it is also becoming apparent that domestic initiatives to address the requirements of the economy and society also bring international benefit.

As a result a variety of new funding initiatives, outside of the regular aid programs, have become available to encourage the export of HRD capacity to developing countries.

For example the trade development branch of the federal department of external affairs now allows export promotion grants (PEMD) to be accessed by Canadian firms interested in exporting HRD capacity. A clear example of the use of these export programs for HRD work is seen in the ACCC project with ESPOL University in Ecuador. ESPOL had a \$38 million U.S. loan from the Inter-American Development Bank to expand their facilities and programs. Prior to the approval of the loan ACCC, ESPOL and the Northern Alberta Institute of Technology had co-financed a preliminary needs analysis effort. This led to an agreement to commit ESPOL funds (from the IDB loan) to ACCC for a full study on needs if there was complementary financing from Canada.

Thus there existed the potential to win contracts for fellowships and further technical assistance for Canadian colleges (financed by IDB) and to advise Canadian equipment suppliers and procurement agents of opportunities for the sale of equipment.

ACCC then secured \$40,000 from the External Affairs PEMD "A" Program. Essentially these are loans (to be repaid if the firm wins a contract) covering 50% of the marketing costs of Canadian firms seeking international contracts.

Later ACCC also received a Canadian project preparation facility grant (CPPF) from CIDA's industrial cooperation program. These grants are for Canadian organizations which provide project development services to overseas clients which may lead to downstream commercial benefits to Canada.

Provincial government agencies are now prepared to pay part of the salary costs of firms involved in international trade if they will hire young staff and prepare them for this work. (See Ontario Ministry of Trade and Industry's international apprenticeship program.)

Provincial Ministries of Education who have a new found realization of the profits to be made from exporting HRD capacity have established new positions to promote these opportunities. (Various provinces now take educators on specialized trade missions. The Ontario Ministry of Universities and Colleges has recently established an international section to assist the post-secondary institutions to explore international opportunities.)

The Department of Regional and Industrial Innovation which previously saw all Third World training opportunities as being solely a responsibility of CIDA, now is showing increasing interest in this field. While little major action has yet been funded by DRII their future involvement could be substantial.

Crown corporations such as Ontario International, Petro-Sun International, Agriculture Canada, Ontario Hydro, are now actively promoting international training capacity as one of their prime export products.

Some post-secondary institutions, private companies and private development agencies are actively promoting our HRD capacity. Guelph University has gone so far as to develop a non-profit company to market the university's expertise and has entered joint ventures with different private companies to market the university's capacity in different parts of the world.

The ACCC has for some time seen the Arab World as a prime area for working with profit orientated firms who wish to pursue projects which have an HRD component requiring ACCC

expertise. For example in recent years ACCC has developed the following proposals:

- Syria - technician training and a training facility (with an engineering consulting firm);
- Iraq - food processing training institute (with an engineering firm);
- Qatar - health care technician training (with a medical management consulting firm).

This has led to the establishment of a consortium as a marketing mechanism which can benefit from the direct involvement of a number of provincial governments, private companies and community colleges.

Despite this the consensus of those in a position to make an informed evaluation of this situation in international HRD is that Canada, while demonstrating its ability to take on major contracts, is failing to realize its potential.

The barrier to increased success involved increased financing for information and marketing systems (not enough Third World institutions know what we do well.) There is need for financial support for the variety of joint initiatives by public and private groups to offer clear, consistent, on-going messages to potential clients of what Canada has to offer in the HRD field.

It is clear that Canada has not developed the mechanisms which allow us to compete successfully with countries such as the USA, Britain, France, Germany and Japan. A number of our competitors clearly possess effective institutional mechanisms to mobilize domestic resources and to arrange appropriate financial support to facilitate obtaining international contracts.

There is a need for finances for new efforts aimed at stimulating policy coordination and developing new mechanisms for bringing coherence at a national level to a field occupied by an impressive array of organizational players. Details on how this might be pursued are to be found in a recent FIA paper aimed at making Canada a more effective competitor in the international HRD market.(40)

40 See FIA ISSUE PAPER, "Making Canada a More Effective Competitor in the International Human Resource Development Market: The First Step", Ryerson International Development Centre, ARA Consultants and Ontario International Corporation.

F. ROLE OF PRIVATE FOUNDATIONS IN FINANCING NEW
HRD INITIATIVES

Unlike the USA, where private foundations such as Ford and Rockefeller played a leading role in supporting the capacity building in American institutions to do long-term HRD work internationally, we have had no similar organizations in Canada.

Nonetheless, the private foundations have potentially an important role to play in the development of international HRD capacity and could be a source of flexible money which could make a difference in some fields. Foundations have the potential to support some of the most needed and most innovative new approaches to international HRD by the nature of their structure and source of funds. Foundations for the most part are not driven by the short-term goals and political necessities which directly or indirectly influences many of the policies of the aid agencies. The desire of aid agencies and some PDAs to do something different and significant often leads to optimism for a particular approach which drives aside any contrary evidence or questions of doubt.

With the changing magnitude and complexity of international HRD commitments, we need some groups to undertake new thinking, planning, and developing of implementation and testing of pilot projects for long-term institution building in Canada and in developing countries. They will need financial support which is aware of the need for entrepreneurial innovation in this area and which is prepared to support some high risk activities with an intellectual honesty that accepts the ambiguity of the enterprise, and does not try, through its granting procedures, to stress absolutes and simplicity by cleansing world problems of their complexity. There is a need to find foundations who are prepared to play a significant role in the development of this particular capacity?

SECTION IX - USE OF NETWORKS TO PROMOTE THE DEVELOPMENT OF INTERNATIONAL HRD CAPACITY

A. WHY IS THERE A NEW INTEREST IN NETWORKS?

In searching for appropriate responses to the new challenges and opportunities, the need for a changed organizing mechanism has appeared. Increasingly in the development community there is a sense that the network concept may provide that mechanism.

John Naisbitt in his best selling book Megatrends, deals with ten main trends which he suggests are shaping the restructuring of American society in the 1980s. Number 8 in his list of critical restructurings is the slow shift from a hierarchical to a network style of management.

Naisbitt claims that the new problems facing the North American society were not solvable in a world organized according to the hierarchical principle and thus the new networking model evolved. Networking has become a powerful tool for social action. Those who want to change the world began doing it locally in clusters of like minded people with a purpose. Networking in some cases is simply a vehicle for linking people together for economic interest (ride-sharing programs, food groups) while in many cases it is the first stage in the formation of community self-help groups. The women's movement emerged in classic network fashion and the environmental and anti-war movements had networking starts as well.

Naisbitt goes on to suggest that even the large, commercial organizations are questioning whether the hierarchical structure can fulfill completely their organizational goals. Many are developing a new management style based on networking. Its values will be rooted in informality and equality; its communication style will be lateral, diagonal and bottom-up.

B. IS THE MOVE TO A NETWORK MODEL ONE OF THE CRITICAL TRENDS IN INTERNATIONAL HRD ACTIVITIES?

Clearly the early structures for our aid program followed a hierarchical principle. Those groups seeking aid came to Ottawa and decisions were made in Ottawa. While aid projects usually spoke of assistance being allocated to a given Third World institution, the money was usually allocated and controlled by CIDA staff or by a Canadian institution on contract to CIDA. Initially the developing country institution had little or no say in the shaping of the project design and its budget and even less control over expenditures. Furthermore in the early days of developing Canadian aid structures, the groups with whom the agencies related in the developing countries tended to be a small group of bureaucrats and politicians. The modernization theory which underlined much of the efforts, held that the

educated elite in the centre would gradually penetrate the periphery, that the central government would be the leading force in managing economic growth, and could in an efficient manner, deliver goods and services to the people.

Initially, the focus of the aid agencies was that only governments could carry out development. As a result, donors tried to build up the capacity of the central bureaucracies, believing that by training bureaucrats and reforming civil service procedures the obstacles to development would be eliminated.

By the mid 1970s, there was a strong reaction to this approach and the momentum of this criticism has continued to grow. In the meantime, movements away from a straight donor-recipient relationship to a more sharing relationship has been building in the aid community over a 20 year period. Initially individual Canadian institutions on their own began to include the developing country institution in the contract negotiations with CIDA. This gave the developing country institution input into project design and budgetary allocations although control over the funds remained in Canada.

Believing that true partnerships were more possible through NGO activities, some aid agencies, and foreign governments moved to increase their support for these activities. Much good networking has been done through the NGO system.

Milton Esman in a paper on "Network Strategies for Managing Development Activities"(41) suggested that the size of Third World government bureaucracies could be shrunk in a moderate and effective manner by the promotion of what he calls "service networks" which could identify and use all the managerial capacities available in those societies.

Esman argues that "several sources of managerial capacity are found in developing countries. They include private non-profit organizations, local governments and the private sector. They also include local organizations controlled by their own membership. Many of these groups are informal and not known to their governments."

The aim is to put these sources into a network. The initial choice of groups will be pragmatic and then the networks will develop through a natural process of evolution.

The ICDS program of CIDA was a creative initiative to assist in the building of network links between Canadian and Third World institutions, and the Cooperative Program of IDRC

41 Presented at the University of Ottawa Conference, "Managing Development at the Periphery", September 1986.

since 1981, has been fostering similar contacts in the field of research.

Indeed IDRC from its inception was successful in fostering a significant new approach to development assistance through the concept of networking. This was reflected in the international composition of its Board of Governors, the global-regional structure featuring offices in six major world regions, the Centre's major involvement in, and support of, two international information systems, and the Centre's initial programming stance which was to nurture network projects involving researchers in more than one country.

Since networking as a concept is not new in international development activities, why then is it now receiving new attention as an approach for international HRD activities? The answer lies in the range of new demands for HRD support which are not being met easily with traditional structures. These demands include the following:

- the need for "designer" projects fitted to individual needs;
- the need for a mix of formal and on-the-job training backed up by personal and professional supports;
- the need to recognize the complex nature of many HRD problems;
- the need for cross-disciplinary activities;
- the need for all technical assistance personnel (whatever their discipline) to be able to exhibit in their work the ability to manage projects, to transfer skills, and to handle the problems of cross-cultural communication;
- the need to link the public and private sector together in order to have the required mix of skills and experience;
- the need to build in a concern for capacity building in the Third World into any HRD activities carried out in Canada;
- the need to be more proactive in telling Third World organizations what are the areas in which Canada has top quality capacity so that they can make a more formal choice.

C. SPECIFIC EXAMPLES OF CREATIVE NETWORKS IN INTERNATIONAL HRD

Since networking represents a means to facilitate the sharing of information, skills and experience to accomplish a task, it can represent a wide variety of arrangements.

1. Twinning network

In the 1960s aid agencies began to encourage the direct twinning of a department, faculty or entire institution in Canada, with a counterpart institution in a developing country. The goal was to get an institutional commitment from the Canadian organization which would have greater pay-offs than hiring a team of individual consultants. At the moment, CIDA is supporting over 200 twinning projects. Increasingly they are being handled through the ICDS program rather than bilateral projects, because the ICDS was designed to be much more flexible than the bilateral arrangements.

The model had some considerable advantages in gaining commitment and in simplifying administrative procedures for the donor agency. However, it was not without limitations.

Although the twinning network does not fulfill the full concept of network, some people are talking of this type of arrangement when they speak of networks.

2. The tripling network

The term "tripling" is not as familiar as that of "twinning" but it is a variation of the latter. The concept seems to have become known as a result of some initiatives by the Director-General of Higher Education in Indonesia.

With Canada's new interest in HRD in Indonesia, CIDA has been exploring ways by which Canadian institutions might play some role in institutional development. It is not easily done in a country where the university systems show little similarity to ours, where many post-secondary institutions are in a very early stage of development and where the use of English among faculty and students is not widespread. The concept has emerged that Canadian institutions might make most of their assistance on a twinning basis to the top category institutions who would then be able to release staff and resources in an additional twinning with another Indonesian institute. Through this concept known as "tripling" a network of resources for institution building would be accessed. The Indonesian staff who theoretically would be better able than Canadians to function in the Bahasa language in the less developed institutions, would be freed to do so because of the Canadian assistance to the lead institution.

Theoretically the approach looks good. However, many of the second level institutions are anxious to have their own direct twinning relationships with outside organizations.

3. Successful consortia and/or joint ventures among post-secondary institutions

Direct twinning arrangements have limitations as the key model for long-term institutional commitment. There is often a shortage of appropriate faculty long before the project is over. Many of the top quality schools or departments which are in high demand for domestic and international activity are just not prepared to make long-term commitments to one area of the world or to one institution if they are the only Canadian institution involved. The responsibility to continuously provide high quality faculty is just too great a demand on their limited human resource base.

One possible answer to the above problems is the concept of a consortia of institutions to work in a particular area. The Americans have used this model extensively. As has been indicated earlier, in Canada, the consortia for the most part have not been formal organizations which function on an on-going basis. Rather, the consortia have organized for a temporary period around a specific project.

4. Single discipline network working on a common project

This type of project has been a common model for IDRC since its inception. Its objective was to support projects which involved researchers from a number of countries working in a common field of research.

However, this approach has declined to some extent in importance within IDRC and the support has been going more to individual projects. This change came about not so much as a result of conscious choice, but more because of the inherent difficulties in finding groups in different countries with similar interests, at least somewhat similar skills and a commitment to sharing. It also became clear that this type of network project requires a significant and specialized type of management skills.

5. Multi-discipline network concentrating on a single development

This type of network is one being advocated within some IDRC workshops to answer the question of how aid agencies can directly address some significant problems (food production in the Sahel) but still manage to avoid the risk of bureaucratic isolation and of losing touch with the people being affected by the problem.

6. Information networks

Over the last 15 years a substantial number of elaborate information networks began to share the results of research and action projects throughout the aid community and with key institutions in developing countries. These include the following:

- a) AGRIS - The international information system for the agricultural system and technology.
- b) DEVSIS - network on the economic and social aspects of development.
- c) INFORPLAN - the Latin American Planning Information Network.
- d) CARISPLAN - the Caribbean Information System for Economic and Social Planning
- e) Various Electronic Conferences - e.g. CIDA/External Affairs, Indonesian-Canadian network

Dr. Len Gertler, of the University of Waterloo, in an action orientated follow-up to the 1985 IDRC/University of Waterloo Conference on "Research for Third World Development", argues that information technology ironically both creates the need for and makes eminently feasible a process of international networking. But the problem is not the technology - it is finding the approaches and stimulation to encourage users to utilize the technology.

7. Networks of aid agencies focusing on specific development thrust

Example: Agriculture Production in Africa - CIDA and IDRC recently have begun to cooperate in a program aimed at assisting groups and institutions whose goal is to increase food production in Africa.

8. Networks of NGOs

- a) Canadian Council for International Co-operations
- b) African Women's Network
- c) Walhi Indonesian Environmental Forum
- d) African NGOs Environment Network (ANEN)

9. Networks organized around theme areas

- a) The Consultative Group on International Agricultural Research - This is an outstanding model of how donor cooperation can operate to set research priorities. Their efforts have sparked the establishment of a number of major research

centres around the world, each dedicated to specific agricultural problems.

- b) The INCLEN Network for Epidemiology and the Network of Community Based Health Education organized out of McMaster University are examples of the new use of networks to create Centres of Excellence.
- c) Research Review Advisory Group - This network was initiated originally by IDRC as one multinational advisory group to help set some donor priorities for donor support to education in developing countries. The network has now evolved into a number of regional networks (Northern, Francophone Africa, East and Southern Africa, Caribbean, Southeast Asia) and now provides a focus for information exchange and action for a wide range of researchers who are interested in education issues in developing countries.
- d) The network of the Canadian University Federation of International Health is in the process of being created with plans for a coordinating office connecting the network of scattered Canadian resources. Such facilities will make available a wide range of educational services to health professionals from developing countries.
- e) Network of Organizations for Development Through Education (NODE). This interesting network has been put together by CODE in order to link organizations which are donating books and educational materials to developing countries.
- f) The Knowledge Network consists of over 400 institutions and individuals in over 90 countries who are interested in early childhood care and development. It brings together a variety of perspectives by including practitioners, policy-makers, funders, researchers and evaluators from the fields of health, nutrition, education, and programs for women.
- g) The International Federation of Training and Development Organizations (IFTDO) is a non-profit making registered UK charity with 60 member organizations representing the views of over 70,000 trainers and HRD specialists world-wide. Its major aim is to encourage world-wide education, cross-cultural exchange, and cooperation in the HRD field with particular emphasis on the transfer of training knowledge and skills from the developed to the developing nations. Their 1980 conference "Seeking Synergy" dealt with forming new partnerships between public and statutory bodies to meet the world training needs of the future.

- h) Forum for International Activity (FIA) is a joint public/private sector network developed to strengthen Canada's international HRD community.

D. BACKGROUND INFORMATION ON THE FORUM FOR INTERNATIONAL ACTIVITIES

1. Why was FIA created?

It is important to say more about this network for it emerged directly from the IDRC-HRD study which led up to this report. FIA is a non-profit association of public and private sector organizations (crown corporations, private development agencies, educational institutions and private companies) concerned with the strengthening of the human resource development community in Canada which is interested in international activities. This strengthening support is deemed necessary

- (a) to improve the capacity of Canadian executing agencies (CEAs) to win more of the substantial projects put to tender by international agencies and/or foreign governments, and
- (b) to improve the capacity of CEAs to utilize Canadian aid money to assist Third World countries to improve their own institutions.

If the network is to assist its members, it must develop a high reputation for what members have described as "practical, objective, intellectual analysis and synthesis related to international HRD."

2. Mandate and objectives

FIA's mandate as developed by the participants at an Ottawa workshop in October 1986, is described by the following eight categories:

- a) FIA as a network
 - to foster the linkages, the consortia, the exchange of ideas, and the personal contacts which will maximize the Canadian HRD capacity and ability to respond;
 - to assist members in the design, implementation, and management of new activities;
 - to assist with the development of pilot projects which develop new areas of Canadian HRD capacity;
 - to facilitate the use of new HRD mechanisms not regularly employed by network members.
- b) FIA as a forum
 - to organize and/or stimulate focused workshops,

seminars conferences, and small discussions.

c) FIA as a broker

- to identify and assist in the development of joint ventures and partnerships between Canadian organizations, and between Canadians and their international counterparts;
- to provide project analysis and orchestration capacity to the members, thereby reducing fragmentation of the Canadian HRD effort.

d) Research

- to undertake or encourage sponsored, action-oriented, research or relevant HRD topics;
- to facilitate the writing and circulation of action-oriented issue papers.

e) Advocacy

- to develop and provide policy input at senior levels of relevant Canadian and other government institutions, as a means of nurturing the strength of the HRD community;
- to serve as a representative body where and when significant HRD decisions and policies are being made.

f) Information management

- to undertake and/or stimulate the development of easily accessible information services which promote the matching of Third World HRD needs with Canadian resources;
- to develop a corporate memory that can be easily activated.

g) Professional development

- to organize and/or encourage the design of various short training programs which will assist the CEAs to improve their professional competence;
- to assist non-FIA groups to strengthen their capacity to carry out their own HRD activities (on a fee-for-service basis).

h) Representation

- to promote the quality, experience, and accessibility of Canadian HRD activities in the international community;
- to provide an organized Canadian presence at international HRD gatherings.

The FIA network has been encouraged with the interest offered to date by both CIDA and IDRC. Clearly the

opportunity is there to take significant steps forward to improve HRD capacity in this country and to strengthen the Canadian HRD community. The FIA network is working to assist public and private sector groups to take advantage of these opportunities.

E. IMPLICATIONS OF NETWORKS

- Networks tend to emerge where people are trying to change society;
- Networks can exist to foster self-help, to exchange information, to change society, to improve productivity and work life, and to share resources. Structured in this way, they have the capability to transmit information faster and more efficiently than most other processes (experienced networks claim they can reach almost anyone in the world with only six interactions).
- In the network environment, rewards come by empowering others not by climbing over them. If it is important, as this report suggests, to bring public and private sector groups together in Canada for international HRD work, then it will be necessary to strengthen the network approach. Joint ventures and consortia can only work well if Canadian organizations can share on specific projects and be prepared to be friendly competitors in others.
- This ethic of empowerment is needed particularly when we talk of developing meaningful partnerships with counterparts in developing countries. Often the Canadian group is not empowering the Third World group, but competing with it. Network projects could lessen the power or the inclination of a Canadian group to behave in this manner.
- The sharing cannot be one way from the CEA's to the aid agencies. CIDA and IDRC must find ways to share their ideas at an early stage with the Canadian HRD community if they wish to continue to get open communication and assistance from these groups.
- There is a need for new styles of management to be strengthened to run networks. The need is more for the broker and the catalyst rather than for the chief executive officer.
- Because sharing of information is so important to networks, the creative development and use of data banks, electronic billboards, and other communication technology is important. Serious pilot projects have to be undertaken to assist the Canadian HRD community to become linked through this technology in a manner which it will use effectively.

- The success of networks rely to a considerable extent upon the degree of focus on a specific problem and the number of enthusiasts to promote the network.

In conclusion it is important to recognize that the work of building networks is extremely time-consuming, and, because the product is not clear-cut, often it is difficult to find agencies eager to pay for this activity. At this stage in the development of new responses to fit the more complex HRD requirements of developing countries, it is important to find mechanisms for funding and nurturing the growth of a variety of HRD networks, both within Canada, and between Canadian and developing country institutions.

SECTION X - CONCLUSION

In developing new strategies for any organization it is essential first of all that one has a clear picture of the changing environment to which one's organization is trying to respond.

This report has been written on the premise that the human resource component of international development is in a state of flux, and the way in which various Canadian organizations respond to these changes will determine whether the strength of the Canadian HRD community deteriorates rapidly or emerges with new strength to respond appropriately to both Canadian and Third World development needs.

The paper asserts that many aspects of the development process are being rethought and that, in particular, traditional relationships are changing; not only the relationships between donor and recipient, but between public and private sector groups within western countries and within developing countries.

The paper reminds readers that human resource development is not a new concern for the Canadian aid community but rather something we are reviewing and reshaping after believing, wrongly it seems, that it was an issue with which we had dealt. In developing a new HRD thrust, Canadian agencies should be concerned with what we can learn from the earlier efforts and what will it take to do it better in today's environment. Our chance of carrying out HRD work better this time will depend largely upon the ability of those directly involved to accept the necessity of the changes and successfully to manage the implementation of these changes.

Some of the changes highlighted in the report are:

- a greater variety of participants is involved (colleges, universities, NGOs, professional associations, government departments, crown corporations and private firms);
- roles are changing (recipients are presented as clients, academic institutions as knowledge processing industries, charities (NGOs) as service enterprises);
- attitudes are changing (or, more accurately in many cases the paper calls for a change of attitude). The compartmentalisation of HRD by sector (Health, Agriculture, etc.) by function (teacher, researcher, manager), and by level (professional, technical, support) is challenged;
- Canadian institutions now are responding to Third World HRD needs which not only cut across disciplines

but also cut across institutions. These institutions are asked to emphasize increased interdisciplinary efforts in which the combining of a wide variety of talents will lead to more sustained development. Readers are asked to consider interdisciplinarity, with a view to ensuring that HRD leads to sustained development when a wide range of talents are nurtured and combined;

- new delivery models are being developed which can deal with the above issues and can function efficiently in a time of economic restraint.

There is a call for experimentation and support for more entrepreneurial action in support of development. This is a particular challenge to those who work in donor agencies who can direct the flow of funds in support of HRD efforts. The extent to which the policymakers and advisers in the donor agencies recognise the new opportunities and challenges presented by the state of flux that characterises the current search for more effective support of HRD will have a major impact on the success of new Canadian initiatives.

The paper brings a "market" perspective to the proposition that Canada is well equipped potentially to respond to the HRD needs of the Third World. This market perspective has been stated strongly in order to push those working in HRD to break out of stereotypes and to look for new approaches. The emphasis is on new approaches, new processes, and new methods. At the heart of this is the expectation that there is a relatively untapped resource for HRD in the private sector that if melded with the traditional HRD focus, skills, procedures, etc., of the established HRD community (i.e. universities, NGOs, consultants, etc.) would lead to:

- a) better HRD projects that responded more sensitively to LDC needs and produced a better product (trained people, transferred technology, know how, etc.); and,
- b) made Canada a preferred place for training - with all of the implications that this has not only for training institutions, but also for foreign relations, Canadian image, and economic returns to Canada.

The argument is made that those Canadians who have made a commitment to be involved seriously in international HRD at the delivery/product level should be given the resources and autonomy to do their best work. The donors CIDA/IDRC know that they simply do not have the administrative capacity to do a top notch job in HRD - at both the training level - and also at the integrating level, (that is the level where the training efforts must be linked to the longer term HRD problems of institutional strengthening). Although they are beginning to recognize the inadequacy of their

administrative capacity, the donors have kept the HRD practitioners on a short leash. In particular they still cling to old policies and procedures which often conflict with the new mandate they are preaching and the donors have tended to fragment the community by dealing often under different sets of conditions and terms of reference, with the different suppliers.

CIDA and IDRC say they are open to the market approach but then seem to get cold feet when they think of the potential for abuse when the profit motive has to be balanced with the charitable/altruistic aspects of development.

This paper argues that members of the Canadian HRD community who are interested in international projects have an important responsibility to inform themselves of the changing environment and context in which they do their work.

In order to strengthen and increase the capacity of Canadian institutions to respond to new opportunities in international HRD requires:

- changes in attitude (defining international HRD needs and potential capacity in a new light),
- changes in structure (organizing for cooperative efforts among public and private institutions),
- changes in financing (finding new ways of mobilizing capital to develop new Canadian capacity).

Serious consultations are needed between the Canadian aid agencies and the public and private sector agencies (upon whom they are counting to deliver the HRD) in order to develop strategies and operation policies which fit the new challenge and training initiatives which will help Canadian organizations to implement these new policies.

All of these efforts are particularly important at this juncture when Canada is moving to make human resource development the cornerstone of its aid efforts.