



Notes for Remarks by Ivan L. Head
to
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When I was a little boy growing up in Calgary during the depression, I was alternately confused or enchanted by a number of things - by the strange men that appeared so regularly at one's back door asking with quiet dignity for a meal; by the exhilaration that gripped some men when they talked excitedly about the likelihood of war, and the sad quiet of the women who listened to them; by the adventure that beckoned through the fence of Stanley Jones school where at recess time biplanes coughed and sputtered and bounced across the prairie turf as they took flight from the adjacent airfield. But about one thing I was sure: directions. If I went down Centre Street, crossed the bridge and solved the mystery of how to get through the C.P.R. station, I would reach sooner or later the United States. And if I dug down, down, through the vegetable garden that was an essential part of everyone's back yard, eventually I would come out in China.

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Direction and distance have become much more familiar to me in the years that have passed, but I am far from certain that I understand either of them any better, or as well as I did in those years. At the same age that I had been contemplating digging holes to China, my own children had experienced the reality of a global planet by circumnavigating it from west to east by ship and airplane. Where I grew up excited by an airplane overhead, they have nonchalantly matured in an era of spaceships. An era we now all take for granted. In the period we are gathered here over lunch and speech, an earth satellite in near polar orbit could make two passes over Calgary, each time capturing images of objects below of such detail that an analyst could list the number and the make of the automobiles in outdoor parking lots.

Every day our senses are bombarded by new occurrences and unexpected circumstance, and it becomes difficult to maintain apace our attitudes and our responses.

Has the potential effect on Canada of a European monetary system been adequately considered by any of us? Has the enormity of the Iranian experience even begun to sink in? What are the risks, or the benefits, of a SALT II failure to the country that lies between the United States and the Soviet

Union?

The last quarter of this century will be marked by two phenomena. One will be the speed, the immensity and the irregularity of change. The second will be the inability of any of us to avoid the impact of that change. We are living, said Peter Drucker, in an "age of discontinuity"; we must adjust to it or suffer.

Ours is not, of course, the first generation to encounter shock waves in rapid order - Winston Churchill is reported to have said that "history is just one damn thing after another" - but we are the first to live in an age when the distinction between local and global is so blurred as to be without meaning. And we in Canada are perhaps especially vulnerable because we have enjoyed for three decades a period of prosperity and tranquility without precedent in our national history and are now numb to the possibility of cataclysmic change.

Numbness, even smugness, is not new. When Cornwallis and his British forces surrendered in 1781 at Yorktown to American freedom fighters who had won partly by employing guerrilla warfare tactics, the defeated soldiers reversed their

colours and the garrison band played the composition "A World Turned Upside Down". To a North American in 1979, unprepared for either the extent or the likelihood of change, these symptoms of shock are not unfamiliar .

Issues of vital interest to us are affected by events only dimly perceived.

In this world, 80% of all persons - more than 2 billion of them - live in developing countries. Half of them exist on annual incomes of less than \$200. The great mass of these people are well aware how their state of deprivation compares with the wealth of others; this knowledge forms increasingly for them a focus of discontent.

Discontent assumes many shapes; sometimes it appears in international political arenas where Canada can find itself on the short side of a voting pattern that divides 117 to 38, the number of developing countries and the number of industrialized countries. It is in these fora that many interests vital to us are debated and decided: issues of the law of the sea which concern our territorial limits, our fishing boundaries, our offshore mineral resource jurisdiction, our power to police our

coasts against pollution; issues of multi-lateral trade, including tariffs and non-tariff barriers, the movement of technology and of investment capital, codes of conduct for trans-national enterprises; issues involving the proliferation of nuclear weapons, the security from terrorism of airline passengers, the safety of subjacent territories in cases of disintegrating space vehicles.

Discontent does not confine itself to the General Assembly. It often takes to the streets, and when it does there can be rapid repercussions in the world's markets.

On December 31, 1977 the President of the United States stood in Tehran and offered a toast to the Shah and the Empress, praising Iran as "an island of stability". Less than 13 months later Iran became a symbol of instability, its cities an image of anarchy, and its Shah a refugee seeking asylum elsewhere. A country which was far and away the second largest oil exporter in the world suddenly ceased production entirely and the provinces of Atlantic Canada now face the spectre of petroleum shortages. Today, throughout the Middle East and in many other regions, there is worry and apprehension about the possible infectiousness

of the Iranian germ. It is a germ that has a potential for destabilization of regimes, of prices, of supplies, and of the international polity. It could break out in epidemic form in a number of other places on the planet. And it would affect Canadians wherever it happened.

We would be affected because we cannot as a country maintain our current standard of living should the international political and economic climates suffer from severe dislocations. Unlike most other industrialized countries in the world we are politically lonely. Even more than most of those same countries we are economically very dependent on others. We are, we must never forget, the only major industrialized country (as measured by membership in the Economic Summit) which does not have access for its goods to a protected market of more than one hundred million persons. (Japan and the United States both enjoy domestic markets larger than that figure; Britain, France, Germany and Italy are all members of the European Common Market with a total population of 259 million.) Geographically, we are not qualified for membership in some regional political body such as the Organization of American States, the Organization of African Unity, the Association of South East Asian Nations, or

the European Community. Unlike these countries, we have only one geographic neighbour. That neighbour is ten times our size and while friendly in every respect represents a continuing challenge to our economic and cultural independence as evidenced by the recent Honeywell case. A political regional organization is out of the question for Canada if we wish to preserve our individuality.

It is not from some misplaced sense of mission or the reflection of an inflated egotism, therefore, that Canada performs actively in a variety of international councils such as NATO or OECD, discharges its responsibilities in bodies such as the Commonwealth or l'agence Francophone, or contributes funds and support to the International Monetary Fund, to the UN family of agencies and to the regional development banks. We do so because we cannot count on others to represent our interests. But we do so as well because our international stature, our position and influence in vital world councils - in large measure our substance and our independence - depends upon the attitude of other members of the international community.

In purely economic terms our dependence upon international trade is striking. 24.5% of our Gross National Product is derived from the sale abroad of Canadian goods and

services. The comparable United States figure is 10%. Fully one half of all Canadian manufacturing jobs are dependent upon exports. The U.S. figure - 1/6th. And no less than 55% of all our agricultural acreage is dedicated to foreign markets, as compared to 33 1/3% in the United States. Our economy is overwhelmingly part of an international system. This system, in turn, will flourish only when all elements, all countries, begin to participate. It was this realization that prompted President Carter to state recently: "Only by acting together (with the developing countries) can we expand trade and investment in order to create more jobs, to curb inflation, and to raise the standard of living of our peoples.

"The industrial nations ... cannot by themselves bring about world economic recovery. Strong growth and expansion in the developing countries are essential

"For the rest of this century, the greatest potential for growth is in the developing world."

The New York Times said in an editorial a week ago today: "By raising the living standards of the world's poor, the United States helps lift the buying power of our best customers."

This emphasis on developing country markets has a firm statistical foundation, one which dominated major segments

of the agendas at successive economic summits in Puerto Rico, London and Bonn. Those statistics reveal that 46% of all Japanese merchandise exports are sold in the developing countries, that 39% of U.S. merchandise exports go to the same markets, as do 23% of German merchandise exports. The Canadian figure is 9% - which emphasizes both our overwhelming involvement in the United States marketplace and our seeming indifference to - or unawareness of - the extraordinary growth opportunities that exist abroad. LDC imports of merchandise from the industrialized countries in the 1970s grew at a pace more than 50% faster than merchandise trade among the industrialized countries. In 1976 the industrialized countries enjoyed a \$70 billion favourable balance of trade with the LDCs.

There cannot be any doubt, however, that if developing countries are to continue buying these products, and especially to buy more of them, they must find the means of paying for them. They will not do so until they become more productive themselves, until their people become healthy, well-fed, educated individuals - engines of production, and engines of demand. It is in our interest, then, as well as those of the people in these countries, that their standard of living increase. The well-being of all of us

depends upon LDC economic buoyancy whether we sell direct, or whether we are dependent on a market such as the United States which itself relies heavily on LDC markets.

Much more than trade will suffer, however, if the development process fails. The inequality of wealth between nations and within nations will continue to produce upheavals of the sort that has paralyzed Iran and that is creating such tension in so many other countries. Pope Paul VI once said "The new name for peace is development." Former German Chancellor Willy Brandt has written that relations between the industrialized and the developing countries "constitutes the most important social problem for the rest of this century."

But how can the development process attain a greater degree of success in the future than it has in the past? How can it avoid the distortions which contributed so much to the upheavals in Iran? And is there some assurance that aid programmes are something more than taxpayers of the industrialized nations pouring money down a bottomless well? Happily, the evidence is encouraging. Current studies of such eminent groups as the Brandt Commission are proving increasingly that North-South issues are not a zero-sum game, that in this process we all win or we all

lose. Two key questions are answered thus:

- One. "Can the rich nations prosper without progress of the poor? In 1960 the answer was "yes". In 1979 the answer is "probably not".
- Second. "Can the worse aspects of poverty be overcome by the year 2000?" In 1960, "no". In 1979, because of the experience we have all gained, the answer is "probably yes, if we have the will to do so."

Part of that will will be found in a statecraft that recognizes and encompasses new actors and forces on the world stage, that acknowledges the momentous changes of our times, our new economic dependencies, our new values. A statecraft, and a citizencraft that denies the final allegation of the Yugoslav Djilas who wrote:

"We are all living in tomorrow's world today, still using yesterday's ideas."

Regis Debray attempted to explain this lag in our consciousness in the following way:

"We are never", he said, "completely contemporaneous with our present. History advances in disguises; it appears on

stage wearing the mask of the preceding scene, and we stand to lose the meaning of the play. Each time the curtain rises, continuity has to be re-established. The blame, of course, is not history's, but lies in our vision, encumbered with memory and images learned in the past. We see the past super-imposed on the present, even when the present is a revolution."

What happened in Iran was a revolution. What is happening in dozens of countries today is revolution, if not of action, then of ideas and attitudes. And often one of the fomenting catalysts is the festering memory of unjust events. To ensure that these changes in attitude are healthy, grievances fueled by hunger and disease must be blunted, and the capacity to respond constructively to one's own problems must be developed. It was to assist towards this end - the acquisition of competence by developing countries to pursue their own needs and priorities - that the International Development Research Centre was created in 1970.

Because IDRC is increasingly attracting attention in other countries - it has been the model for similar endeavours in Sweden and Germany, and the United States Government is now forming an institution inspired by it - I'd like to tell you something about this unique Canadian activity.

IDRC attempts to respond to a need first formally articulated by the 1963 United Nations Conference on the Application of Science and Technology for the Benefit of the Less Developed Areas. One of the themes of that conference was the need for "research specifically designed to produce new applications of special interest to less developed countries." Early studies showed that 98 per cent of all research and development outside the socialist world was performed by the industrialized countries, with only 2 per cent taking place in the LDCs.

Equally dampening was the finding that a good deal of what research was undertaken in the developing countries was either inefficient - as in such esoteric fields as cancer research because of the unavailability of adequate resources and equipment, irrelevant - because it was a duplication of the kind of research engaged in by the industrialized countries in order to meet their specific problems, or even downright detrimental to their interests - as in the case of some LDC research into synthetic fibres. Moreover, a dearth of contact among scientists meant that little inter-disciplinary cooperation existed and that few projects were pursued in all their relevant aspects.

The need for a greatly expanded effort in developmental research was obvious if the developing countries were to gain some competence to fix their own goals and to solve their own problems. One of the first governmental responses to this need, and in many ways still the most innovative, came from Canada.

The International Development Research Centre, which attracted enthusiastic support from all Canadian political parties, is unique in a number of ways. Parliament accepted the general concept of an organization funded by the government but not part of the public service, not subject to many of the financial requirements levied on government departments and crown corporations, and displaying a distinctly international character as well as an international focus.

Its Board of Governors, for example, is unique among all Canadian Government creations for it is composed of both Canadians and non-Canadians. Ten of the 21 members are drawn from outside Canada, many of them from developing countries. Further, the IDRC statute requires that at least 11 members must have some developmental or other expert experience. The result is a board of great dynamism in an institution of extraordinary flexibility; one that has demonstrated its ability to attract

the services of some of the finest research professionals in the world and one that has demonstrated equally its ability to respond rapidly and responsibly to the needs of the developing regions.

IDRC is distinct not only in what it is but as well in how it goes about its task. Its concern is not simply to offer research support to the LDCs, but to do so in ways that increase the competence of researchers in those countries. We do this by spending our funds in large measure in the developing regions themselves, not in Canada. We finance research programs in most instances chosen by scientists from those regions and operated by them. IDRC does not itself conduct research; rather it assists in the identification process, in the choice and refinement of methodology, in the monitoring of progress, and in the evaluation of results.

The range of these research projects and programs focusses primarily on the rural poor. We encourage activity in the fields of agriculture and health sciences. We assist the inter-disciplinary refinement and application of new technology and the necessary community adjustment to that technology through work in the social sciences. We help often-isolated scientists without access to libraries through the creation of computer systems for basic developmental data and through the dissemination of bibliographic and other information materials, many of them prepared within the Centre.

We do all this ourselves and in collaboration with other agencies, notably CIDA, the World Bank, such U.N. agencies as FAO and WHO, and the Ford and Rockefeller Foundations which latter pioneered so many developmental research initiatives.

Our grants are generally quite small - most often \$200,000 or less. The results, however, are in many instances effective and emphasize beyond question, I suggest, the value of an activity of this kind.

Let me give just one example. The increasing use of auxiliary health workers in rural areas has created a need for simple diagnostic equipment able to be used by untrained and often uneducated persons. One such device was produced by a research team in Colombia supported by IDRC. How is a baby checked for malnourishment in Canada? By weighing and measuring, of course, and checking these figures on a chart which is tabulated by age. Required: scales and measuring tapes and the ability to read them. All three elements are often missing in developing countries. The answer, this simple plastic-coated cardboard strip, developed on sound anthropological principles for the people of that area, in two sizes for varying ages. The mother announces to the health worker the age of her child - a fact

every mother possesses - and the appropriate strip is slipped about the baby's upper arm. The tri-colour code indicates immediately the measurement of the brachial perimeter and reveals whether the child is well nourished, in danger of malnourishment, or actually malnourished. In the latter instances, medical attention is sought. The strips cost about 12 cents each and have a field life of several months. It's a good example of appropriate technology.

With little encouragement, I could go on endlessly to describe dozens of our projects - some successes, some failures. In each instance, however, we keep before us our double bottom line criteria of increased research and increased LDC competence. Those criteria were spelled out forcefully by the Honourable Mitchell Sharp when the IDRC bill was being debated in the House of Commons in 1970.

"(The Centre) will give high priority", he said, "to programs that assist the developing countries to build their own scientific and technological capabilities so that they will not be mere welfare recipients, but contributors in their own right to the solution of their own problems."

The need to uphold those criteria is even more valid today as the world seeks to combine into a meaningful whole the several components of a new international economic order. One can treat the NIEO as an emotive slogan, as many have done, and derive considerable mileage from it. Conversely, one can employ the phrase as a rallying cry around which people of goodwill congregate in order to pursue the task of building a better world for all of us. In this latter sense, this constructive sense, there is a need to build up skills and competence that by themselves may appear minute but in the aggregate are critical. There fits the role of IDRC; one that is benign yet all the while crucial. It is the key to an understanding of the Centre's involvement in these great issues.

Two months ago in Stockholm the Nobel Prize for Literature was awarded to the American novelist Isaac Singer, who writes entirely in Yiddish. In his acceptance speech, Mr. Singer explained his choice of Yiddish. It is, he said, "the language of us all, the idiom of frightened and hopeful humanity."

In the world of today with its cacophony of change and discontinuity, its spectre of revolution and destruction, humanity

has every reason to be frightened. Equally, I suggest, with an understanding of the human reasons which give rise to those changes, of the individual aspirations with which we can all identify, and for which we can all work, humanity is justified in being hopeful.

A hopefulness based on withdrawal is illusory, however. That would be truly frightening. In 1979 the danger comes not from a world that is upside down. It comes from our thinking it is because we sometimes have our heads between our legs.