

Canadian businesses are by their very nature 'apolitical' actors. For instance, companies lobby hard at home and abroad over public spending priorities and legal protection for foreign investors. Businesses must recognize their responsibilities as social actors and bring their political experience to bear in the area of human rights and human security.

## **V. Conclusion**

This policy paper grows out of both the good news and the bad news discovered over the course a larger research project. The first source of good news is that there is no 'ethics deficit' on the part of the vast majority of Canadian firms. The good news for the Government is that although more – and more focused – action is necessary, the concrete building blocks for a strategic approach to this issue are either already in place or could be put into place with a minimum of effort.

There is bad news too. Despite their best efforts, many Canadian companies – especially those in the extractive industries – face significant ethical challenges when operating in risky states. Although key corporate decision-makers are much more sensitive to the need to manage the human rights and human security impacts of their operations overseas, there is still much to be learned in key areas such as measurability, consistency, and transparency. And the basic question – 'at what threshold does it become unethical to do business in country X?' – has yet to be addressed.

The bad news for Government is that its current policy framework is fatally flawed and inconsistent. This incoherence sends confusing messages to Canadians, to Canadian firms, and to repressive regimes abroad. Although a number of ideas for reform are circulating in Ottawa, they are uncoordinated and unlikely to result in a net gain for Government in the absence of Cabinet-level attention. To succeed, the Government must bring these various policy threads together, craft them into a coherent whole, ensure that the resulting package includes all five roles outlined above (champion, support, inform, reward, and compel), and put a public face on its efforts in this area.

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