

all its faults is as yet the only effective scheme we have found for organizing society at a level of any complexity.

The question to which students of this subject have to address themselves, however, is how far the particular interests of the nation can be pushed before there is damage to the fragile but substantive international order of which all states are now integral components, with the effect that in the end the individual nation itself is likely to suffer more loss than gain. At a time of rising protectionist sentiment, uncomfortably like the "beggar-my-neighbour" attitudes that helped to precipitate the Great Depression in the 1930s, there is little need to stress this danger. At the same time, though, it is also worth asking whether too great an insistence on global laissez-faire might not, under certain circumstances, undermine a relevant national interest to the ultimate detriment of international well-being. (For example, might a refusal by the Canadian government to sustain import-vulnerable industries in Quebec contribute to a collapse of employment in that province so serious that confederation would be fatally undermined, causing upheavals in the economy of this part of the world that would be felt by all our trading partners for a considerable time to come?)

#### Criteria

A number of criteria suggest themselves for gauging the legitimacy and validity of the devices put in place as elements of an industrial policy. One is the importance to the nation — as judged by an impartial observer rather than a politician or any other citizen of the country concerned — of readily identifiable goals evidently fundamental to its people's long-term welfare. Another is the extent to which the effects of the policies in question involve damage to interna-

tional interests that can be seen as measurable — even in the broadest sense — and substantial, instead of merely entailing an internal transfer of benefits and costs within the national economy. A third is the length of time the policies may be expected to remain in force and their consequences to be felt, not only at home but abroad. (To these three principal criteria might be added some sort of categorization of nations, the fragility of their economies or even of their political and social structures, and so on — which is really an elaboration of the first criterion.)

The implication of such notions must be, of course, that a type of surveillance or "referee" mechanism could come to exist, situated outside national jurisdictions, to rule on the acceptability of measures introduced by nations in the name of industrial policy. That is the proposition that lies behind deliberation of the issue among delegates from member governments in the OECD. It is likewise the underlying theme of an assessment of national industrial arrangements being fostered this year by the influential Trilateral Commission, which brings together luminaries from North America, Western Europe, and Japan to consider major foreign policy questions affecting their countries and the world.

Whether, in fact, it will ever prove feasible to allow supra-national institutions to have so substantial a role in the affairs of individual nations remains to be seen. But, given Canada's large stake in the effective operation of the international politico-economic system, the matter is surely of highest importance to Canadians. One might hope that the current popular attention being devoted to the pursuit of renewed viability for Canadian industry could, therefore, take account of such larger concerns, which up to now have been subject to virtually no public discussion at all.

The transfer of technology is sometimes conceived as nothing less dramatic than the secret delivery by an inventor to his associate of a "magic black box." Those who see it this way may have in mind William Stevenson's description, in *A Man Called Intrepid*, of the delivery by the British government to the United States Office of Scientific Research and Development of the cavity magnetron which generated short-wave-length electronic beams and made possible the centimetric radar that was small enough to fit into destroyers and aircraft. In fact, the transfer of technology is far more prosaic. Simply put, it is the process of the transfer of knowledge, and of how to use it, by people to people. And the knowledge transferred is itself the product of innovative thought and effort by people.

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