These are statements of fact, not complaints. Multinational corporations have brought to us a high degree of prosperity and a great fund of technology. But it is hardly surprising that a great many thoughtful and informed Canadians are concerned, nor is it surprising that the Canadian Government is preoccupied with the same question.

While our approach to foreign investment in general, and American investment in particular, is and will remain a positive one, Canadians are determined that foreign corporations will serve Canadian interests, buttress Canadian priorities and respond to Canadian aspirations. In both our societies new forces are coming into play – a growing concern about the health of our physical environment, a search for new qualitative goals to supplement those that are more material, an urge to equalize opportunities and living standards in economies plagued by regional disparities. None of this is ever easy; in a federal state it is particularly difficult, as you know just as well as we do.

These new aspirations, as well as basic national interests and priorities, must be taken into account by multinational corporations if they are to continue to have the high degree of freedom of action in Canada that they now enjoy.

In its economic policy, Canada is the most internationalist of nations. This does not imply abrogation of economic sovereignty, any more than our internationalist attitude in world affairs implies abrogation of our political sovereignty.

The nations of the world have learned that they can create international economic institutions to manage economic relations. I believe that in years to come we shall be able to develop existing institutions that try to harmonize power relations – and find new ones – to the point where the intractable conflicts that characterize our times will be capable of management.

We need new, more effective and more universal institutions in both the economic and political fields. I believe we will find them, by the usual tedious process of trial and error. They will come into being in response to changing attitudes. If international institutions are to be effective, they imply acceptance by all states of limitations upon the exercise of sovereignty, of the forces of nationalism.

The trick is to differentiate clearly between essentials and non-essentials. Narrow self-interest and outmoded notions of sovereignty threaten world prosperity and world security today. If persisted in, the threat they pose will become more menacing.

U.S. LEADERSHIP SOUGHT

I suggest to you that our common goal should be to exercise our national independence, political and economic alike, as responsible parts of a whole that can be greater than its parts, where each of us pursues his own interests and aspirations with full respect for the interests and aspirations of others.

In this endeavour, the whole trading world looks to the United States for responsible and effective leadership, without which the responsible attitudes I have been discussing cannot be translated into action. We look to you for vigorous support of multilateral liberalized trade based on non-discriminatory principles, further improvements in the terms of competition and the encouragement of outward-looking postures by other countries.

Recent statements by the President suggest that longer-term United States economic interests require you to continue to pursue the objectives of freer international trade and capital investment and to seek an orderly and effective international trading and monetary system, reformed and adapted to the new international situation.

And this suggests that the United States, far from turning inward, is reasserting its leadership responsibilities and charting a course for future trade liberalization that serve your own interests and that of all trading nations. Certainly in all of this you have Canada's full support.