

feats of adventure and accomplishment but along a narrow front of economic exploitation of local resources. Moreover, in their own territories they were a law unto themselves.

To operate effectively, today's multi-national corporations must be broadly-based and flexible in their approach, ready to tailor their operations to local conditions, local sensitivities, and local needs. Obviously they must work within the laws of the host country -- more than that they must identify with and contribute to the aims and priorities of the host country.

Many corporations have acquired a good deal of sophistication in coming to terms with the varying and often conflicting circumstances they face. But many have yet to grasp the basic implications of multi-nationality, continuing to be more imperialistic than international and treating their foreign operations as colonial outposts of the home office.

It is well over a century since the East India Company supplied its Muslim sepoy's with pig's fat to grease their rifles but today, even in Canada, we see sharp local reaction to multi-national corporations' short-sightedness in such sensitive matters as local language issues, local cultural patterns, air and water pollution and plant location.

Opportunity for advancement to the highest level for locally-recruited staff is an obvious necessity, as is participation as a corporate citizen in the social and cultural life of the local community. Perhaps less obvious is the need to rid management of branch-plant mentality and a tendency to see everything in terms of the parent-subsidiary relationship. It is asking for trouble, for example, to concentrate research, development and design in the home country, denying to the host nation opportunities to strengthen its own scientific and technological capabilities and to give their own experts the chance to develop at home their special talents and skills. It may also be very poor business.

My concluding thought on the subject of multi-national corporations is that we should all -- governments and corporations alike -- be thinking constructively about the development of guidelines and standards -- international law if you like -- for regulating the methods and activities of multi-national corporations. Just as governments see advantage in international arrangements covering the conduct of their affairs abroad, so these corporations, with their considerable influence on international situations and relations, stand to benefit from co-operative efforts to build up a body of ground rules.

What is at issue in the debate about economic nationalism is a reconciliation between two principles -- the principle that the peoples of the world will be more prosperous if they trade freely with one another and have