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suitable to, for example, an African country. The Canada/CARICOM agreement does illustrate, however, the sort of comprehensive and pragmatic approach I foresee for the future, and it is this approach I commend to you.

A similarly-tailored approach to the specific needs of middle-income developing countries is our recently-adopted program of reimbursable technical co-operation. This involves assistance to a developing country in the technological and industrial fields. Such a program is launched when the country in question wishes to deal on a government-to-government basis to obtain Canadian goods and services either from the public or private sectors. It is organized and initially financed by the Canadian Government and costs are later recovered from the recipient. Such a program can be extremely valuable in stimulating projects that we otherwise might not see come to Canada and that themselves frequently produce "spineoffs" and other further opportunities the private sector in Canada can take advantage of. This technique like private-sector joint ventures, which Canadian firms increasingly favour, helps to ensure that we are not working at cross purposes with the social and economic policies of the host country and encourages the search generally for projects of mutual benefit.

The OECD has done some good work in assessing the impact of newly-industrializing countries — the South Koreans and Brazils — on Western economies. These studies have shown that, in any global sense, the competition these countries are now providing more than matched by the increased possibilities for doing trade with them. Another way of putting this is to say that our trade with these newly-industrializing countries is increasing much more rapidly than is our trade with those developing countries that have not yet begun to export manufactured and semi-manufactured goods.

OECD countries have recognized that the developed world should not habitually be in the position merely of responding reluctantly to each new demand by the developing world, but that in our own interests the developed countries should take some initiatives. You will all be aware of the 1976 OECD package of recommendations on international investment, which includes a set of guidelines for the behaviour of multinationals. It is not yet clear what practical effect these guidelines may have had. However, it is obvious that good corporate citizens tend to receive more-favourable treatment from host governments than do black sheep, and I think that multinational enterprises (MNEs) are beginning to realize it is in their own best interest — and mean financial interest — to observe some set of reasonable standards such as the OECD guidelines. I might add that, were MNEs more openly responsive to the OECD guidelines, it might make it easier to argue that the UN code of conduct for transnational corporations need not contain more restrictive provisions than those found in the guidelines.

I could offer other illustrations of where we are engaged in responding and adapting to the world's changing realities in terms of the needs of the developing world, such as in the context of the UN Conference on Science and Technology to be held this year in Vienna, or in our dealings with state-controlled economies or even the developing world. But time will not permit me to do so.

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