The good things of life are not equally divided among the peoples of the world. Many don't even have food and shelter. But even if the pie were equally divided, there still wouldn't be enough. That is why the pie has to grow.

And that is also why we need to restructure the world's economy and to change the patterns of world trade and investment - so that everyone gets a decent share of a bigger pie.

All this is going to need new kinds of co-operation among countries. It will also take a lot of mind-changing - and maybe some heart changing.

At the United Nations, it is called - the New International Economic Order.

And the United Nations is working to make it happen.
We all live with the symbols of international trade and investment.

Soft drinks, automobiles, food, gasoline: there isn't a day we don't buy something from a transnational corporation.

English, French or whatever the language, when it comes to business, borders disappear.

Even in the developing world, advertising promises glamour and success. In the competition for the customer's pocketbook, the wealthiest company gets its message across to the greatest numbers.

Transnationals don't just export; they are also major overseas producers.
Even small companies are becoming transnational these days. More and more of them. Their very growth is helping to change the way the world's economic system works.

Transnationals contribute a lot to economic development, but they could offer far more.

Few places are so isolated today that they do not receive visitors from the developed countries.

Lucky ambassadors from a world of plenty.

Tourism is one part - a very visible part - of the role of transnationals in developing countries. Banks, hotels, travel agencies are often part of transnational systems.

Yet, few tourists see the poverty and joblessness hiding behind waving palms and colourful beaches.

There has been progress in the developing world but severe problems remain. Transnationals can help in many fields, especially by creating jobs and income or by transferring technology.
Jamaica, like many developing countries, is made up of extremes of wealth and poverty.

Recently, a more affluent group has started to appear between the extremes.

The Faeron family. Leslie Faeron has six children and, at 46, already four grandchildren.

Faeron is one of the few Jamaicans who was able to rise from humble beginnings without migrating to the big city.

He is a blue-collar worker, a maintenance supervisor with Alcan, a Canadian company extracting bauxite in Jamaica. He started as a day labourer - 20 years ago, when this plant was being built.

Item: Are the extractive industries, still the exclusive preserve of transnational, big business?
In Jamaica you need barely scratch the ground to find bauxite - a red ore. Bauxite, put through a chemical process, produces alumina, the base product for aluminum. It is all strip mining - scrape off the overlay and scoop up the stuff. By far the easiest and cheapest mining method.

To meet world-wide competition, mining companies must be capital intensive - and that means ever more machines, ever fewer men. But the income generated for a country - royalties, taxes and other benefits - can be used by the host government to develop other sectors of their economy.

Some countries can acquire foreign exchange only through the sale of raw materials. However, prices fluctuate wildly in a free market. Bonanzas are brief, and sharp drops in demand make prices unpredictable. Developing countries claim that they have had to export more and more to buy ever fewer manufactured goods or technology.
Jamaica was in the forefront of the group of countries which called for a "New International Economic Order." Their major demand was for negotiated and guaranteed prices for raw materials.

Extractive industries are often accused of "plundering" national resources, of leaving holes in the ground as the only testimonial of their passage. Alcan restores its mined-out areas to cultivation.

When bauxite was discovered here, companies bought the land they wanted to mine. A few years later, the people who had sold their land realized that its value had increased many-fold. The bauxite companies were making money but they, the former owners, were still poor.

On some tracts, this corporation - whose business is metal - keeps a herd of over 6,000 head of cattle - that's a million and a half pounds of meat a year that Jamaica doesn't have to import.
Half of Alcan's lands are leased to tenant farmers - 5,000 of them. In 1975, Jamaica declared it would ask the companies to return their land holdings to national ownership.

Two foreign companies have agreed to sell their land holdings and 51 per cent of their local assets back to Jamaica. And the government is buying into a third, to become a partner in a joint aluminum venture.

Jamaicans believe in democratic socialism. They admit that their country needs foreign investment - but they want it of the right kind and with Jamaican partnership.

Greater local participation in decision-making will help ensure that countries, like Jamaica, gain more of the benefits that transnationals can create, without adding to the costs. Both companies and countries can gain from the desired changes, provided both sides can establish better working relationships. The United Nations could play an increasingly important role here.
Everybody agrees that the days of unrestricted exploitation of world resources, to the profit of a few, are over.

Like most Jamaicans employed by transnationals, the Faerons live more comfortably than the majority of their compatriots. For the world to be just, however, Faeron should be less of an exception.

Meet another exception, half-way around the world - Towan Hajidobowo - "just call me Haji", he says - successful businessman. He is the chief executive of the Indonesian subsidiary of Unilever, the Anglo-Dutch giant of oleo, soap and detergent fame. His lifestyle is pretty much that of other international businessmen, his counterparts in London, Chicago or Frankfurt. Overseas subsidiaries used to be run by overseas management. Of late, corporations have been promoting local people to manage local branches.
Anyone can make soap. Why, then, did this big corporation set up plants here? Simple: Indonesia is a huge market.

Whatever the article, big firms, mass-producing all over the world, can produce at less cost per unit than the native businessman could.

The local consumer gets a break - but possibly at a cost to the country as a whole; when foreign corporations remit excessive profits to pay their stockholders or to finance new growth elsewhere; when companies, partial to automation, forget the main problem of developing areas, unemployment; when the local man cannot compete - and goes out of business. Benefits provided by the transnationals must be weighed against the costs.
A frequent complaint against transnationals is that they do a lot for the few but not enough for the many. For its workers, Unilever is a good boss. The pay is decent and there are fringe benefits still rare in South East Asia: lunch at the canteen, both copious and free; a big bonus at year's end. One can hardly blame a big firm for treating its workers well, but it can pose problems for local, less affluent enterprises.

Nor does it help the guy outside, who's been looking for a job for weeks on end.

Transnationals employ about four million people in developing countries - a tiny fraction of the working population. Finding new ways of creating productive employment is essential. The companies can help in the search. At Unilever - Indonesia, vacancies are few and far between. Hopeful applicants are turned away every day.
Item: Are transnationals needed everywhere?

An Indonesian economist says: "I don’t think Unilever is indispensable for our country. There can be alternatives."

More alternatives are open today to developing countries as they gain experience in industrialization. Even so, most still feel at a disadvantage in dealing with transnationals.

Haji is part of the local establishment and he is a popular boss. In the past, many foreign executives showed poor understanding of the countries they worked in. There were constant demands to replace them with local people. Yet, the loftiest echelons of big business, the boardrooms, remain the preserve of small elite groups from affluent societies.

When more people from the Third World are allowed to reach the very top, there might be better understanding and more trust between government and companies. And that could make co-operation more fruitful for both.
Men, like Haji, have the background and
experience to fill executive positions anywhere.
They must ensure that local needs are
adequately met and that their companies
maintain proper standards of social
responsibility, and eliminate bribes and
pay-offs.

Item: The transnationals in the field of energy.
Today, on any of the thousands of oil rigs
scattered around the globe, nine workers out of
ten are likely to be locals - Arabs,
Venezuelans, Nigerians, Indonesians - only one
will be an expatriate. A few years ago, the
proportion was much lower; the concessions,
then, were tight little enclaves of expatriates.

Before World War II, seven big companies shared
the world's oil resources. They protected
each other in a cozy harmony of corporate
interest: a cartel.
Decolonization was the beginning of change: the new nations demanded a fairer share of the profits.

Under the old system, the producing areas had no control. Low prices were used by the companies to create new markets. The fantastic progress of the industrial societies, since the turn of the century, would have been impossible without cheap energy.

The producing areas feel that during that period they practically gave away their birthright.

OPEC and the oil embargo have changed all that. By and large, the producing countries of the Third World have now secured control of their own oil resources.
Central Luzon - the Philippines - Pastor Equia - patriarch of a farming family - three grown sons, one daughter - all together they work some fifteen acres of fertile land.

For generations things didn't change much here. Only planting and harvesting marked the passage of seasons.

But this week brings something new to change the life of the barrio. The village is about to be "energized", as they say.

Just a few years ago, eight out of ten Filipinos had to do without electricity. The government is now pushing a crash programme of rural electrification.

It will open the door to new opportunities, more pleasures, more comfort - perhaps even more knowledge. Little by little the old cycle of life will begin to change. Lights will burn into the night, creating time.
Energy at the flip of a switch - and certainly cause for a celebration.

For Pastor Equia, electricity opens a cornucopia of gadgets, lots of them made by transnational corporations.

Big business sees the transfer of technology as one of its important contributions to Third World development - host countries see it as a mixed blessing.

General Electric has been in the Philippines for three quarters of a century. Here, they make lamps and other basic electrical supplies and a few refrigerators, some 15,000 a year.

Technology has to be adapted to the needs of each developing country and transnationals and governments should certainly work more closely in this area. Some critics complain that what the big corporations have to offer is geared only to the needs of their rich, home base countries. Others feel that out-dated technology is often made available and at too high a price.
Newer processes can help develop competitive exports, but they can also reduce the number of people employed. To strike a balance among these conflicting issues is difficult but essential. Many planners now feel that countries must begin to create their own technologies. Here too, the transnationals can help.

The degree that a small country benefits from the presence of a multinational, depends largely on its ability to bargain from strength with that company.

There must be give and take in all negotiations. But the gains of one need not necessarily be at the expense of the other.

In their endless search for ways to lower costs, corporations often subcontract the production of components to local businesses.
A small entrepreneur is always eager to show that he is equipped to do a job — after all, to be a parts supplier for a large corporation is good business.

At least as long as competitors from some place, with even lower wages, don’t come in to undercut your bid.

The labour question.

A few years ago, another small plant started to turn out light bulbs in the Philippines. True, its 70-odd workers labour in something of a sweatshop atmosphere. They have no union representation and receive less than half the salaries paid at GE.

The boss says he would like to do more, but he finds it very hard to compete. He, like many other small local entrepreneurs, will need help if he is to succeed.
Competition and the normal desire to reduce production costs led many corporations to move some operations overseas. Locations like Singapore or Hong Kong offer the lowest manpower rates. With few resources to sell, other than labour, they can almost guarantee no strikes or other labour difficulties. They have become known as export platforms.

This tract alone, at the end of Singapore island, is home to 500 small factories of all kinds. Export platforms have affected growth possibilities in the rest of the world, even in rich countries.

In 1974, GE employed 11,000 in Pittsfield Massachusetts - almost one worker out of ten in the area. During the following two years, 2,000 were laid off.

In this case, the world recession was to blame, not cheaper labour abroad. Of course, for the man who's just lost his job, that's scant consolation.
And yet there has always been rising and declining industries: change is the essence of progress.

But change is always painful, especially when one man loses his job because another was hired thousands of miles away. All nations resent it when transnationals make such employment decisions unilaterally and developing countries especially, fear that their interests, in these and similar difficult decisions, are not adequately weighed by the companies. So where can small countries turn for help? The United Nations is probably the best forum where they can unite against today's economic imbalances.

First, through information - because it is of basic importance that all of us understand how a corporation affects everyone's life - for good or for bad - both at home and abroad.

Then, by finding ways for international business to contribute more to national development goals: a workable code of conduct for transnational corporations in developing and developed countries.
Also, by providing assistance to strengthen host governments in their negotiations with giant firms.

The United Nations' recently created Commission and Centre on Transnational Corporations provide a forum for promoting these activities. Governments, companies and unions can explore together ways of increasing the transnationals' contributions to world development.

For peace to prevail - there must be economic fairness for all.