doubtless be an appropriate blending of the idea of limiting bigness as such and the idea of requiring market power to be used in the public interest. The latter, of course, is much more difficult and complicated. There are some uncoordinated national laws and regulations affecting activities of multinational firms. These probably tend to inhibit the efficient performance of the function these firms have stepped in to fill rather than to remedy abuses effectively.

In this situation, the proposed multilateral forum for the non-advisory deliberation of (rather than decision regarding) trade-policy problems would present a useful focus. It could help governments grope their way successfully through the difficulties Professor Ray Vernon foresees, in his article in the April 1967 Harvard Business Review, in achieving what he calls "international harmonization." Recently, Mr. George Ball, while still with Lehman Brothers International, suggested the negotiation of an international companies law. The working rules needed to achieve agreement on such a law, or on "harmonization," might evolve more rapidly and rationally dealing with specific problems in the proposed forum than in general negotiation or discussion of codes of conduct.

d. State-Ownership Countries: East-West Trade

It might prove significant in the future that the deliberating approach, although its main justification must be uniting the private-ownership world, can be directly relevant for a policy of trading with countries in which the means of production are owned collectively—i.e., the Soviets.

Using the present approach would tend to highlight a clash of unrealistic ideological extremes: Government direction of trade, versus free trade. In the case of Yugoslavia, which threw off external political restrictions and is trying to accommodate to the rules of the GATT under a modified state-ownership doctrine, we are learning how long and difficult that road is. It requires a good deal of acceptance on the Soviet side of the superiority of the trade-agreements technique and a good deal of winking at facts by us.

As for the current idea of bargaining MFN treatment for negotiated advantages to the U.S., it is good only for relatively small, one-time deals.

The deliberating approach might smooth over some of the ideological and prestige problems. Deliberation of the facts about a trade barrier, to seek a measure of intergovernmental understanding on a world-product-economy basis, involves an idiom of quantities produced, traded and consumed which is relevant regardless of the ownership institutions of a country. Soviets enter some current multilateral commodity discussions without ideological difficulty on either side.

Moreover, while the emphasis of the deliberating approach on public information may be difficult for state-ownership countries—with their fetish of economic secrecy, it may turn out to be just the posture to facilitate detente. These countries consider themselves democracies and need educated populations to industrialize. They are already feeling the consequent imperative toward economic openness working underneath their tradition of secrecy. The more they succeed in their industrialization, the more openness will prevail. An open world trade-policy deliberating forum would be a strong influence in that direction.

e. Other Foreign Economic Policy

Once the deliberating approach was recognized as the principal trade-policy technique, policy regarding a great number of intergovernmental problems would be reinforced. The prospect of joint public inquiry into full facts, and the presumption of cooperation toward pursuing publicly announced objectives with minimum damaging side effects—these two characteristics of the approach militate toward rationality and "cool" even in very difficult situations.

The new approach could be particularly helpful in dealing with those regional economic groupings where the precise requirements of the GATT have resulted less in desirable arrangements than in the granting of exceptions in law or in fact; in these matters, and the EEC is the prime example, the present approach has created much bad feeling.

The problem of "non-participating" countries might also be made easier. Countries not willing to accept the detailed rules of the GATT (and perhaps Mexico is an important example) could be quite interested in consultations and fact-finding. They should be welcomed to the multilateral forum.

Even in such an area as monetary policy, the deliberating approach could have useful repercussions. The point can easily be overemphasized, but there is little doubt in my mind that the adversary postures cumulated over several years of