agree, and which would capture the imagination and kindle the hopes of all peoples who are free to express their feelings.

(2) The absence of coordination among these national and multilateral agencies in the field of both trade and aid alike, for a concerted effort for realizing agreed goals in the developing countries.

(3) The absence of coordination of the activities of various agencies operating in the individual developing nations at the country level.

In considerable measure these three requirements have been met by the Alliance for Progress program for Latin America. Perhaps this program could serve as a model for a program which would encompass the members of the OECD and all developing countries outside the Sino-Soviet orbit.

While emphasizing the interrelations between economic policies affecting the developing countries, and the need for a comprehensive approach, particularly at the individual country level, we must analyze the problems and consider recommendations in terms of traditional categories and instruments for dealing with these problems. In the following paragraphs, we shall summarize briefly the major conclusions of the individual papers dealing with (1) commercial policies, (2) commodity stabilization, (3) public development assistance, and (4) private foreign investment, which constitute the bulk of this study.

D. COMMERCIAL POLICIES AFFECTING DEVELOPING COUNTRIES

United States and West European commercial policies have reduced the potential export earnings of developing countries. This has been most evident in the case of agricultural commodities such as cotton, meat, and wool which have been subject to import restrictions or other discriminatory treatment such as the subsidization of domestic production. Western European countries have also imposed heavy duties for revenue purposes on commodities such as coffee, tobacco, and bananas. Latin American and other countries that are outside of the group of countries associated with the European Economic Community (or perhaps an expanded community which may take in certain British Commonwealth countries) will shortly begin to feel the pinch of tariff discrimination on such products as coffee, cocoa, and bananas. U.S. import quotas on lead, zinc, and petroleum and U.S. export subsidies on cotton have certainly had an adverse impact on the exports of certain developing countries. In addition to quotas and duties on certain raw material imports, we have imposed high duties on semiprocessed commodities such as refined metals. Moreover, many of the manufactured and semimanufactured commodities which developing countries would find it easiest to produce for export to world markets on a competitive basis tend to be subject to especially high duties or quotas in the United States and Western Europe. Thus, developing countries are discouraged from directing their manufacturing activities to production for world markets.

A major difficulty faced by most developing countries today is that the present and expected future rate of growth of their export proceeds is less than the rate of increase in their foreign exchange requirements