

foreign indebtedness so as to determine a proper overall relationship between hard loans, soft loans, and grants; and (f) agreed positions on recommendations to the country with respect to its internal monetary and financial policies.

There have been a few examples of country-level coordination of certain aspects of the development assistance programs for certain countries. For example, a consortium of countries is contributing to the Indus waters program in India and Pakistan under the aegis of the World Bank. The countries include the United States, the United Kingdom, Australia, Germany, New Zealand, Pakistan, and India.

The charter of the Punta del Este Conference, adopted at the meeting of the Inter-American Economic and Social Council of the OAS in August 1961, provides machinery for close cooperation among the OAS, the U.N. Economic Commission for Latin America, and the Inter-American Development Bank, in reviewing development programs for promoting economic and social development in the Latin American Republics. The charter established procedures for the review of development programs of individual countries by independent experts drawn from a panel of nine high-level experts nominated jointly by the OAS, Inter-American Development Bank, and the U.N. Economic Commission for Latin America. Each government, if it so desires, may present its program for economic and social development for consideration by an ad hoc committee composed of no more than three members drawn from the panel of experts, together with an equal number of experts not on the panel. This committee will study the country's development program in consultation with the interested government with a view to possible modifications, and—

"with the consent of the government, report its conclusions to the Inter-American Development Bank and to other governments and institutions that may be prepared to extend financial and technical assistance in connection with the execution of the program" * * * "A government whose development program has been the object of recommendations made by the ad hoc committee with respect to external financing requirements may submit the program to the Inter-American Development Bank so that the Bank may undertake the negotiations required to obtain such financing, including the organization of a consortium of credit institutions and governments disposed to contribute to the continuing and systematic financing, on appropriate terms, of the development program. However, the government will have full freedom to resort through any other channels to all sources of financing, for the purposes of obtaining in full or in part, the required resources."

While the voluntary system of review summarized above may lead to better planning and may in some cases provide a mechanism for bringing pressure on governments to undertake economic and social reforms as a condition for obtaining external assistance, the procedure falls far short of full coordination of the activities of external assistance agencies at the country level. Moreover, a review of broad economic and social development programs is by no means the same as a review of the underlying projects to be financed. Thus the Punta del Este Conference did not provide for the type of operational coordination at the country level which was suggested above.

3. *Proposal for country-level coordination*

What kind of machinery is needed for the coordination of development assistance agencies at the country level along the lines indicated above? Obviously it would not be desirable to adopt identical machinery for each country, and indeed, for a few countries where