

Since achievement of independence, more than 20 futile attempts have been made to unite Central America politically. As time passed, and each country developed its own singular institutions, the chances for political union seemed slim. The little nations, sometimes bitterly at odds with one another, occasionally even resorted to invading each other's territory.

B. THE ECONOMIC INTEGRATION MOVEMENT

In the years following World War II, a number of Central Americans became keenly aware that economic development, and consequently social progress, could not be achieved under existing conditions. This recognition created a desire to end overdependence upon one or two agricultural exports and to stimulate the growth of national industries. At the same time, there was a realization that the small domestic markets in each country made industrial development behind national tariff walls costly and wasteful, and that heavy capital outlays for complex capital goods industries could not be justified by the limited scope of the individual markets. As a result, there began a search for alternatives for the economic impasse.

Fortunately for Central America, at that time the economic ministers of the five countries were exceptionally able men, each concerned for the welfare of his country but not limited in outlook by chauvinistic concepts. Interestingly, three of the economic ministers had trained in economics in the United States—Manuel Noriega Morales of Guatemala and Jorge Sol of El Salvador at Harvard, and Alfredo Volio of Costa Rica at the University of Maryland. A fourth, Enrique Delgado, of Nicaragua, received part of his training at Georgetown University while serving at the International Monetary Fund in Washington. The fifth, Marco Antonio Batres, of Honduras, was a lawyer who had for years been connected with the Honduran economy.

In a series of informal talks, these men found that they shared similar preoccupations and began to search for means to remove the economic barriers between their countries. How the present concept of merging the five economies grew; how the apprehensions and antagonisms of vested interests were overcome; how permanent Central American agencies were created to administer aspects of the integration movement; and how international organizations such as the United Nations and the Inter-American Development Bank, as well as the United States, supported Central American initiatives, make a fascinating saga of multinational cooperation.

We are fortunate in having available a recent comprehensive study of those developments prepared by the Department of State at my request, and reprinted here in the appendix, page 13. The report is of great historical value, since it draws upon interviews with participants in the Central American integration movement as well as upon documents.

But over and above its usefulness for historical purposes, the report presents an encouraging account of the possibilities of transforming human institutions, however embedded in custom and practice, through multinational cooperation. Moreover, unlike the European Common Market, the Central American endeavor engages the participation of so-called underdeveloped nations. Thus, the report documents a novel departure in international collaboration with significant