

In the years following the general treaty, the internal free trade list has been amended to where at the beginning of 1966, less than 3 percent of the products are restricted. A customs union by 1970 is in prospect, some authoritative Central Americans believe, and even "perhaps" a monetary union and a stock exchange by that date. National treatment for all citizens of Central America while recognized in principle is still to be made fully effective. The industrial incentives law is awaiting ratification by Honduras. Cooperation between the central banks and the Ministers of Economy has increased.

There have been obstacles. Honduras has refrained for about the last 18 months from ratifying measures adopted by the other four countries on the grounds that it is unable, in its present economic circumstances, from taking advantage of opportunities afforded to all the countries. (Steps to alleviate this situation formed a high point of the Comité de Cooperación Económica at its meetings in Guatemala in January of 1966.) Costa Rica did not fully ratify the general agreement of 1960 until 1963. Little progress had been made toward harmonization of the tax laws, on unification of social security laws, unification of laws on cooperatives and securities.

An indication of the future course of the Central American Common Market and the integration movement may be seen in the following news article prepared by ROCAP and the U.S. Information Service in Guatemala for distribution on February 4:

"INTEGRATION EXPANSION SUGGESTED AT CENTRAL AMERICAN MEETING

"The Comité de Cooperación Económica del Istmo Centroamericana has adjourned its ninth meeting after hearing suggestions for broadening and intensifying aspects of the regional integration beyond the Central American Common Market itself and adopting a series of resolutions designed to extend regional economic activities.

"The Comité is comprised of the Economic Ministers of Guatemala, El Salvador, Honduras, Nicaragua, and Costa Rica, the partner countries in the Common Market. It is the pioneer body of the integration movement, having been organized by a resolution of the United Nations Economic Commission for Latin America in Mexico City almost 15 years ago. The Comité meets periodically to review and evaluate the progress of the integration movement.

"Addresses at the Comité's week-long sessions by the leaders in the movement, suggested the need to extend the regional activities beyond the terms of free trade, common tariff, common industrial policy—components of the Common Market itself—in order to attain a higher level of integration. They said they recognized that this implied entering into more extensive common relationships with regard to education, agriculture, transportation, health, labor, and communications.

"Among those who spoke in this vein were Dr. Pedro Abelardo Delgado, secretary-general of the Secretaria Permanente del Tratado General de Integración Económica Centroamericana (SIECA); Dr. Manuel Noriega Morales, director of the Instituto Centroamericano de Investigación Tecnológica Industrial (ICAITI) and a founding member of the Comité when he was Minister of Economy of Guatemala; and Dr. Alberto Puentes Mohr, head of the Misión Conjunta de Programación para Centroamérica. The El Salvador Minister of Economy, Abelardo Torres, remarked that the movement's emphasis should be on "integration" and not on the Common Market.

"The Comité agreed that special recognition be given to Honduras which was reported generally as developing more slowly than its four partners. To help hasten Honduran economic growth, the Comité agreed to a five-point program which included: (1) Honduras should receive industries which could be established there economically under the special system of industrial promotion, (2) recommended that the Central American Bank for Economic Integration, the World Bank and the Interamerican Development Bank facilitate loans for Honduran industry, (3) approved a protocol broadening the special benefits Honduras could be given under the Uniform Fiscal Incentive Treaty, (4) recommended that Central American integration institutions draft programs especially for Honduras, and (5) suggested the United Nations and other agencies increase their technical assistance to Honduras, especially on the preparation and execution of projects.

"The Comité also adopted resolutions recommending the establishment of a number of subordinate groups including:

"(1) a Central American Coffee Commission comprised of representatives of governmental and nongovernmental bodies to be responsible of coordinating internal and external sales of coffee including reaching agreement on a Central American policy regarding the International Coffee Agreement;