same banks. Steps toward the creation of a security market have already been taken.

The achievement of complete monetary union, however, is clearly some way off. The five countries at the moment retain unimpaired responsibility for their national economic policies. The Central American tradition of monetary management is a responsible one and the problem of runaway inflation has not arisen in the CACM as it has in Brazil, Argentina, Chile, and Bolivia amongst others. Delicate political decisions are involved in the transition toward complete monetary union and Central American integration leaders doubt that this is in the cards for quite a few years to come.

RESPONSIBILITY OF ORGANIZATIONS

Within the institutional framework, the general responsibility of promoting the political, economic, and social policy corresponds to the Organization of Central American States (ODECA); the formulation of specific economic policy belongs to the Central American Economic Council, formed by the five Ministers of Economy, and its implementation is carried out by the Executive Council and the Permanent Secretariat of the General Treaty (SIECA). As indicated in the ROCAP publication on Central American organizations, many other regional agencies are actively working on different fields of the integration program including the Central American Institute of Technology (ICAITI); the Joint Planning Mission; and the Central American School of Public Administration. Among the Central American private organizations the Central American Institute of Business Management (INCAE) and the Federation of Central American Chambers of Commerce and Industry (FECAICA) should be mentioned.

Finally, among the governmental lending agencies providing technical and financial assistance to the program are: the United Nations, the Inter-American Development Bank, Export-Import Bank, World Bank, and AID through ROCAP.

An important private source of capital for Latin America is ADELA (Asociación para el Desarrollo Económico de Latinoamerica).

PROJECTIONS AND PERSPECTIVES

According to different indicators, as well as analysts, the Central American economy should continue to move ahead in the years to come. Unless a decline occurs in the world's prices of its major export crops, production, income, and employment will continue rising.

It is the feeling of the Central American Bank that by the end of 1966, Central American intraregional trade could reach the $150 million mark. At the same time as the Common Market expands, the regional transportation and communication network completed, financial resources increased, and competition intensified, there will be greater incentives for private initiative to increase its efforts and take better advantage of the new opportunities of an expanding area.

As the agricultural sector is modernized, it should provide for an increased improvement in the living standard of the population's bulk and this will expand internal demand. The efforts already underway to increase Central American exports should improve the balance-of-payments position and through adequate fiscal and monetary policy, economic stability within a program of economic growth should be achieved.

In this process, the local private sector is expected to play a major role. At the same time, it is hoped that the flow of funds from foreign loans and private direct investments will increase thereby supplementing internal resources available for reaching the desired goals. To attract foreign capital to the area a full-scale program of promotional activities at regional level, is about to be launched. Moreover, Central America is sympathetically watching the movement already started towards the integration of the Latin American economy. The Central Americans hope to be able to make their contribution to making Latin America one of the growth regions of the world.

SECTION III. ROLE OF THE UNITED STATES

From the viewpoint of at least two Central American authorities who have participated from the beginning in the integration movement, the U.S. Government held to a "wait and see" position during the movement's formative years from 1951 to 1958. The United States became more active during the meeting of