under different political circumstances have only doubtful relevance. There is an evident urgent need to come to terms with the key problem of capital formation in less-developed countries--time and effort must be invested if this complex process is to be mastered under present circumstances. It is vitally important that governments and business keep the questions concerning development open. Such an openness would encompass a willingness to examine all possibilities for improvement in the developmental effort, all methods (however new) which could lead to an acceleration of capital formation in the LDCs.

The Fundamental Dilemma

The type of environment conducive to investment is to a large extent the result of development rather than a precondition to it. Ultimately the LDCs must assume the responsibility for maintaining such an environment, but it is concededly not in the interests of either the less developed or more developed countries to rely on the lengthy and perhaps unrepeatable processes of Western development. The goal is an accelerated and different process adapted to the economic needs of the less-developed countries, taking advantage of modern technology--something surely not beyond our capabilities.

Whatever may be the responsibilities of the less-developed countries in this crucial investment-development process, the most promising approach open to the more-developed countries is to examine realistically the ways and means of progress under existing conditions. Whether such an approach will be successful depends on the effective cooperation of the governments of the more-developed and less-developed countries as well as their businessmen.

The Attitude of Business

Should not the business community first of all attempt to distinguish and give its support to any proposal which could lead to an improvement in the economic stability of the LDCs? The fact that no proposal can be a panacea and the fact that some steps taken may fail completely, cannot be justifications to abandon the developmental effort. If new steps are to be tried, an open mind to the questions of development is of utmost necessity.

The business community already recognizes the importance of aiding the developmental process by encouraging and welcoming steps tending to reduce the chronic economic instability of many of the LDCs. Such steps include: