1. An abatement of inflation.

2. Integration in order to achieve an adequately sized market.

3. Improvements in physical infrastructure.

4. Improvements in institutional infrastructure, especially
   --an improved money market;
   --better capital access;
   --greater educational facilities.

5. Stabilization of export receipts.

6. Encouragement of indigenous private investment.

Economic stability cannot, of course, be the ultimate goal. Yet some degree of economic stability is a precondition to economic growth, which in turn is the means to higher living standards. Steps taken to improve the economic stability are, by nature, also political steps. Economic development is ultimately a political effort.

The next UNCTAD Conference in New Delhi will deal with some of the aspects of economic development in the hope of ameliorating the poverty of the LDCs. Proposals include commodity agreements, improved access for exports from the LDCs to the developed world, preferences for the manufactures and semi-manufactures originating in the LDCs, and financing provisions to protect LDCs from fortuitous losses in export earnings. A fresh look at these proposals is required. The criticism often directed at the LDC proposals in UNCTAD is that such proposals demand a hidden variety of aid, rather than genuine self-help, and this fact too readily becomes a rationalization for developed countries' opposition to such measures. A more positive view might well embrace such measures of indirect aid as preferences and tax incentives as a complement to the very limited program of direct aid by the MDCs.

The Encouragement of Private Investment in the LDCs

The processes of private investment and capital formation in the developing countries cannot be assumed to be identical to those of the more-developed countries. A different environment and a distinct heritage have created the necessity of new attitudes and new ideas. It is therefore essential for business to remain open to innovations and adaptations in order that private enterprise can be rendered relevant to the LDCs, so as to serve the interests of both parties.