

5. Joint enterprises. Such investments, made jointly with a local entrepreneur, may occasionally overcome the antagonism against foreign private investment in the less-developed countries. Such partnerships are not always economically possible; the success of a particular enterprise may depend on an efficiency which could be achieved only by control of the investing company in the more-developed country. A joint enterprise can at times, however, be an attractive alternative; its potentialities should not be dismissed. It should be recognized that stringent requirements for joint enterprises can deter foreign private investments which would otherwise be made.

These approaches are not to be dismissed as a negation of private enterprise--as long as time and managerial effort are committed to the investment, there is the risk of wasting it in comparison to gains of time and skill used elsewhere.

What a business firm ultimately decides upon must be "good business"--there must be a prospect of satisfactory earning opportunities if an investment is made in the less-developed country. It is, however, the responsibility of the business community to encourage and support all those steps which could lead to an environment in which such opportunities for earnings would be more likely to exist.

An Integrated Approach to Development

It has become increasingly apparent that a more integrated approach is required to development. The lack of such an approach has produced too many instances of projects, in themselves desirable, that have not in fact lived up to expectations, either because progress had not taken place in closely related fields or because in fact projects of far higher priority had been overlooked. Recent application of the "systems approach" to economic development has proven highly successful in ensuring that all inter-related areas are developed simultaneously, in harmony, and in order of priority so that the pitfalls of unused production are avoided.

Essentially the "systems approach" is a planning and evaluation concept in which all the major variables underlying a given sector of economic development are placed in a framework or "model". By changing these variables at will, their interrelationships can be studied, and the optimum course of action or the optimum combination of scarce resources can be selected to arrive at a pre-selected