

objective. Again, "optimum" can be defined in a number of ways such as lowest foreign exchange impact, or lowest capital investment, or lowest operating cost, or a combination of these. The "systems approach" by definition, attempts to identify all the elements which may have a bearing on the ultimate success or failure in achieving the desired objectives. As such, it must deal not only with quantifiable aspects of the problem, such as supply and demand, the logistics of site selection, profit potentials, etc., but also with questions of policy relating to prices, taxation, ownership, which sometimes depend more on political and social attitudes than they do on economics. Thus, a systematic cataloging of physical, technical and environmental conditions must precede the all-important questions of institutional or organizational format, or potential sources of financing in which private enterprise can play a decisive role.

Such an integrated and well-planned approach on a country or regional basis serves to provide the framework within which private enterprise is most likely to be attracted and to best perform its productive function. Governments and international organizations should focus increasing and urgent attention on this overall approach to development.

Conclusion

Development is an exceedingly complex process, encompassing cultural, political, psychological, and social, as well as economic factors. Economic and social gains can only take place where there is the political will for them. At present, MDCs and LDCs alike lack the political will; this seems apparent in the general tendency to understate the real difficulties in the way of development and in the desultory character of efforts to ameliorate admittedly intolerable conditions. Eduardo Frei Montalva, the President of Chile, writing about Latin America, asserted that:

The problem is not one of financial resources only, though at certain times these have been scant when compared with the legitimate needs of the region. It is essentially a political problem requiring the expression of the will to change, together with the acceptance of the measures needed to bring about this change.^{6/}

^{6/} Eduardo Frei Montalva, Foreign Affairs, April 1967, pp. 447-48.