

or employed some young Ph.D. to assist him in his large task of annotation.

However, despite these faults, mostly of minor significance, John Gunther has produced an important book from which the cautious reader may profit and which almost any reader may enjoy. This reviewer cannot close his appraisal without congratulating Gunther and his publishers. His latest volume deserves a place in any bibliography dealing with contemporary South America.

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El comercio internacional y el desarrollo de América Latina. [Comisión Económica para América Latina.] México, 1964. Fondo de Cultura Económica. Tables. Figures. Notes. Appendices. Pp. 396. Paper.

This report is the result of a detailed study of Latin American foreign trade authorized by the Economic Commission for Latin America for presentation at the United Nations Conference on Trade and Development which was held in Geneva from March 22 to June 16, 1964. It was prepared with the assistance of a distinguished group of government economic experts from the nineteen Latin American countries.

The first part of the report is an extensive analysis of Latin American trade. Well illustrated with carefully constructed charts and graphs, the study demonstrates to even the most casual reader the disappointing decline in traditional Latin American trade. In spite of increased volume in recent years, declining prices have reduced revenues to such an extent that serious deficits have appeared in the balance of trade of most Latin American countries. Yet these same countries are faced with the necessity of an increasing need for imports to feed an ever expanding population and to promote their modest development programs.

As the gap has widened between available revenues and funds needed to finance imports, larger and larger amounts of foreign capital in the form of investments, gifts, loans, and commercial credits have been needed to maintain the economic balance. Even these stopgap measures soon reach the point of diminishing returns, however, as larger and larger percentages of export revenues of necessity have to go to service existing and growing debts. A chilling projection into the future indicates further deterioration of the situation.

Desperate and even heroic efforts by many Latin American coun-

tries to resolve their difficulties have not been successful. Import restrictions and efforts at diversification and industrialization have been barely adequate to maintain the unhappy *status quo*. The problem as seen by the panel of experts rests with the structure of international trade. The Latin American countries, as well as many other developing countries in Asia and Africa, produce agricultural products, fibers, minerals, and other raw materials for the market in the developed (i.e. industrialized) countries. Because of the nature of the market, prices of primary products have fluctuated violently, while the prices of manufactured goods have remained relatively stable. A further discouraging note is that not only do the industrialized nations control the prices of raw materials and agricultural products by tariffs, quotas, and other trade restrictions, but by subsidizing competing agricultural products in their own countries they have contributed to a further depression of the world market in these items.

The solution as hopefully presented by the Latin American economic experts is the reorganization of international trade to take into account the special needs of the developing countries. Suggested are regional plans for economic integration and development of traditional export products, while industrial capacity is gradually built up. The experts propose that a new, permanent United Nations committee be formed to coordinate world trade and to assist such regional development by cooperating with the existing regional organizations and agencies already in operation.

While these proposals are important as representing a new departure in solving the economic problems of Latin America, their adoption depends in large part upon world good will. The real value of this report rests in the frank and detailed analysis it presents of the current economic situation in Latin America.

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Growth and Integration in Central America. By CARLOS M. CASTILLO. New York, 1966. Frederick A. Praeger, Publishers. Praeger Special Studies in International Economics and Development. Notes. Bibliography. Pp. x, 188. \$15.00.

The methodology and stilted style of this book appear to stem from the fact that it is actually a doctoral dissertation. This statement is not meant to detract from the solid scholarship evidenced throughout the study, which was certainly worth publishing, but it is too bad that the dynamic growth of the Central American Com-