

gained the impression that with the competence that is emerging a business philosophy might become apparent in South America. But you told us about the placement of resources, and this factor might change that.

DR. JAMES: Well, I would say that neither the presence or absence of resources or the bad positioning of resources constitutes an impediment that would stop a country from developing and developing a great deal. As, for example, in 1620, if you were a geographer with all the modern knowledge of New England, and the United States, would you have predicted the wealth of New England, the economic development of New England, or the resources of the sort that would support modern development?

The same kinds of handicaps can be overcome anywhere. So that I don't think that the bad positioning of resources does more than make development costly. It will cost more in terms of capital.

By the way, I would generalize, if you please, about Latin America, and not South America. I think one of the unfortunate things is the hangover in terms of continents as units of generalization. I insist that there must be culture regions and not continents. Any generalization which describes North America as including everything as far as Panama and lumps all this together, telling about the rate of population, for instance, obscures the real divisions in the world. That type of division obscures the facts rather than illuminates them. If you go to culture regions then you have something different.

Imagine a situation in which you insist upon taking only Europe