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ECONOMIC COMMISSION FOR LATIN AMERICA
Fifth Session
Rio de Janeiro, Brazil

COMMITTEE I (Current Economic Situation and Prospects)
PROVISIONAL SUMMARY RECORD OF THE EIGHTH MEETING
Held at Rio de Janeiro, on Wednesday,
22 April 1953, at 10 a.m.

CONTENTS:

Draft resolution and changes in the structure of trade,
submitted by the French delegation (Conference Room paper
No. 20);

Draft resolution on the Annual Economic Survey, submitted
by the Ecuadorian delegation (Conference room paper No. 21);

Draft resolution on terms of trade, submitted by the
delegations of Argentina, Bolivia, Brazil, Guatemala and
Uruguay (Conference room paper No. 45)

NOTE:

Any corrections to this record should be submitted in writing in any of
the working languages (English, French or Spanish) to the Executive
Secretary, Economic Commission for Latin America, Casilla 179-D, Santiago,
Chile. Corrections should be accompanied by or incorporated in a letter,
on headed note paper, bearing the appropriate symbol number and, preferably,
incorporated in a mimeographed copy of the record.

/PRESENT:

PRESENT:

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| <u>Chairman:</u> | Mr. VENTURA | Argentina |
| <u>Rapporteur:</u> | Mr. CASAS BLICENO | Venezuela |
| <u>Members:</u> | Mr. BALBOA) | Argentina |
| | Mr. MARTINEZ) | |
| | Mr. ALCAZAR | Bolivia |
| | Mr. MANGIA | Brazil |
| | Mr. RUIZ | Chile |
| | Mr. MEJIA PALACIO | Colombia |
| | Mr. CARDENAS | Ecuador |
| | Mr. QUESADA | El Salvador |
| | Mr. COTTIER | France |
| | Mr. NORIEGA MORALES | Guatemala |
| | Mr. HUDICOURT | Haiti |
| | Mr. ZAFORA | Mexico |
| | Mr. FEIN | Netherlands |
| | Mr. CASTILLO | Nicaragua |
| | Mr. McCULLOUGH | Panama |
| | Mr. BARRETO | Peru |
| | Mr. GODFREY | United Kingdom of Great Britain Northern Ireland |
| | Mr. ASHER | United States of America |
| | Mr. PASTORI | Uruguay |

Also present:Representatives of specialized agencies:

| | | |
|---------------------|-----------------|--|
| | Mr. MONTEIRO | International Labour Organisation (ILO) |
| | Mr. LARSEN | International Bank for Reconstruction and Development (IBRD) |
| | Mr. DEL CANTO) | International Monetary Fund (IMF) |
| | Mr. ROBICHEK) | |
| <u>Secretariat:</u> | Mr. URQUIDI | Secretary of the Committee |
| | Mr. MENDIVE | |

/DRAFT RESOLUTION

DRAFT RESOLUTION ON CHANGES IN THE STRUCTURE OF TRADE, SUBMITTED BY THE FRENCH DELEGATION (Conference room paper No. 20)

Mr. RUIZ (Chile) welcomed the French draft resolution and assured it of his delegation's support. He asked, however, for the addition of two further clauses in order to round off the proposals. The first was for the purpose of extending the Secretariat's analyses to include the possibilities of the respective regions to satisfy future demand, and the second to empower the Executive Secretary to convene a group of experts, if deemed necessary, to advise him on the various aspects of the studies.

Mr. PASTORI (Uruguay) also warmly endorsed the French draft resolution. Regarding the Chilean representative's second proposed amendment, he stated that Committee V had already approved a resolution for submission to the plenary, giving the Executive Secretary a general authorization to call upon the services of experts in carrying out studies. That would obviate the need for a special clause in the French draft resolution.

Mr. BARRETO (Peru) also felt that no special authorization would be needed in the French draft resolution.

Mr. MANGIA (Brazil) gladly accepted the French proposals, in view of their importance for the economy of his country. He suggested the deletion of the word "primary" before "products" in sub-paragraph 2(b); that would bring the proposal more into keeping with future Latin American interests.

Mr. COTTIER (France) had no hesitation in accepting the first Chilean amendment in principle; the exact wording would perhaps have to be worked out. He also willingly agreed to the Brazilian suggestion, the effect of which would be to broaden the scope of the study.

Mr. ASHER (United States) expressed his delegation's support for the French draft resolution, which was admirably conceived. It was generally recognized that too much reliance could not be placed on estimates of supply and demand for a future period. Nevertheless, it was important to plan for the future and secure some guidance for economic policies.

With reference to the proposed amendments, he found the Brazilian suggestion acceptable. The first Chilean amendment needed some modification, however, since the draft resolution dealt with trade between countries, not between regions as such. He therefore suggested the following wording as more appropriate: "the possibility that the respective countries will be able to satisfy the future demand".

The second Chilean amendment was indicative of a growing trend and, while the United States delegation would not oppose the convening of a group of experts in this case, if deemed essential and within budgetary possibilities, he still felt that the topics of the proposed studies were such as might be more appropriately discussed in regular ECIA meetings.

Mr. RUIZ (Chile) agreed to the substitution of the word "countries" for the word "regions" in his first proposed amendment.

This amended version of the first Chilean amendment was approved.

The Brazilian amendment was approved.

Mr. HUDICOURT (Haiti) endorsed the United States representative's remarks regarding the second Chilean amendment. The limitations imposed by the budget had to be kept in mind. Moreover, no special authorization was necessary since it was always open to the Secretariat to call upon the services of experts, where required.

Mr. GODFREY (United Kingdom) also expressed some misgivings on the subject. The multiplication of such authorizations might lead to some difficulty for the Secretariat in setting priorities.

Mr. MARTINEZ (Argentina) pointed out that the resolution mentioned by the Uruguayan representative referred to intra-regional trade in Latin America. The broader scope of the French draft resolution would necessitate experts with a wider knowledge. Hence, there was no inconsistency in including a special provision in the French text.

Mr. URQUIDI (Secretary) stated that the practice had been for the Commission to adopt its programme of work for the coming year and then to set priorities in conformity with budgetary possibilities. The point at issue now, however, was one of authorization. Estimating future supply and demand was a highly specialized task. The Secretariat might therefore have to call upon the services of qualified experts for the purpose.

Mr. NORIEGA MOYALES (Guatemala) said that he had first inclined to the United States view but, in the light of the Secretary's explanation, he would now be prepared to support the second amendment proposed by Chile.

Mr. RUIZ (Chile) thought that all views might be met by the substitution of the word "consult" for the word "convene" in his proposed text.

Mr. PASTORI (Uruguay) did not agree with the procedure of including a special authorization clause in one draft resolution. That tended to give undue importance to the topics in the resolution in question. The Executive

/Secretary should

Secretary should be given a general authorization to consult expert advice in connexion with any of the studies recommended by the Committee.

The second Chilean amendment, as amended, was approved by 10 votes in favour and 8 against.

The French draft resolution (Conference room paper No. 20) was approved, as amended and subject to slight drafting changes.

DRAFT RESOLUTION ON THE ANNUAL ECONOMIC SURVEY SUBMITTED BY THE DELEGATION OF ECUADOR (CONFERENCE ROOM PAPER NO. 21)

Mr. BALBOA (Argentina) recalled that during the general debate his delegation had drawn attention to certain inaccuracies in the Economic Survey 1951-1952, and proposed the addition to the Ecuadorean draft resolution of a paragraph recommending that the Secretariat should take into account the comments made on the study in the course of the debate. (Recomienda a la Secretaría Ejecutiva que tenga en cuenta las observaciones que se han formulado a este estudio en el curso de los debates.)

Mr. BARRERO (Peru) supported the substance of the draft resolution, but proposed certain minor amendments, with the aim of avoiding committing Governments to provide statistical data which might be confidential or might not be readily available.

Mr. ALCAZAR (Bolivia) pointed out that the information required by ECLA was the normally published statistical material and would not involve confidential data. He suggested the following wording: "Recommends Governments where possible, to furnish the Secretariat, periodically and in due form (oportunamente), through their competent bodies, with the available statistical data it requires for preparing the Annual Economic Survey".

That wording was approved.

Mr. ASHER (United States) proposed that in the last paragraph the word "economists" should be replaced by "qualified personnel" which would be broader in scope.

With regard to the Argentine amendment, he had no objection to the Secretariat's being asked to correct the figures given in the Survey, but since the latter was prepared on the Secretariat's responsibility, it should not be required to change its analysis of the economic situation.

Mr. HUDICOURT (Haiti) proposed the insertion in the preamble of a paragraph reading: "Taking into account the resolution adopted at the fourth session of ECLA on the Annual Economic Survey", since the draft resolution under consideration was directly related to that resolution.

It was so agreed.

Mr. NORIEGA MOHALES (Guatemala) said the amendment proposed by the Argentine representative might appear to imply criticism of the Secretariat's work in the Economic Survey, and suggested that the Argentine representative might be satisfied by the inclusion of a paragraph expressing his point of view in the Rapporteur's report.

After some further discussion of the Argentine amendment, Mr. AICAZAR (Bolivia) proposed that, in order to save time, the resolution should be referred to a working group, which could draw up a final version for submission to the Committee taking account of all the views expressed.

That proposal was adopted by 12 votes, and a working group was set up composed of Argentina, Bolivia, Ecuador, Guatemala and Haiti.

JOINT DRAFT RESOLUTION ON TERMS OF TRADE SUBMITTED BY THE DELEGATIONS OF ARGENTINA, BOLIVIA, BRAZIL, GUATEMALA, AND URUGUAY (Conference room paper No.45)

Mr. NORIEGA MOHALES (Guatemala) presented the joint draft resolution produced by the working group appointed to consolidate the five draft resolutions originally submitted on terms of trade.

The task of the group had not been easy, but a strong spirit of co-operation had been displayed, and he was confident that the final version would prove satisfactory both to the delegations who had originally submitted resolutions and to those who had expressed their views on the question of terms of trade at the previous meeting. It had, at one point, been suggested that it might be necessary to have two resolutions, but it had finally been decided that a single text would be preferable since it would give a more general and balanced view of the problem.

He briefly analysed the structure and main provisions of the resolution, and intimated that, while he felt it provided a fairly satisfactory consensus of the opinion which had emerged from the previous day's debate, he would welcome any suggestions for its improvement.

The meeting rose at 1.05 p.m.