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ECONOMIC COMMISSION FOR LATIN AMERICA
Sixth Session
Bogotá, Colombia

COMMITTEE II

(Economic Development and Technical Assistance)

PROVISIONAL SUMMARY RECORD OF THE SECOND MEETING

Held at Bogotá on Monday

5 September, 1955, at 10.25 a.m.

Note: Corrections to this record should be submitted in one of the three working languages (Spanish, French or English) and addressed to Mr. Alfonso Santa Cruz, Secretary of the Conference within 48 hours. The corrections should be accompanied by a note or written on headed notepaper and should give the symbol of the summary record in question, or, better, be made on a mimeographed copy of the record.

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General discussion

PRESENT:

<u>Chairman:</u>	Mr. MULLER	Venezuela
<u>Rapporteur:</u>	Mr. GUERRERO	Nicaragua
<u>Members:</u>	Mr. VALLADARES	Argentina
	Mr. PATRIOTA	Brazil
	Mr. ORTIZ LOZANO	Colombia
	Mr. HESS	Costa Rica
	Mr. DIAZ MASVIDAL	Cuba
	Mr. NAPPE	Chile
	Mr. PITARQUE	Ecuador
	Mr. RAMIREZ	El Salvador
	Mr. HOWE	United States of America
	Mr. DU PAVILLON	France
	Mr. HUDICOURT	Haiti
	Mr. BUESO ARIAS	Honduras
	Mr. ZAMORA	Mexico
	Mr. CASTILLO	Nicaragua
	Mr. VAREKAMP	Netherlands
	Mr. McCULLOUGH	Panama
	Mr. WRIGHT	United Kingdom
	Mr. GINEBRA ENRIQUEZ	Dominican Republic
	Mr. BERMUDEZ	Uruguay
	Mr. ALAMO BLANCO	Venezuela

/ Also present

Also present:Observer from a Member State:

Mr. BJORCK	Sweden
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Observer from non-Member States:

Mr. FIORIOLI DELLA LENA	Italy
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Mr. MINORA TARATA	Japan
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Mr. ALFARO Y POLANCO	Spain
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Representatives of Specialized Agencies:

Mr. AMIOT	Food and Agriculture Organization
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Mr. LARSEN	International Bank for Reconstruction and Development
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Mr. LASSO	(International
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Mr. VERA	(Monetary Fund
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Representative of an inter-governmental agency:

Mr. AMADOR	Inter-American Economic and Social Council
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Representative of non-governmental organizations:Category A:

Mr. LUNAZZI	International Chamber of Commerce
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Mr. CARDENAS	International Confederation of Free Trade Unions
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Miss KAHN	(World Federation
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Mr. TOLEDANO	(of Trade Unions
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Secretariat:

Mr. MARTINEZ CABAÑAS	Deputy Director, Technical Assistance Administration
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/ Mr. AHUMADA

Secretariat: (Cont'd)

Mr. AHUMADA	Director, Economic Development Training Programme
Mr. URQUIDI	Mexico City Office
Mr. FURTADO	{ Secretary of the Committee
Mr. GANZ	

GENERAL DISCUSSION

The CHAIRMAN invited the chief of the Economic Development Training Programme to introduce the report on the programme (E/CN.12/376).

Mr. AHUMADA, Chief of the Programme, summarized the report, stating that its main purpose was to prepare professionals who could co-ordinate the views of specialists in different fields into an integrated economic development programme.

The Latin-Americans graduated from the Programme had done commendable work in their own countries and in international organizations and the fact that five of them were delegates to the sixth ECLA Conference was a proof of recognition on the part of their governments.

One of the handicaps found in training was the lack of literature, but the sponsoring organizations had undertaken to surmount that difficulty by preparing ad hoc material. He mentioned as an instance a manual on the preparation and evaluation of investment projects which would be ready in about six months and would be of use all over the world.

Another problem connected with the course was its limited size; only 12 to 14 persons could be trained given the research facilities existing at present in ECLA. As a solution an intensive programme of three months duration would be offered in an experimental way in Bogotá from September to December. If successful, it would be followed by similar courses elsewhere.

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Although the graduates' work had been satisfactory, many had reported that their capacities were not being fully utilized, mainly due to the absence of a central co-ordinating body for economic policy; the inability to work in teams for lack of sufficient specialists, and the fact that they did not earn enough to enable them to devote their full time to the work for which they had been trained. He hoped that delegations would help to find solutions to those problems.

Mr. ZAMORA (Mexico) said that to overcome the difficulty of dovetailing domestic and international technical assistance programmes, his country proposed establishing a national technical assistance board, which would co-ordinate regional, state and municipal technical assistance activities. Such a Board would provide a more effective system for utilizing technical assistance and would be able to integrate it with the problems and programmes of economic development affecting the economy as a whole. It would also determine the total amount of assistance required and, since not all requests could be met, it could establish priorities and arrange for the most efficient application of technical assistance.

The United Nations TAB could assist by helping to establish the national board in the first place and by making an inventory of requirements and collaborating in the execution of projects. Other countries might consider setting up similar bodies.

He fully agreed that the number of graduates issuing

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from the Economic Development Training Centre was quite insufficient. Moreover, the location of the Centre made it difficult for Mexico to send many experts, especially as it was almost impossible to dispense with the services of high officials for the best part of a year. He suggested that, in addition to the special three-month courses referred to by the Director of the Programme, correspondence courses be arranged to help prepare staff for applying economic development at universities. He would submit his proposals in writing in due course.

Mr. VAREKAMP (Netherlands) said that the Netherlands, which had had some centuries of experience of promoting development, particularly in the Far East, was only too glad to place that experience at the disposal of the United Nations family. Quoting a speech made on 18 June 1955 by the Queen of the Netherlands said that, while fully appreciating the value of bilateral assistance, opinion in her realm was overwhelmingly in favour of technical assistance on a multilateral basis - mainly under United Nations auspices.

Netherlands' technical assistance contributions to the United Nations programmes had risen from 0.4 million dollars in 1952 to a prospective 0.66 million in 1955. Moreover, his Government, in response to TAB's request for longer-term

/ guarantees, had

guarantees, had already announced that its contributions would continue at the same level, at least, for the next three years.

Of the 205 Netherlands experts working under the auspices of international organizations in 1954, 24 were active in various fields in Latin America, particularly in coffee and tobacco growing, dairy-farming, forestry, irrigation, hydro-metallurgy, hydro-geology, settlement, printing and nursing.

Since it was often difficult to detach experts from their duties for a long period, the Netherlands Ministry of Agriculture had evolved an interesting scheme under which young specialists were attached as assistants to the experts sent to the various countries with a view to creating a reserve of qualified staff.

Mr. HUDICOURT (Haiti) observed that, having already dwelt on the advantages and problems of technical assistance, and particularly the lack of co-ordination and background economic study at the Commission's fifth session, he did not propose stressing those points any further. The decision to leave economic development programming to governments was an excellent one. Governments must, however, be capable of performing that task and TAA should, hence, stress the need for governments not only to set up, but also to ensure the proper working of, National Technical Assistance Committees. In that connexion, he welcomed the proposal made by the Mexican representative for the establishment of a national

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board instead of a purely inter-ministerial committee, but he would reserve final judgement for the moment.

Many Latin-American countries were carrying out economic development projects unconnected with any coherent scheme, or over-all perspective of problems and programmes of economic development. As a consequence, the ultimate value of the projects was open to the question. That meant that technical assistance was being wastefully applied. Latin-American Governments should, therefore, endeavour to apply the technique of programming in formulating economic development policies, and to study the problems of development of the economy as a whole, as advocated in Commission resolution 48 (V). It would then be much easier for both the National Committees and TAA to assure the soundness and usefulness of the various requests. The Economic Commission for Latin America must assist governments in that matter. Haiti had no integrated development programme, as yet.

While a great deal had already been achieved in most Latin-American countries through technical assistance supplied by TAA, the specialized agencies or other bodies such as the Inter-American Economic and Social Council or the United States Foreign Operations Administration, he welcomed the suggestion by the Director of TAA that there might well be an expansion of the United Nations activities. His Government was, generally speaking, so satisfied with the aid it had received that it almost invariably applied to some source of

/technical assistance

technical assistance whenever studying any economic development project - a practice worthy of imitation by other governments in the hemisphere. There need be no false pride about applying for help, as most countries gave as well as received. Haiti, for instance, though one of the more under-developed countries, had been able to provide experts in certain special branches.

Referring to the suggestion of the Director of TAA regarding increased contributions from Latin-American countries, he recalled his references at the Commission's previous session to the contradiction inherent in calling for more assistance, while remaining very reluctant to increase contributions. His experience as a member of the United Nations Committee on Extra-Budgetary Contributions had taught him how difficult it was to obtain increased funds or even payment of the sums pledged. Already, in 1952, however, he had persuaded his own Government to double its contribution. Clearly, there was no point in passing another resolution if it was to remain a dead letter, but he would urge representatives, when reporting to their Governments, to stress the need for increased contributions.

He hoped that TAA would bear in mind the offers of assistance made at the session by various delegations and in particular by that of France, from which, by reason of a common language and cultural affinities, Haiti preferred to draw its experts.

He fully agreed with the Director of the Economic Development Training Programme that the chief cause of failure
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to make full use of graduates was the absence of integrated programmes of economic development. Development studies of the economy as a whole were needed to facilitate the optimum use of technical assistance.

Mr. MASVIDAL (Cuba) said that from the early days of ECLA, Cuba had shown an active interest in technical assistance. In general, Cuba's needs coincided with those of the other Latin-American countries, and the co-ordination of technical assistance provided through the National Economic Council had proved most valuable. A preliminary plan had now been completed for a national economic programme which would enable Cuba to define its technical assistance needs in a more appropriate way in accordance with the Mexican representative's suggestion for technical assistance co-ordination - a suggestion which Cuba welcomed.

Mr. ORTIZ LOZANO (Colombia), outlined the steps taken so far by Colombia for the co-ordination of technical assistance, and described the work of the National Planning Council, the general technical assistance co-ordination body set up specially for the purpose under Colombian law.

To be fully effective, technical assistance must be integrally related to an over-all economic development programme. Technical assistance was a method by which countries develop their resources; hence it was essential to plan it in a co-ordinated manner so as to make the maximum use of the resources available. In Colombia, technical assistance had

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given the best results where it had been applied to specific, well-defined projects. As an example, he quoted the re-organization of the Colombian National Department of Statistics. The technical assistance mission which had assisted in the re-organization operation had not confined itself to writing reports but had stayed in the country long enough to see the scheme through and to train Colombian personnel to carry on after its departure.

Apart from co-ordination, another important aspect was to decide where the limited technical assistance resources available should be applied; in other words, to establish priorities; and a high priority should be given to the technique of administration of economic development programmes, since ultimately the State was responsible for economic development. Technical assistance would be entirely wasted unless the technique of programme administration was properly organized first. For that reason, Colombia's first order of priority for technical assistance in agriculture was less concerned with the solution of specialized problems than with the reform and co-ordination of all the bodies which had to do with agriculture. In addition to requests for experts in special fields of agriculture, such as distribution of agricultural products, conservation of soil, feeding stuffs, etc., Colombia has asked for a co-ordinator who would integrate the work of the specialized experts.

In its turn, the Government had the responsibility for

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organizing efficient state and municipal services, and for ensuring that problems of co-ordination were solved in the light of a general policy at the national and regional level.

Mr. RAMON (Argentina) said that side by side with the active part played by other countries in the technical assistance programmes of the United Nations and the Organization of American States, a significant and unofficial technical assistance had been given in the form of training in Argentine universities, which were attended by three thousand six hundred students from other countries.

The type of technical assistance needed by the Latin-American countries differed according to their level of development. Argentina's chief need was for the high level type of technical know-how, rather than expert assistance in a more general sense.

Argentina was well aware of the importance of co-ordination, and had set up a body to deal with that aspect of technical assistance under its Technical Affairs Secretariat. As a result, the Argentine Government was now able to plan ahead with greater confidence. For the programme period 1955-56, Argentina had an integrated programme of technical assistance.

With regard to the utilization of technical assistance resources, the system had a certain inflexibility which hampered its beneficiaries. In the same way, the distribution of resources left something to be desired. It should be possible

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Economic Development (in Santiago) so as to make its facilities available to all the different countries was excellent. That could be accomplished if ECLA could provide training course materials, outlines, and bibliography, so that economic development training courses could be held in national universities. Clearly, as the Mexican representative had said, there were many countries which could not afford to deprive themselves of their personnel for any considerable length of time.

Mr. du PAVILLON (France) said that the highly satisfactory report on the missions carried out by French experts in Latin America in 1954, in connexion with the United Nations Expanded Technical Assistance Programme, made it clear that France was anxious to play its full part in the provision of technical assistance to the Latin-American countries in every branch of activity. The frequent selection of French experts, on account of both their high capacities and the similarity between the French and Latin-American way of thinking, was most gratifying. At the same time, France had received fellows in a variety of fields, and it would be an excellent thing if fellowship grants were the normal corollary to every technical mission.

France was also interested in participating in ECLA's economic development training programmes, and in the educational centres set up by the United Nations in Central America and

/Brazil. Well-defined

Brazil. Well-defined schemes of that kind were most valuable in developing the spirit of international co-operation, understanding and peace, and the sooner research studies were available on the actual outcome of technical assistance in Latin America, the sooner the Technical Assistance Administration would be able to perfect its methods.

Along with its contribution to technical assistance under the United Nations, France had carried out a considerable plan of its own for technical assistance to countries undergoing development. The plan comprised fellowships for members of the professions, expert missions, and the establishment of technical schools. Thus France's interest went far beyond the mere provision of capital equipment.

It was to be hoped that with the help of up-to-date methods, the Latin-American countries would benefit by the experiences of the older industrialized countries, and avoid the pitfalls involved in adapting rural populations to industrial life.

France had so far contributed to every aspect of technical assistance and it hoped to continue to send out expert missions to complete the task of raising the standard of living and the status of the individual.

Mr. BUESO ARIAS (Honduras) said that in his country responsibility for technical assistance at the Central American and national levels was in the hands of the recently-formed National Economic Council. In its early stages, the Council
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had been faced with a complex series of problems, but it had rapidly succeeded in bringing some order into the various requests for technical assistance. The Council handled all aspects of technical assistance - supervision, co-ordination and fellowships, the fellowship programme being of particular importance for Honduras. The idea of a special committee for technical assistance matters did not appeal to his Government, since the Council was handling the matter satisfactorily and was hoping to incorporate all technical assistance projects into the country's general economic development programme by 1957.

Honduras would certainly welcome any suggestion for extending training schemes along the lines suggested by the Mexican representative, to cover personnel who could not easily be spared by their national administrations - a major difficulty in countries like his own.

Mr. CASTILLO (Nicaragua) found himself largely in agreement with the Mexican representative, especially in regard to the third point made by the latter. The fruitful work being done in Santiago in regard to training might will be extended still further to cover the whole field of economic problems of the various countries. There were bottlenecks in various sectors of the economy to be coped with, and he suggested that the Mexican representative include in his resolution the proposal that the training programmes be arranged to cover training schemes of a regional kind.

The CHAIRMAN,

The CHAIRMAN, speaking as representative of Venezuela, said that since 1953 the Venezuelan Government had attached great importance to the question of technical assistance, which was now governed by appropriate legislation. It was too early to enumerate achievements, but the prospects were good for achieving a complete integration of economic development programmes with technical assistance projects by 1956.

In the course of the debate, he had been struck by the points of similarity between the various types of proposals and organizational schemes outlined; and he wondered if a resolution might not be adopted asking the Technical Assistance Administration to compile a comparative list giving the details of the various types of technical assistance organizations with the view to the ultimate adoption throughout Latin America of the system which had operated most satisfactorily.

He agreed with the Argentine representative as to the need for greater flexibility in the use of technical assistance resources. In the countries of Latin America more than elsewhere, complex problems arose which made planning ahead extremely difficult. He quoted an instance where the difficulty in finding the right type of experts for a specific scheme in Venezuela had meant that nearly half the technical assistance allocation had remained unused. Such things were inevitable, and while the new system of distribution of technical assistance would help, a greater measure of elasticity would also produce better results.

/Mr. LARSEN

Mr. LARSEN (International Bank for Reconstruction and Development) gave a brief account of the proposed Economic Development Institute to be sponsored by the International Bank. Its faculty would consist of four members, two of them Bank officials and two from outside. Those taking part in the courses would be senior officials responsible for economic development matters under their national administrations. To avoid the difficulty arising from the prolonged absence of key officials from their countries, the course would be an intensive one of six months, during which the economic, engineering, financial and administrative aspects of technical development programmes and projects would be examined, with the help of examples from the Bank's files and assistance from the officials of the Bank who had handled the particular cases studied. Of some fifteen fellows selected so far, Latin America was represented by three - from Colombia, Ecuador and Haiti respectively.

The CHAIRMAN suggested that in order to expedite the work of the Committee, a working group consisting of the representatives of Mexico, Argentina, Haiti, France and Colombia meet in the afternoon to draft a resolution, on technical assistance to be considered at the next meeting on Tuesday at 3 p.m. It was so decided.

The meeting rose at 12:40 p.m.