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ECONOMIC COMMISSION FOR LATIN AMERICA
Sixth Session
Bogotá, Colombia
29 August 1955

PROVISIONAL SUMMARY RECORD OF THE FIFTY-THIRD MEETING

Held at Bogotá on Monday, 29 August, 1955 at 3.20 p.m.

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PRESENT:

Acting Chairman:	Dr. RAUL PREBISCH	Executive Secretary
Chairman:	Mr. CARLOS VILLAVEGES	Colombia
Rapporteur:	Mr. GEORGES PICOT	France
Members:	Mr. PÉREZ VILLAMIL	Argentina
	Mr. ARCE	Bolivia
	Mr. DE ANDRADE	Brazil
	Mr. ARCHILA MONROY	Colombia
	Mr. FERNANDEZ DURAN	Costa Rica
	Mr. LOPEZ ISAZA	Cuba
	Mr. DEL PEDREGAL	Chile
	Mr. PONCE ENRIQUEZ	Ecuador
	Mr. RAMIREZ	El Salvador
	Mr. RANDALL	United States of America
	General YDIGORAS FUENTES	Guatemala
	Mr. HUDICOURT	Haiti
	Mr. NEWTON	Netherlands
	Mr. ARIAS	Honduras
	Mr. ZAMORA	Mexico
	Mr. GUERRERO	Nicaragua
	Mr. McCULLOUGH	Panama
	Mr. GALEANO	Paraguay
	Mr. BAKULA PETIÑO	Peru
	Sir KEITH JOPSON	United Kingdom
	Mr. GINEBRA	Dominican Republic

Members (contd.)

Mr. LACARTE Uruguay

Mr. MULLER Venezuela

ALSO PRESENT

General-in-Chief Gustavo ROJAS PINILLA,
President of Colombia

Observers from
Member States

Mr. ALMASY Czechoslovakia

Mr. KOT Poland

Mr. BJORK Sweden

Observers from non-
Member States

Mr. ALFARO Y POLANCO Spain

Mr. FIORILLO della LENA Italy

Specialized agencies represented:

International Labour

Organisation

Food and Agriculture

Organisation

United Nations Educational,

Scientific and Cultural

Organisation

International Civil

Aviation Organization

International Bank for

Reconstruction and

Development

International Monetary Fund

World Health Organization

/Specialized

Specialized agencies represented (contd.)

International Children's
Emergency Fund
Office of the United Nations
High Commissioner for Refugees

Inter-governmental agencies represented

Inter-Governmental
Committee for European
Migration
Inter-American Economic and
Social Council

Non-governmental organizations represented

Category A:

Inter-Co-operative
Alliance
International Confederation
of Free Trade Unions
International Federation of
Christian Trade Unions
World Federation of Trade Unions
World Federation of United Nations
Associations

Category B and Register:

Inter-American Council of Trade and
Production

Secretariat:

Mr. Dag HAMMARSKJOLD Secretary-General
Mr. PREBISCH Executive Secretary of the Commission
Mr. SANTA CRUZ Secretary to the Conference

OPENING OF SESSION

The ACTING CHAIRMAN, after apologizing for the unavoidable absence of Mr. LODI, Chairman of the Commission's Fifth Session, declared the Sixth Session open, and invited the Commission to elect its officers.

ELECTION OF OFFICERS

Election of Chairman

Mr. RANDALL (United States of America) nominated Mr. VILLAVECES (Colombia).

Mr. PEREZ VILLAMIL (Argentina) supported the nomination of Mr. VILLAVECES.

Mr. VILLAVECES (Colombia) was elected Chairman by acclamation.

Mr. VILLAVECES (Colombia) took the Chair.

The CHAIRMAN thanked the Commission for the honour shown to him as representative of Colombia. He would do his utmost to ensure that the session was a success.

Election of First Vice-Chairman

Mr. DEL PEDREGAL (Chile) nominated Mr. PEREZ VILLAMIL (Argentina).

Mr. GUARCA (Dominican Republic) supported Mr. PEREZ VILLAMIL's nomination.

Mr. PEREZ VILLAMIL (Argentina) was elected first Vice-Chairman by acclamation.

Mr. PEREZ VILLAMIL (Argentina) thanked the Commission.

/Election of

Election of Second Vice-Chairman

Mr. GUERRERO (Nicaragua) nominated Mr. RAMIREZ (El Salvador).

Mr. LOPEZ ISAZA (Cuba) supported the nomination of Mr. RAMIREZ.

Mr. RAMIREZ (El Salvador) was elected second Vice-Chairman by acclamation.

Mr. RAMIREZ (El Salvador) expressed his gratitude to the Commission.

Election of Rapporteur

Mr. FERNANDEZ DURAN (Costa Rica) nominated Mr. GEORGES PICOT (France).

Mr. LACARTE (Uruguay) supported the nomination of Mr. GEORGES PICOT.

Mr. GEORGES PICOT (France) was elected Rapporteur by acclamation.

Mr. GEORGES PICOT (France), after recalling his previous connexion with Latin America and the United Nations Secretariat, thanked the Commission for thus honouring him.

The CHAIRMAN proposed that the representatives of Chile, Costa Rica, the United States of America and Venezuela, together with Mr. Patiño, Liaison Officer of the Colombian Government and the Executive Secretary of the Commission, constitute a committee to receive the President of Colombia and the Secretary-General of

/the United

the United Nations.

It was so agreed.

The meeting was suspended at 3.40 p.m. and resumed at
4.30 p.m.

ADDRESS BY THE PRESIDENT OF COLOMBIA

His Excellency General-in-Chief Gustavo Rojas Pinilla, President of the Republic of Colombia, welcoming the Delegates and Observers on behalf of the people and Government of Colombia, said that the far-reaching significance of the task entrusted to the United Nations was thrown into relief by the critical nature of our times. The human race was faced as never before with the choice of total extermination or amazing possibilities of progress in all spheres.

In the dramatic circumstances prevailing today, the essential task of the United Nations was to promote international co-operation in order to ensure peace and security. It therefore embodied the aspirations of mankind in the present-day world, and its best, indeed its only hopes. Under its great Charter, the United Nations had a further task, namely, to contribute to the improvement of social and economic conditions throughout the world, and particularly in the less developed regions.

At the recent commemorative meeting in San Francisco, due recognition had been given to the great work carried out by the

/United Nations

United Nations during its ten years of existence; and the representatives of all the Member Nations, great and small, had again expressed their confidence in it and agreed on the need to grant it still greater support in order to make its work increasingly effective.

As the instrument of the United Nations at the regional level, the Economic Commission for Latin America had already more than justified expectations during its short period of activities.

The last few decades had crystallized the inevitable future destiny of the Latin American countries. People which had remained for a long time in a state of economic stagnation and had achieved little progress towards economic freedom even after they had achieved political independence, were making a bold bid for better living conditions and the full development of their potentialities, in a manner unparalleled in history.

The time had come when Latin America's economic redemption could no longer be postponed. That, together with the renewal of impetus by the great industrial powers and the awakening of Asia, constituted one of the key events of our times. As Bolívar had said, America's liberty was the hope of the world, and that liberty was now acquiring an indispensable basis in a sound economic development.

One of the most serious obstacles to progress in the Latin

/American countries

American countries was the lack of accurate data as to their real economic situation and the methods applicable to it. Economic surveys and research carried out in Europe and the United States were based on a study of the characteristic phenomena of those particular regions; and hence the results were not wholly applicable to the Latin American economy, nor did they take account of a number of peculiarities. That was why Latin America had from the outset realized the need to revise its economic thinking in the light of its own peculiar phenomena and circumstances.

That illustrated both the task and the significance of the Commission, which had already played its part in compiling technical data on Latin American economy, interpreting them carefully, and planning schemes based on an exact appraisal of the region's economy. Thus ECLA was largely responsible for the progress achieved in recent years in defining economic development problems and bringing their significance home to official and private circles. Its reports had played a valuable part in the campaign against improvisation, superficiality and empiricism, and had helped to clarify fundamental issues such as the urgency of industrialization in Latin America. Again, its recommendations had influenced the policy of the Latin American Governments and the trend of ideas on economic co-operation within the region and with North America and Europe, while its

/help had

help had been most valuable in the preparation of economic integration planning for Central America - a scheme which was progressing satisfactorily and was regarded with sympathy by the rest of the Latin American countries.

The many documents to be considered at the current session constituted a noteworthy contribution to the study of the main aspects of Latin American economy, and did credit to the fine work of the Secretariat of the Commission, under the admirable direction of Mr. Raúl Prebisch, and of the eminent economists and experts co-operating with the Commission.

He took the opportunity of thanking the ECLA Secretariat most sincerely for its excellent study on the economic development of Colombia, which shed new light on the problem and would prove invaluable for his country.

The ECLA surveys of 1953 and 1954 revealed that the promising rate of development achieved by the Latin American economies as a whole during 1945-52 had slowed down considerably during the last two years. That fact had important implications and deserved the particular consideration of all the members of the Commission and of the United Nations. It was not due to any slackening of efforts to develop resources, but to the mounting up of the obstacles, especially those arising out of the gradual disappearance of favourable factors following the Second World War; and it demonstrated the inescapable need for still greater efforts to achieve a faster rate of development. Not only was
/an improvement

an improvement called for in domestic policy, but an intensification of international co-operation was also necessary, and in that respect, the unity of the Latin American peoples, which in reality formed one great nation, implied a far-reaching co-ordination of their economies.

International economic co-operation must be founded primarily on the joint protection of those basic export products vital to Latin America, without prejudice to increase financial and technical co-operation. In a just world today, Latin American labour must be on an equal footing with that of other regions. For that reason, joint protection of the Latin American economy referred not merely and exclusively to the countries of the region, since it was also a matter of concern and interest to powers which purchased Latin America's export products.

In the financial field, steps had been taken which warranted the attention of the Governments of the region. The most important, the plan to establish an Inter-American Bank, was based partly on ECLA recommendations and was at present being studied by the Inter-American Economic and Social Council. It was greatly to be desired that that idea be put into practice as soon as possible, since it had been under consideration for more than half a century, ever since the first Inter-American Conference.

Just as society, in its own interest, sought to level-up the differences between rich and poor, so the international world

/sought to

sought to raise the under-developed regions to a level at which they could benefit from the achievements of the great industrial powers. The selfish policies of the past had today been superseded by the concepts of co-operation and international economic solidarity, the best expression of which were the foreign aid programmes developed during the post-war period by the United States, a country marching in the van of the free world and providing the most outstanding example of human solidarity that history had ever known.

ECLA had an ever-increasing and important role to play in Latin American development, lending its assistance in the practical implementation of international co-operation and in the adoption of economic methods to suit national means. At the same time, as a new type of association, ECLA gave new life and strength to the close and friendly relations between twenty similar nations and as such, deserved the whole-hearted support of all the Latin American Governments.

It was his privilege and pleasure as President of Colombia, to open the Sixth Session of the Commission, distinguished by the presence of the Secretary-General of the United Nations, Mr. Dag Hammarskjöld, whose most valuable efforts in defence of human ideals had earned the admiration of all. He welcomed the representatives of Member Governments and of those nations or institutions which were attending in a consultative capacity, and wished the session every success.

/The SECRETARY-

The SECRETARY-GENERAL thanked the Colombian Government for its support of the United Nations and for the gracious hospitality it had extended to the Commission. He wished Colombia every success in its efforts to further its economic and social progress

At its recent session, the Economic and Social Council had recognized the impact of the work of the Commission, and the Executive Secretary, Dr. Raúl Prebisch, together with the Executive Secretaries of the two other regional economic commissions, had made valuable contributions to the debate on the world economic situation; he himself had also had the opportunity of emphasizing the increasing importance of the Council's annual review of the work of those commissions.

Both the General Assembly and the Economic and Social Council had acknowledged the value of the work done by the Economic Commission for Latin America, which had always received high praise; furthermore, the funds proposed for its work were keenly supported by a great majority of the Member States of the United Nations. One reason for the high esteem in which the Commission was held was the quality of its reports, which - particularly those on the technique of programming - had played a significant part in promoting a more practical outlook on economic development and industrialization.

The work of the Committee on Economic Co-operation in Central America was one of the more striking activities of the Commission and an example of how the United Nations could effectively assist a group of countries with their economic development through co-

/operation between

operation between Governments, the Commission's Secretariat, the Technical Assistance Administration and the interested specialized agencies, all of whom were moved by a common concern for the objectives of the programme.

The studies on the economic development of individual countries carried out by ECLA in collaboration with the Governments concerned were a further example of fruitful co-operation between the Secretariat and Governments which might well have a significant bearing on the development of technical assistance, and prove of interest to countries facing similar problems.

In connexion with energy, which was receiving increasing attention from the Commission, he wished to refer to the International Conference on the Peaceful Uses of Atomic Energy, from which he had recently returned. The meeting had been organized under the auspices of the United Nations as a first step in the exercise of its responsibilities in that field. Mankind was on the threshold of immensely significant developments in the harnessing of atomic energy, the economic consequences of which could not yet be fully assessed, though it was already clear that it might become a primary factor in accelerating the economic growth of regions like Latin America.

The financing of economic development had been considered at the recent session of the Economic and Social Council. Member Governments had been asked to submit their comments early in 1956 on a new report on the establishment of a Special

United Nations Fund for Economic Development and an ad hoc committee was to be set up to consider the replies. The Council also appreciated the progress made in establishing the International Finance Corporation, which, it was hoped, would soon come into existence and play an important part in stimulating economic development.

The Council had given considerable attention to the means of expanding international trade, and had adopted a resolution on inter-regional trade consultations which was before the Commission. Whether such consultations were to be held would depend upon the regional commissions themselves, and their success would depend, in his opinion, on whether countries were prepared to define in advance the particular trade problems they wished to have considered. On that condition, and with adequate preparation, such consultations might prove useful in increasing trade.

The world social situation and the United Nations social programmes had been given close attention by the Council. He had every hope that the secretariats of the regional economic commissions could undertake certain activities in the social field, and he was therefore planning to strengthen the secretariat with appropriate specialists.

Both the Council and the Technical Assistance Committee had reaffirmed their faith in the Expanded Technical Assistance Programme as one of the most effective methods of helping the under-developed countries, and Governments were becoming

/increasingly aware

increasingly aware of the need to provide greater stability to the Expanded Programme by longer-term planning. Preparations were being made for the evaluation of activities under the Expanded Programme, by means of a questionnaire addressed to Governments and a study to be undertaken by the Administrative Committee on Co-ordination in the light of the past five years' experience.

He had undertaken a survey of the organization of the secretariats of the regional commissions and of the Technical Assistance Administration, following the survey of the Secretariat at Headquarters. The preliminary conclusion which emerged from the survey was that there should be closer integration and greater utilization of common resources between the staff of the Department of Economic and Social Affairs at Headquarters, and the staff of the regional commissions.

In the field of technical assistance, a more rational and efficient utilization of the resources available to the Department of Economic and Social Affairs, the regional economic commissions and the Technical Assistance Administration would materially benefit Governments receiving assistance under the Expanded Programme, and proposals which would promote closer relationship among those secretariat units were under consideration. Two conclusions were inescapable: the role of the TAB resident representatives and the agency representatives should in no way be weakened, and the secretariats of the regional economic commissions should not assume operational responsibilities.

/The survey

The survey of activities of the ECLA Secretariat had revealed that, subject to certain adjustments, it was well adapted to the work assigned to it and should be supplied with adequate staff resources.

As he had already said at the Economic and Social Council session, the measures taken, both nationally and internationally, to promote economic development were a demonstration of international co-operation without parallel in world history, but so far they had been on too small a scale to solve the problems which were the heritage of generations of poverty.

The international tension which had prevailed over the last ten years had been the main reason for past inadequacy. However, a more favourable trend was now evident - witness the succession of important world meetings held during the current year. New opportunities were opening for co-operation in the field of economic and social development. Ten regional commissions had a special opportunity and responsibility in the international attack on the problem of poverty, and ECLA's record showed that it would be able to make a sound and imaginative contribution to the common effort towards a solution of the problem.

Mr. DEL PEDREGAL (Chile) thanked the delegations for allowing him to speak on their behalf and to outline some of the current problems and hopes of the Latin American countries. He also thanked the President of the Colombian Republic in the name of all the delegations for the encouragement he had given them all in the deliberation on which they were about to embark.

/He himself

He himself had visited Colombia as head of a university mission eighteen years previously; and he had carried back a vivid impression of the friendly attitude of Colombia towards his own country. He had been able to appreciate the energy of the Colombian people, the immense resources of the country, and the great efforts made over the years to improve the condition of the people. Colombia's resources, like those of Chile, were of course difficult of access and demanded constant and tireless effort on the part of the people. That was precisely why the development of the Latin American countries could only be achieved through hard work and bold planning.

He agreed with President Rojas Pinilla that for Latin America, the hour of economic redemption had come. That statement would act as a stimulus for the Governments of the Latin American countries.

He also thanked the Secretary-General of the United Nations for his presence at the opening session, to which he brought the voice and encouragement of a body that symbolized the world's desire for peace. He commended the Secretary-General's frankness in confessing that the means adopted so far by the United Nations to bring about the well-being of all the under-developed countries had not been sufficient to shake off the heritage of poverty of past generations, but that he too shared the conviction that once international tension had been removed, the United Nations would be able to turn to the task of eliminating the factors which had retarded the progress of the under-developed countries.

/He paid