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COORDINATED ACTION TO MEET THE CONTINUING FOOD CRISIS

STATEMENT BY FAO TO THE FIRST SESSION OF THE ECONOMIC COMMISSION FOR
LATIN AMERICA

(Item 8 of the Agenda)

The Third Session of the Conference of the Food and Agriculture Organizations of the United Nations in calling attention to the continuing world food crisis recommended:

"that with respect to those aspects of the food and agriculture problem which extend into other fields and require action by other organizations, governments working through the United Nations and its economic agencies bring about parallel development of industry and trade and through the Economic and Social Council secure effective integration of all efforts directed toward expansion of the world economy."

Following that recommendation, the Director-General of FAO requested that a special item, "Coordinated action to meet the continuing world food crisis", be placed on the agenda of the Economic and Social Council at its Sixth Session. The conclusions of the FAO Conference were reinforced by the great emphasis laid on food in the report on World Economic Conditions and Trends which was submitted to the Council. In that Report it is said:

"But if there may be said to be one area of economic activity in which action is more needed than in others, it is the area involving the production and distribution of food. For some years to come, at least, a shortage of food in the world is likely to constitute a serious obstacle to economic recovery from war destruction and to economic development of under-developed countries, unless actions can be devised which will facilitate increased production of food as quickly as possible and will ensure a better distribution of the food available now, both within and among all countries."

Specifically the question of the short supply and maldistribution of means of production was brought to the attention of the Council. It

/was pointed out

was pointed out /that in trying to expand food production and so raise the level of nutrition, governments and producers were continuously frustrated by the lack of some necessary means of production, such as fertilizers and farm machinery and that even when food was produced its distribution was often hampered by lack of transport facilities.

The opinion of the FAO Conference, as expressed in the above-mentioned resolution, was that international action was needed on a regional and on a world basis to remove these impediments to the expansion of food production. In the light of these considerations the Economic and Social Council at its Sixth Session, invited:

"the specialized agencies concerned and the regional commissions in consultation with FAO to study suitable measures to bring about an increase in food production by the elimination of supply shortages such as those of oil, coal, steel, electricity, chemicals, which directly or indirectly affect the production of fertilizers, agricultural machinery, and the availability of transport".

The ultimate aim of this resolution is to increase food production. It is particularly important that the Economic Commission for Latin America should take action on it. An increase of food production would lead to an improvement of nutrition levels within the region and so would foster and enable economic development. It would have repercussions on the economy of the world, as even before World War II Latin America held an important place both as a producer and as an exporter of foodstuffs and fodder cereals.

In 1936-38 it produced 8.7% ^{1/} of the world's total in foodstuffs and 9.2% ^{1/} in fodder cereals. Moreover, the importing regions of the world (particularly Europe) rely largely on Latin American exports for wheat, corn, and meats; and for certain products such as linseed, sugar and coffee, Latin America is by far the greatest purveyor of the world's need.

Yet if one may say that Latin America is one of the regions of the /world

1/ Inter American Statistical Yearbook, 1942.

world where the wide expanses of land, the natural fertility of the soil, and the suitable climatic conditions are most favourable for increasing output, it is likewise certain that lack of transportation and of agricultural supplies hamper production in that region to at least as great an extent as anywhere else in the world.

As was pointed out in the report prepared by the secretariat of the ad hoc committee on the proposed Economic Commission for Latin America, the possibilities of production of agricultural supplies in Latin America are immense. Although coal is in short supply the hydro-electric power potential of the region is, according to that report, 80,000,000 kilowatts, whereas the actual development is 2,000,000 kilowatts. Similarly there are great possibilities regarding oil; and iron ore and other minerals are abundant. As for fertilizers, the nitrate beds of Chile still remain one of the greatest sources of supply of nitrogen. However, the potentialities of production of phosphates and potash have not yet been fully investigated.

So far as farm draft power and equipment are concerned, no exact assessment has been made of the existing supplies, the most urgent needs, and the import availabilities. Still less is known of the possibilities of fostering, in the countries themselves, the production of essential tools, the lack of which is known though not evaluated. It appears therefore that in this field, more than in any other, lack of coordinated information hampers coordinated action at the very start.

The difficulty of transporting food, especially perishable foods, to the consuming centers and to the ports for export are well known to all Latin American governments. The tragic consequence - waste of food - is unfortunately too frequent, and the situation has become steadily worse because of the difficulties encountered in replacing used equipment.

It is evident, even after such a cursory examination of the

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shortages of supply in Latin America, that action should be taken in the very near future.

The share of work that FAO must do in this field is considerable, but, as was pointed out at the Third Session of the FAO Conference, little can be done without the cooperation of governments and other international organizations.

In its own field the Food and Agriculture Organization is taking a series of steps with the purpose of making a clear picture of the food and agriculture situation and outlook throughout the world.

In the first place the Organization has requested Member governments to take steps to formulate national plans or programs and to report, according to Article XI of the Constitution, on the progress achieved in such plans and programs. Such reports are to contain, inter alia, a description of measures being taken to achieve agricultural improvements and are to give forward estimates of consumption requirements of particular commodities. To facilitate the formulation of these plans and programs, the staff of FAO is available to governments upon request for advice and assistance and within the limits of available funds.

The second step will be the preparation by FAO of regional analyses and summaries which will deal primarily with the more important foodstuffs and with the means of production. The third step in the procedure will be the synthesis of regional analyses into a world summary. From these studies, it will be possible to present a picture of the world food and agriculture situation to the fourth Session of the Conference of FAO in November, provided the reports of the governments contain the fullest information possible on their plans and programs.

At that time, the Organization will be able to present a more factual report than can be made now. But the problems involved are so urgent, and the task is so great, that efforts should be made here and now to work out a comprehensive collaboration between the Economic

Commission for Latin America and FAO.

It was pointed out in the Report of the Second Session of the FAO Council that:

"Many of the problems . . . call for action which lies outside the terms of reference of FAO and while the Organization can define the agricultural problems it must depend upon other organizations to define and to deal with those affecting industry and transport."

The Council of FAO, therefore, recommended:

"that the Director-General continue to seek to establish further cooperative arrangements as required by particular problems and as meet with approval of the Member Governments in the region concerned."

Because of the urgency and the importance of the problem, it is felt that the Economic Commission for Latin America should take action at its first session to set up machinery which could deal forthwith with the most important problems. The rapid examination of the situation points to the necessity of completing the agricultural studies which are now underway in FAO by a survey of the availabilities of agricultural requisites and an estimation of the most urgent needs. As is often the case, the industrial, financial, and agricultural problems are interlocked. It appears that a working arrangement between FAO and ECLA would be most profitable to both organizations.

It is suggested, therefore, that the Economic Commission for Latin America might pass a resolution which, while recognizing the responsibilities of individual governments to take action to bring about an increase in food production by the elimination of supply shortages, would recommend that FAO and ECLA cooperate in helping the Latin American governments ascertain their requirements for fertilizers, machinery, means of transport, and other requisites for production and distribution, and determine what measures can be taken nationally and internationally to meet these urgent needs.

Similar problems have arisen in Europe and are arising in the Far

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FAO has worked out methods of co-operation with ECE which are proving highly successful. In order to deal with timber problems, FAO is providing the technical secretariat and ECE the administrative and secretarial personnel. Similar arrangements are being made with regard to certain aspects of agricultural economics. It is also proposed to discuss these problems at the Third Session of EC.MFE. FAO is taking an active part in the activities of the ad hoc committee on the proposed Economic Commission for the Middle East.

At this stage two aims must be sought. In the first place, intimate collaboration between the staffs of ECLA and FAO is necessary to obtain the indispensable background for a study of the measures to be taken. Secondly, it appears that the governments would find it useful to institute, when appropriate within the framework of ECLA and FAO, working parties of experts representing their respective governments. In the light of the findings of the staff of FAO and ECLA, these working parties could propose measures which would be forwarded to governments by the Executive Secretary of ECLA and the Director-General of FAO. It is suggested, therefore, that

(1) A joint working party comprised of personnel of ECLA and FAO be set up to examine the agricultural development programs and plans with a view to determining requirements of production requisites.

(2) Working parties of experts representing Member Governments be set up, when appropriate, to examine and deal with those measures which are found necessary to supply the production requisites.

For the purposes of the FAO report to the Eighth Session of the Economic and Social Council as requested by ECOSOC at its Sixth Session, the Executive Secretary of ECLA might submit a report to the Director-General of FAO on the developments which have taken place in this connection.