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ECONOMIC COMMISSION FOR LATIN AMERICA

SPEECH DELIVERED BY THE HEAD OF THE DELEGATION OF COLOMBIA

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Mr. Chairman,

Gentlemen,

He would be a daring person who would attempt or desire to oppose his ideas to those of the speakers who have preceded me, or to imitate the form or grace of language of the speeches they have delivered in this meeting where so many dry subjects have been discussed. They have enlightened, persuaded and challenged their audience, and have suggested solutions for our problems.

They have proposed systems to harmonize the interests of the undeveloped areas of America with those of the age-old cultures which, for well-known reasons that are beyond our intervention or control, are now suffering hardships which arouse our deepest sympathy. We honestly and sincerely share the miseries of the world in mind and body; we feel the bitterness of devastation; we look with horror upon the hunger, illness, crippling and destitution of those nations which grew up protected and favoured by mild climates, fertile lands and homogeneous and sturdy races. We share their suffering without selfishness or avarice, because that grievous state is the daily affliction of Latin America and her perpetual way of life. We have always longed for better living conditions, and the world situation has never been favourable to our just desire. External factors which have checked or killed the creative impulse of our people have always opposed our highest aspirations. Latin America has pursued the ideal of a better life, which will interfere with no one, on a pilgrimage as fruitless as some of its scorched lands which are watered only in their inmost recesses by dark and coveted springs which no longer belong to us entirely. Nevertheless, we can think only in terms of universal solidarity, and if we took a different attitude life would not spare us. The time has come to

* This document is a revised translation of the original which was issued in Santiago.

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make plans, within that unbreakable solidarity in which our problems exist and within which we must analyze and explain them, not as some unwholesome affliction but as a right and a duty. As a right, because it is the right to live; as a duty, because it is our duty to co-operate with the world in order that, by improving our living conditions, the future may be more agreeable and less troubled and the freedom of individuals and nations less precarious. We must endeavour to lessen or banish our internal and permanent afflictions, and it would not be presumptuous of us to work to the end that pain, hunger, illiteracy and poverty should not be more conspicuous or less serious in one place or another. So simple and just an aspiration is in accordance with the concept of solidarity which now unites civilizations and which has always been an obligation of ours.

I take the map of America and place my finger upon it at random. I have thus before me any one of our countries, and I calmly think over its problems, which I wish to study and understand. They are so basically similar to those which my country is encountering and enduring that to explain them is to summarize those of America, except, of course, those of certain privileged regions which are exceptional and which I have heard reported here with an extraordinary optimism that pleases me.

America is a rural continent and that is precisely the fact which we have forgotten. It would be logical and wise, therefore, for our rural areas to be used in producing what they are suited for, and for the human capital which must produce it to be zealously protected. We strive, however, for a rapid industrialization which will enable us to transform the raw materials we produce, and which will liberate us from the action of foreign markets in some areas of our precarious economy. The desire is just and there can be no objection to it. The past war and its world-wide consequences must not be an unprofitable lesson or an experience without value.

During the years of the horrible slaughter we lived poorly, doing without necessities. We then had the illusion that after the termination of the war we should solve our problems better, thanks to the currencies which we were compelled to accumulate. This was not the case. We sold the fruits of our production at low prices, as a generous and necessary contribution toward ending the war; but when we had to replace worn-out equipment and to repair the damage suffered in that abnormal period, everything cost us more dearly and we could not then purchase what we needed, so that we suffered new and serious losses. We spent our savings in a few months and on a few things, and now great instability of currencies makes necessary severe restrictions unknown to our people even during the war period. In

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fact, the war is not yet over for us; its consequences are now harsher than when the armies of democracy were marching over the bloody soil of Europe. As European trade is so restricted - and the reasons for that are well known - we have only one important international buyer. He buys from us at the lowest possible prices, as is reasonable, and since he is the only important producer, he sells to us at the highest possible prices. Such is the life of business, and only entirely interventionist States and those under heavy obligation, which luckily still appear remote from us, could change the practices of trade, which lives on the fluctuation of supply and demand and avails itself of every opportunity of obtaining the greatest income from invested capital.

Lack of competition in the supply of manufactured products, decrease of European purchasing power and universal blocking of currencies through a single standard or means of payment, check international trade or direct it into a single channel, leaving the activity and possibilities of Latin-American markets subject today to a single source of supply and to the demand of a single important purchaser.

It is true that the prices of some of our products have lately increased, but their increased price does not compensate for the instability in our domestic economies caused by the speedy and dangerous devaluation of currencies, the shocking rise in the cost of living, and the multiplication in geometric proportion of our needs and of the high cost of the goods which we must necessarily import.

The daily wages of miners and farm labourers are insufficient for the fundamental necessities of life, and the disproportion between the daily wages of our workers and the price of the manufactured articles which they must necessarily consume increases daily. The sacrifice of our people, reduced to total abstinence or to a costly and incomplete fulfilment of their needs, is thus producing a better standard of living for other nations, creating an impressive and disconcerting contrast which is a constant inducement to direct our own economies towards processing the raw materials which we can produce. The desire to do so is admirable and just. Lack of necessities for long years and the almost total dependence of markets, inhibit the very sovereign power of institutions. Independence is not only the result of constitutional rules and regulations or of the political principles inspiring them, but also the product and natural result of a second economy and of the certainty of obtaining at all times at least an adequate subsistence without surrendering sovereignty or making compromising international conventions.

Two equally powerful forces are therefore in operation, which may lead

/us to equilibrium

us to equilibrium between agricultural production and manufacture. One is the natural inclination which leads us to participate in what is adapted and reconciled to nature itself - that is, in rural work, which is a part of our very being and which is at one and the same time an ancestral and a compelling demand of life. The other force is the equally natural and logical desire to remain no longer under the uncertain influence of alien circumstances which shift with the fluctuation of changing conditions, favourable at dawn and unfavourable, adverse or absurd by the afternoon.

But since the first obligation of the American people, confronted with their natural duty to produce in the field, is arduous and complex and at the same time the indispensable basis of the manufacturing stage of development, it is certainly worth while to give it pre-eminence and to lay bare the conditions under which it is carried out. The analysis of its poor development, impressive and absurd, suffices in itself to warn those who still feel a certain guilt or fear that we may tomorrow be owners of manufacturing industries, however adverse, unfavourable and inadequate our conditions for competing with them or even for equalling them may be.

The first obstacle is the inferior productive capacity of the Latin-American. No one denies that the productive value of the Latin-American is very small in comparison with that of people of other continents, owing especially to the physiological deficiencies caused by undernourishment, malnutrition and illnesses. Malaria, ankylostomiasis and the other diseases which ravage the tropical areas of America are the permanent war which the jungle and the climate have declared against us and in which our loss of life and productive capacity is greater than that caused to humanity by weapons of war. The statistics on this subject move the reader deeply, for while the general death rate of European countries fluctuates around ten per thousand, very few American countries have a death rate of less than twenty per thousand. You are acquainted with the tables which clearly show the malnutrition of the continent, and it would be superfluous to tire you with the repetition of their tragic and dry figures; but it is necessary to reconsider them, because the weaker the spirit of the workers is, the greater is absenteeism, the more retarded is mental development, the slower and more precarious is productive capacity, and the shorter is life; all of which factors mean higher cost of production and less efficiency and yield of work.

If to this serious problem of inadequate and unbalanced diet are added others which seem to be inseparable from our life, the dawn which will throw a more generous light on the destiny of America seems very far distant. There is no lighting in the villages or in the country, and the great waterfalls are idle, awaiting the technical and economic development which will harness them to civilization. Water is not used here to nourish the areas which await cultivation, and scanty and narrow roads cannot be the proper medium through which the products of the land, gathered with tenacious will and fatiguing effort, may

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be delivered for competition with foreign markets, or at least made available to urgent domestic demand. My statement might seem to be daring if you had not trodden as I have the fraternal and friendly soil of America, seeing its inhabitants standing in long lines to buy articles of prime necessity which are produced in their own continent.

The housing problem is no less obvious as a vivid demonstration of impressive reality. Dogs, pigs, cows, chickens and man live together under humble roofs. The peasants grow up in our by-ways without hygiene, without light, without water, without other horizons for their limited ambitions than the wide and infinite landscape of their needs, merging with that of a land which is not theirs, and in which each new day witnesses the death of their hopes. Meanwhile the vast forest has been awaiting since Creation the work of man. The housing problem is still more acute and serious in the urban centres. Owing to the development that has taken place in the last few decades in several of our countries, in which the beginning of industrialization is apparent, our cities have suddenly been invaded by great masses of country-people in search of better wages. That fatal exodus which depopulates the fields and crowds the cities is already a source of irreparable evils. In the first place, it disturbs the balance between social conditions of the rural and of the urban workers; and then it reduces and makes more costly both agricultural production and our incipient manufacture. We already see great cities in America in which the problems of housing, transport, shortage, sickness and vice implacably consume the apparent benefits of high urban wages, while the farmer continues to work for a small wage in order to maintain with his very blood costly luxury and industries, and thus contributes without knowing it to the disintegration of human life in the cities.

Our incipient industrialization is the result of a costly process which greatly burdens the present generation. In order to attain what we have, to improve it and expand it, we must contribute our utmost tenacity and determination, even if it costs us great sacrifice. The experience and lesson to which I refer above are mandatory, and to fail to profit from them is foolhardiness and a serious liability for the future. But we must accomplish that without injuring the very basis of our social structure, without destroying what is by nature ours and creating instead artificial ways of life. Hence we must think out a harmonious plan of construction which combines the needs of the city and country and which protects both at the same time, and not merely make plans for temporary equilibrium. We must build a future on the basis of reality, and for that purpose our first obligation is to change the characteristics of the people by education and hygiene, through

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intensive campaigns of preventive medicine, bringing them finally into relation with production and consumption, because without education, hygiene, food and work it is useless to go on thinking of a promising or free future. A forest of blast-furnace chimneys or the creative motion of looms, spinning mills and other great manufacturing enterprises would be worthless for our people, if at the same time the fields were depopulated, our populations were ill and undernourished, and we had to buy food to maintain the manpower engaged in that artificial transformation.

Agriculture is America's prime necessity and man her most valuable capital. Our duty is to protect him; to seek the inmost causes of his ills, to lift him from inferior conditions in which he vegetates, to incorporate him in life as a decisive factor of progress, to raise his moral and spiritual level, to make him conscious of his Fatherland and America and to open new horizons for his miserable condition. When this stage of development has been reached, a stage which is not a product of war, it will be easy and simple to incorporate the land in intensive technical and economic production and then wage other battles in less well-known fields. It may be objected that we were invited here to talk of problems caused by the war, and that those which I have cited have been with us since the far-distant days of the conquest and colonization. That is true, but as the former are more substantial and fundamental than the transitory ones caused by crises, they must receive preferential and constant attention from those who are responsible for their analysis and solution; otherwise the consequences of wars will be ever more serious, as well as those of competition with commercial Powers who, owing to long and sound evolutionary processes have mastered techniques and manual skill, and have the accumulated experience of centuries of orderly repetition and of offensive and defensive tactics against competition, and - let us say it - who will be masters also of the fate of the world if the resources of doctrines or the calculations of economies fail.

America cannot and must not be content merely to tackle those problems caused by the war, because if it is true that the latter created new methods and upheavals, it is not less true that it exacerbated the conditions which have always surrounded us. To remedy the latter without paying attention to the former, which are essential and basic, would be to continue to accept the inferior and unfair position in which we have lived, and to replace permanent provisions with transitory ones. I do not understand why this Commission is limited to the restricted and narrow scope of problems which a longer or shorter period of sacrifices can solve. I believe that its field of action is broader and more extensive and that its first aspiration should be

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not only to solve the problems caused by the war, since we are committed to world solidarity, but also to solve those which existed before, and which continue to exist. War or no war, it is precisely the latter problems which are the cause of our inferior standards of living. Owing to them we shall be permanently unable to meet the basic requirements of health, education and hygiene, until we have conditions at least similar to those of economically superior nations, which, because of their exceptional pre-eminence, enjoy and will always enjoy higher standards of living and conditions of climate, culture and nutrition superior to ours although they are temporarily afflicted by misfortunes caused by the war.

Without ignoring the serious European reconstruction problem, we must consider the great instability that existed before the war and continues to exist in the various economic areas of the world. If the ideals of raising standards of living, of world-wide economic expansion and of remunerative employment for all people, approved by the Charter of the United Nations, are to be attained within reasonable periods of time, we must give our attention not only to the reconstruction of the nations affected by the war, which in general are characterized by a high degree of progress and standards of living incomparably superior to those of the Latin-American countries, but also to the development of these latter countries. Otherwise, the instability I have referred to would continue and increase as a result of the modernization of the economic machinery and of the creation of new facilities which European reconstruction plans contemplate. The Marshall Plan itself provides for the strengthening of all economic areas of the world and its substantive foundation would be lacking if European exports were not increased appreciably, for which purpose it is necessary to stimulate freely and immediately the production and consumption capacities of our people.

Such stimulation of production does not depend exclusively upon our desire, and production will not be accelerated or increased exclusively without available economic resources and the little technical ability at our disposal. American savings are being exhausted and the technical capacity necessary for the production of a large number of goods and appliances is so great and costly that these are far from forming a part of our prospective plans. In more modest fields, however, which by their very nature could not threaten the production of industrial Powers and which, on the contrary, constitute insurance policies for world peace and for the equilibrium so greatly desired, financial and technical

/co-operation

co-operation and orderly planning of necessary investments by means of which interested capitalists may estimate the desirability or possibilities of immigration, are necessary for the strengthening of our continent's means of defence or for the provision for it of at least a decent survival.

With the aid of private capital, which has always been well considered on our continent and has prospered and prospers still under solid standards of security, we could further the development of our manufacturing industry, and at the same time, and in balanced proportion, devote part of our resources and of the savings of currencies which might result from such development, to less empirical utilization of the natural and human resources which are waiting to be used and to the increase - at least up to the amount required for vital necessities - of agricultural, mining and manufacturing production, with adequate diversification and with gradual access to those branches of economic activities in which more technical training is required and which offer greater remuneration to the working classes.

All these desires are naturally necessarily dependent upon studies, which we lack completely. To stabilize our industrialization in the non-competitive form which we contemplate, with adequate development of the soil, is a task which demands knowledge of the natural resources available, of climatic conditions and of the environment in general, of the amount of water power which can be incorporated in production, of the type and amounts of oil and minerals, of methods of preventing the sterilization of land by unwise clearing of forests, of the possibilities of irrigating regions which are now uncultivated and useless, and draining lagoons and marshes in which live and multiply the carriers of the scourges which mercilessly afflict the undernourished rural and mining population. To study, study, study - that is the most obvious, imperative and pressing need of the present. To study, not with the intention of obtaining temporary remedies for immediate ills, but with a view to making plans for serious action which will enable us later to take orderly and methodical action to solve the problems without the high cost which ignorance, disorder and improvisation usually burden us in our transactions. Such indispensable studies would help us to make the equally necessary plan for financing the programme which we must carry out in search of a second independence, which, although it is the second, is no less urgent than that which the great leaders of the emancipation gave our spirits and sovereignties.

I have held your attention long enough without considering the needs of Colombia, which you certainly know better than I, but some of the aspects of which I cannot fail to point out briefly here, because if I am not

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mistaken the invitation to this important meeting was inspired by one undoubted purpose: to tell each other what we are not but could be, to explain our troubles, in order to replace elegant diplomatic methods by expeditious and practical, simple and realistic systems which will make us better friends and not so poor.

Colombia is not a land of great urban centres. Its population is scattered far and wide throughout the country. Its varied climate and geography present admirable contrasts.

In the temperate climates the population is engaged in the cultivation of mild coffee, the production of which amounted to 5,327,270 bags in 1946. It must be noted that, while other coffee-producing countries have decreased their exports considerably, Colombia has doubled hers in the last 20 years.

Overproduction of coffee will probably not be a problem for Colombia, owing to the high quality of the product, which makes it indispensable for mixtures in foreign markets, and because the consumption of that extraordinary beverage has become a necessity for civilized people.

Coffee production is a small-farm and home industry. Hence 87% of the plantations are farms with about 5,000 trees. There are very few large plantations; they are gradually disappearing and being made into small farms. Coffee production is not an industry of the rich, but of poor men, and for that reason it must be protected and cared for. It has always been dependent on the fluctuations of the foreign market, and it has suffered at times falls of prices which have produced tremendous effects in the economy of the country. The struggle to protect coffee production has been long and costly, but fortunately the services of the National Federation of Coffee Producers are now more efficient. The Federation has 200,000,000 Colombian pesos available to protect prices, increase cultivation, restore plantations, develop credit and protect the health and welfare of the farmers, helping them to improve housing, provide drinking water and give their families primary education. Naturally the programme is enormous, and its execution will require years and money. Meanwhile, the coffee farmers of the country will have to endure the deplorable conditions in which they live today. On coffee plantations, man is at the mercy of anaemia, pellagra, goitre and malaria. If it were possible to balance the economic benefits obtained from this complicated industry with the evils it causes, it would undoubtedly appear that the country has exchanged human capital, health, strength and the joy of the race for a meagre return that any other industry would have yielded more generously. It will be a long time before the great mass of rural workers have the advantages of urban life, even the elemental ones of medical supplies and assistance, police protection, transportation and schools.

/Since coffee

Since coffee production is a domestic industry, the earnings of the workers engaged in it are subject to prices fixed by the consumers of the product. Earnings are thus dependent on external factors difficult and at times impossible to control. Hence they have never been sufficient to provide adequate food, decent clothing or necessary medical care. One hundred per cent of the people in this sector of the Colombian population are undernourished, for they have only 2,317 calories a day and their diet is dangerously unbalanced. Owing to insufficient means, the workers engaged in coffee growing are constantly in debt and are anxious, insecure and restless.

It might be thought that the recent rise in prices would relieve that desperate way of life. But it does not, for reasons of which you are well aware. Since 1941 the cost-of-living index for a coffee worker's family has risen to 500, with 1934 as the basis. That means that the cost of living in rural areas is five times as high as it was. On the other hand, the difficult living conditions of the inhabitants forced to dwell there have not changed. To complete this gloomy picture, let us add in passing that there is no accounting record which does not show a considerable increase in the cost of production. Prices of machinery are now prohibitive; foreign and domestic transportation rates are 55% higher through the Atlantic and 45% higher through the Pacific. Meanwhile the price of mules, which are indispensable in coffee growing, has tripled, as has that of the feed necessary for them.

The situation of the small coffee grower was never easy, nor did the war bring him temporary prosperity, for, while prices of most agricultural products rose, that of coffee remained stable. Coffee did not benefit by the fluctuations allowed by the American Government in the prices of other agricultural products, as a consequence of the unavoidable and inflationary rise initiated by the war.

Under maximum-price economy the coffee growers lost not less than U.S. \$0.04 per pound during the period when maximum prices prevailed, which meant a loss of \$25,000,000 a year in the amount contributed by coffee industry to the country's economy. That is money which the farmers need to supplement their food supply, protect their health, improve education, restore plantations and replace worn-out equipment.

Coffee was an exception to parity prices, while prices of industrial products and of other articles necessarily consumed by coffee growers rose to maximum levels. Meanwhile the Colombian dollar was falling to one-third of its original value. Thus, the \$15.87 which the coffee grower received in 1944 for a bag of coffee was naturally worth only \$10.90 in the domestic markets where the people were obliged to buy.

/To add the final

To add the final touch to this picture, it would not be an exaggeration to say that Colombia has been exchanging year after year more coffee for less machinery, tools, transport equipment, raw materials and fertilizers, and the currency that she had to accumulate represents today a volume of goods one-third less than the nominal monetary value of her coffee exports.

All this could be endured, for poor living conditions have strengthened our people's resignation, but the anxiety of the farmer, embittered by his rural work and the extravagant insecurity of prices which, because of their unusual fluctuations, throw his primitive and meagre economy out of balance, deprives him of any stimulus to effort and sows in his mind seeds whose bitter fruit God forbid that we should harvest.

Fortunately conditions in the Colombian cattle-raising industry are less distressing. This industry has experienced a surprisingly rapid growth, which since 1943 has been 86% greater in Colombia than in other countries. New lands are being used for cattle-raising and numerous extensive areas are now in full production. The owners are interested in the improvement and selection of livestock and take care to protect it against disease. Greater yield in production, lower death rates, improved products, greater domestic consumption of meat and better use of the currency derived from exportation have been achieved in the cattle-raising industry in the last decade. Colombia, which a few years ago imported cattle, has become a supplier of her former providers, and all indications are that before long this valuable branch of our economy will enable us to improve the nutrition of our people and will yield greater profits as a result of exportation to countries which have exhausted their cattle-raising industry and will require a considerable time to restore it.

Mining is a word that causes anxiety in our countries, which are rich in gold and other metals.

The Conquistadores of old searched for gold in our veins and alluvia as avidly as oil industrialists search for that rich fuel today. "The search for the metal at first took the form of greedy pursuit of Indian treasures, of deceitful barter and violent plunder, then led to exploitation of the mines and produced thereby deep and definitive changes in the racial and economic structure of our growing society. A great number of Indians perished in the strenuous work of mining, to which they were forcibly driven in deadly climates. When it was realized that that cruel policy, condemned in the strongest terms by the missions, produced a wretched economic yield, the disastrous negro slave trade, which left such a heavy imprint on our racial structure, was increased."

/Our mining industry

Our mining industry shows countless permutations. Many lives have been lost and much valuable capital has been wasted in it. It is not a paradox to state that in order to develop one gold mine in Colombia the Colombians had to have another in full and profitable production. That fact is more obvious now, when the price of the machinery and chemical products necessary for the mining and processing of metals are rising to absurd levels.

Nevertheless our people persist in the effort to "dig gold". They seem to have inherited the urge to do so. And they extract it, nobody knows under what conditions or at what price, while foreign concessionaries of great gold mines work these with the backing of powerful capital, technical ability and previous study, which surround their investments with safeguards and make the industry a lucrative one.

Production in the last five years has fluctuated between 500 and 650 thousand ounces troy, and numerous workers and entire cities are dependent upon it.

In 1921 the exploitation of oil began in Colombia. Production amounted to 22,594,000 barrels in 1945. It seems that our soil is rich in oil deposits, but the limited resources available and lack of technical ability prevent us from knowing the true potentiality of the oil sources and from developing them directly.

Hydro-electric power is more promising than the gold industry, and perhaps than the oil industry, since its products are not burned afar or buried in cold deep recesses of steel, like gold, which seems to avenge itself by hiding. With the aid of this power the development of manufacturing industry and the improvement of agriculture, transportation and life in general, will be encouraged. The Colombian reserve of electric power seems to be about 25 million horse power. It is already beginning to be used, as the Guadalupe, Río Grande, Anchicayá and other power plants prove. But we are far from being able to make full use of that immense capacity, which would open wide horizons for our future.

We have seen the great benefits of electric power in the results obtained with it in our manufacturing industries. Their initial development was costly, difficult and slow, but development has been satisfactorily accelerated in the last few years, although it has not been as extensive as could be desired. These industries, which include textiles, cement, beer, publishing, glass, earthenware, rubber, matches, building materials, plastics, tobacco, clothing, etc., now represent \$143,388,012.50 of subscribed capital, the savings of the people, the future of the country and the great foundation of the national budget. To safeguard her destiny, Colombia is depending upon

/the rapid expansion

the rapid expansion and multiplication of these industries and at the same time upon adequate and strict agricultural industrialization through irrigation, draining of marshes, protection of the health of workers, improvement of roads, soil conservation, use of fertilizers and the maintenance of peace, which will result from the foregoing, as well as better understanding and co-operation of American countries in the exchange of techniques, investment of capital, suppression of Customs barriers and double taxation, and granting of credit to encourage trade.

That hope, which is subject to so many obviously prospective agreements, might be called sanguine; the more so when the situation of the balance of payments, at present unfavourable for most countries, is considered. But I have great faith and hope that the mutual contacts of our people and their awareness of the problems which are of concern to all countries, a frank statement of the problems and calm unemotional analysis of them, will result in magnificent and real solidarity of the continent. I do not deny that the problem of double taxation is very complicated, and that perhaps we do not have sufficient wisdom to solve it as quickly as the pressing need for private investments urges us to. If, however, the importance of the matter forces us to set aside our apprehensions for the time being, the same is not true of the technical aid which better-equipped nations of Europe and America could give us. Nor is it true of private credit, the lack of which is a source of innumerable evils in the normal course of international trade. The development of our banks and credit establishments did not keep pace with commercial, agricultural and industrial needs, and they are not prepared to suddenly replace the exporters who throughout our commercial relations have always financed the importation of goods and who now demand payment through the opening of irrevocable credits. Formerly debtor countries in the commercial field, we have now become creditors and we have to finance the production of the articles which we are compelled to import. The situation that I am explaining frankly is odd, to say the least, and becomes less logical when we consider that there are no foreign loans or finances for the products which we cultivate or extract. We have therefore to supply the credit we formerly obtained in Europe and North America, and provide at the same time for domestic credit while the long processes of harvesting, collection and transportation of crops are in progress. These are the causes of instability in all our financial systems. They could be remedied with a little good will and effective continental solidarity.

Merely as a respectful suggestion, as I am not the person called upon to draw up the working plan of this Commission, I wish to end my speech with a few simple conclusions which, in my opinion, though I am not an expert

/in such complex

in such complex subjects, might be guides for future action, namely:

- (a) Studies on food and hygiene;
- (b) Planning to combat by preventive medicine, the diseases which afflict the masses of workers in the American nations;
- (c) Studies on small industries which will enable the native population to participate in civilization, production and consumption;
- (d) Studies on the possible use of the economic resources of Latin America in the direct development of its hydrocarbons;
- (e) Studies on the possibilities of mining, electric power, coal and forests;
- (f) Studies on the diversified and technical utilization of the land, and the most practical method of exchanging foodstuffs.