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AND
SOCIAL COUNCIL



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10 February 1954
ORIGINAL: ENGLISH/SPANISH

ECONOMIC COMMISSION FOR LATIN AMERICA
Committee of the Whole
Santiago, Chile

SUMMARY RECORD OF THE SIXTH MEETING

Held at the Hotel Carrera, Santiago, Chile, on
Wednesday, 10 February 1954, at 5.35 p.m.

CONTENTS

- Approval of the Annual Report (E/CN.12/AC.24/9)
- Approval of the draft resolution for action by the Economic and Social Council
- Closing speeches

/PRESENT:

PRESENT:

<u>Chairman:</u>	Mr. GUILLERMO DEL PEDREGAL HERRERA	Chile
<u>Vice-Chairmen:</u>	Mr. RAMIRO HERNANDEZ PORTELA	Cuba
	Mr. HUGO V. DE TENA	Uruguay
<u>Rapporteur:</u>	Mr. JOSE AVILES	El Salvador
<u>Members:</u>	Mr. DE LA CRUZ GUERRERO	Argentina
	Mr. ITURRALDE CHINEL	Bolivia
	Mr. RODRIGUES VALLE	Brazil
	Mr. SEIULVEDA CONTRERAS	Chile
	Mr. RUEDA MARTINEZ	Colombia
	Mr. MOREIRA BATES	Costa Rica
	Mr. SOTO	Dominican Republic
	Mr. LUIS VILLAZAR	Ecuador
	Mr. ANGLAS	France
	Mr. MERCERON	Haiti
	Mr. GALVEZ	Honduras
	Mr. NUÑEZ Y DOMINGUEZ	Mexico
	Mr. KASTEL	Netherlands
	Mr. HERNANDEZ CALUS	Nicaragua
	Mr. YCAZA VASQUEZ	Panama
	Mr. MALLORQUIN	Paraguay
	Mr. LORENTE DE PATRON	Peru
	Mr. STIRLING	United Kingdom of Great Britain and Northern Ireland
	Mr. SANDERS	United States of America
	Mr. GONZALEZ VALE	Venezuela

/Also present:

Also present:

Representatives of specialized agencies:

Mr. LOBLETE TRONCOSO	International Labour Organisation
Mr. OSORIO-TAFALL	Food and Agriculture Organization (of the United Nations)
Mr. LARSEN	International Bank for Reconstruction and Development

Representatives of inter-governmental organizations:

Mr. TAYLOR	Inter-American Economic and Social Council
Mr. IRIETO	Intergovernmental Committee for European Migration

Representatives of non-governmental organizations:

Category A:

Mr. ELIZALDE G.	International Chamber of Commerce
Mr. FUENTES ZALATA	International Confederation of Free Trade Unions
Mr. VARGAS RUEBLA	World Federation of Trade Unions

Category B:

Rev. ZOTTELE	Commission of the Churches on International Affairs
Mr. EDO	Inter-American Federation of Automobile Clubs
Mr. KRULLI	International Organization for Standardization
Miss JORQUERA	Liaison Committee of Women's International Organizations; World's Woman's Christian Temperance Union
Mr. IRIETO TRUCCO	Organization of Chilean Non-Governmental Bodies for the United Nations

/Mr. DAVILA

Category B (continued)

Mr. DAVILA	fax Romana - International Catholic Movement for Intellectual and Cultural Affairs
Mr. SILIAN	South American Petroleum Institute
Mrs. COLOMBO DE LAGARRIGUE	Women's International League for Peace and Freedom
Mr. SANTA MARIA	World Power Conference

Secretariat:

Mr. COHEN	Assistant Secretary-General in charge of the Depart- ment of Public Information
Mr. TREBISCH	Executive Secretary
Mr. SWENSON	Assistant Director
Mr. ECHEGOYEN	Special Adviser to the Executive Secretary
Mr. SANTA CRUZ	Secretary of the Committee

/ADDITION OF

ADOPTION OF THE ANNUAL REPORT

The CHAIRMAN called the meeting to order and then requested the Rapporteur to read the Sixth Annual Report of the Economic Commission for Latin America (E/CN.12/AC.24/9).

The RAPPORTEUR read from the Annual Report the chapter relative to the discussions and listed the following resolutions, adopted in previous sessions of the Committee of the Whole:

Economic Integration of Central America (E/CN.12/AC.24/10);

Co-ordination with the ~~Inter~~-American Economic and Social Council (E/CN.12/AC.24/11);

Technical Assistance Programmes (E/CN.12/AC.24/12).

The CHAIRMAN stated that the meeting was open for discussion of the items on the agenda.

Mr. SANDERS (United States of America) referred to the annotated list of draft resolutions published in the Annual Report, pointing to the advisability of including therein the budgetary estimates for each draft resolution.

With reference to Page 6 of the Summary Record (E/CN.12/AC.24/SR.2), he wished to make an amendment in order to replace the former text as follows: "...the delegate of the United States declared that the policy of his Government in the distribution abroad of surplus agricultural commodities was not to displace the usual markets of either the United States or friendly countries and that there was no intention of changing such a policy." The delegation of the United States wished to establish clearly its position with reference to paragraph 113 of the Report and "states that the Government of the United States does not consider that the organization of a mission under the auspices of the United Nations is the most adequate form of pursuing the work mentioned in Resolution 45 (V), calling upon the Secretariat to continue studies on Latin America's trade with the industrial countries, the analysis of probable demand trends and the consideration of the possibilities to meet demand in the future. The United States is of the opinion that the foregoing may be carried out by means of studies."

/The CHAIRMAN

The CHAIRMAN stated that the observations of the United States delegate would be noted.

Mr. SANTA CRUZ (Secretary of the Committee) explained, with regard to the first comment made by the United States delegate, that the projects listed in the Annual Report had already been adopted at ECLA's fifth session, together with the corresponding budgetary estimates. Thus, the estimates had not been included here again.

The CHAIRMAN submitted the draft resolution for action by the Economic and Social Council to the vote.

The resolution was unanimously adopted.

CLOSING SPEECHES

The CHAIRMAN stated that he would speak in a dual capacity, as Chairman of the Chilean Delegation in the first part of his statement, and as Chairman of the Committee of the Whole, in referring to ECLA's specific tasks. During the past few years, Latin America had undergone serious and fundamental economic, political and social alterations. It was precisely this part of the American continent which underwent the strongest repercussions of any fluctuations in international economy. This fact partly accounted for the instability of the capacity for external payments. Latin American countries have been compelled to produce for export purposes, to the detriment of their internal economy. All these factors encouraged inflation and the continuous devaluation of currency. In order to solve such problems, it was essential to obtain the assistance of those international agencies which were established to promote economic development and to operate in cases of emergency.

The Chilean Delegation felt that fundamentally neither the International Monetary Fund nor the International Bank for Reconstruction and Development had followed in the spirit of their

/founders because

founders because before extending any assistance, they insisted that needy countries should rehabilitate their economy and renew the servicing of their foreign loans.

Foreign capital was essential if Latin America was to overcome the economic crisis from which it now suffered. In the first stage of development, foreign capital entered the country to develop raw materials; however, at present, inter-governmental assistance was more important; a loan is more useful than investment. This did not imply that foreign private capital no longer played a leading part, but to maintain its position it must be combined with domestic capital.

The integration of the Latin American countries was being pursued and ECLA's work was directed to the fulfilment of this aim in Central America. Reference was also made to the agreement between Chile and Argentina, and the desire was expressed that other countries should follow this example.

The CHAIRMAN then spoke of ECLA's work, which could be divided into three stages: firstly, the carrying out of statistical studies in order to acquire systematic knowledge concerning the Latin American countries and their possibilities; secondly, the formulation of development plans; and thirdly, the finding of a means to execute a programme.

On behalf of the Chilean delegation, the CHAIRMAN requested that ECLA devote special attention to agricultural problems. It was suggested that, jointly with FAO, Chilean problems should be studied with a view to obtaining higher yields from the soil by the use of genetic seeds, fertilizers and improved working methods.

Emphasis was also laid on the importance of foreign trade studies. Since the markets on which strategic products can be sold are limited, the Latin American countries should be accorded equitable price treatment. Chile has constantly submitted this proposal to international meetings, not only on its own behalf but also to assist other countries in whose foreign trade there is a

/disequilibrium.

disequilibrium.

Referring to the training of economists by ECLA, attention was drawn to their outstanding world importance when they are guided collectively and efficiently. Economists should seek to avoid measures which do not meet the situation and the requirements of Latin America and they should understand that the different countries, like different invalids, require a special treatment for each case. Thus, it sometimes becomes necessary to admit disequilibrium in a budget in order to ensure full employment and to provide work for those who are unemployed. Fiscal revenue was not always adequate for this purpose.

In conclusion, the CHAIRMAN praised the work of ECLA, stating that ECLA's was the most important task. "The Commission was preparing the diagnosis of the evil from which Latin American countries suffer" and he made an appeal that all should stimulate the continuancy of its work.

Mr. RUEDA (Colombia), speaking on behalf of the delegates, thanked the Chilean Government for their generous hospitality and the facilities granted for the success of the meeting. He emphasized the importance of ECLA, insisting that it was essential that the recommendations adopted should be put into practice. He referred individually to some of them, such as the ensuring of stable markets and equitable prices for Latin American products and also to the advisability of establishing a basis for an inter-Latin American trade policy. Finally, he cordially invited the delegates present to attend the sixth session which ECLA will hold in Bogotá in 1955.

Mr. COHEN (Assistant Secretary-General in charge of the Department of Public Information) on behalf of the Secretary-General of the United Nations, expressed his satisfaction with the results of the meeting, stating that it could be regarded as a preliminary stage for the sixth session at Bogotá. At that time ECLA would have made further progress towards ensuring peace, happiness and social justice for the peoples of Latin America.

/The CHAIRMAN

The CHAIRMAN declared the Committee of the Whole closed.

The meeting rose at 7 p.m.

ECONOMIC COMMISSION FOR LATIN AMERICA
Committee of the Whole
Santiago, Chile
8 February 1954

DRAFT RESOLUTION PRESENTED BY
THE DELEGATION OF EL SALVADOR

THE ECONOMIC COMMISSION FOR LATIN AMERICA

CONSIDERING

a) that the Secretariat has submitted for the consideration of the Committee of the Whole the annual report of the Committee on Economic Co-operation in Central America, which covers the work carried out from 28 August 1952 to 16 October 1953 and which was approved at the Committee's Second Session in San José, Costa Rica;

b) that in this report notice is given of the decision taken at San José to entitle this organization the "Committee on Economic Co-operation in Central America" instead of the "Committee of the Ministers of Economy for Economic Co-operation in Central America", with a view to extending its functions and membership;

c) that in the same report notice is given of certain modifications in the rules of procedure approved by the Committee;

NOTES

a) the report submitted by the Committee on Economic Co-operation in Central America (document E/CN.12/AC.24/5);

b) the technical assistance which the United Nations, FAO, ILO, UNESCO and ICAO have been rendering to the Central American Economic Integration Programme;

c) the Committee's change of title and the modifications in its rules of procedure.

/ RESOLVES

RESOLVES

1. To express its satisfaction with the manner in which the Committee on Economic Co-operation in Central America is carrying out its work.
2. To recommend that the Secretariat continue to carry out the studies and tasks necessary for the Central American Economic Integration Programme.
3. To recommend to the Technical Assistance Administration and the specialized agencies of the United Nations, that in co-ordination with the Committee on Economic co-operation in Central America, they continue to give due attention to projects relating to the Central American Economic Integration Programme.

ECONOMIC COMMISSION FOR LATIN AMERICA
Committee of the Whole

Santiago, Chile
9 February 1954

CO-ORDINATION WITH THE INTER-AMERICAN
ECONOMIC AND SOCIAL COUNCIL

Draft resolution submitted by the delegations of Argentina, Brazil and
Chile.

THE ECONOMIC COMMISSION FOR LATIN AMERICA

Considering

a) The statement of the Executive Secretary on the steps taken
with respect to co-ordination between ECLA and IA-ECOSOC at the govern-
mental level since the fifth sessions (document E/CN.12/AC.24/6).

b) The joint statement on co-ordination at the Secretariat level
by the Executive Secretaries of IA-ECOSOC and ECLA (document
E/CN.12/AC.24/7).

Notes with approval

1. The manner in which co-ordination between ECLA and IA-ECOSOC
is being implemented at the Secretariat level.

2. The statement of the Executive Secretary on the steps he
has taken with respect to co-ordination between ECLA and IA-ECOSOC at
the government level and the position he has adopted in the exercise
of the powers conferred upon him by the Commission.

ECONOMIC COMMISSION FOR LATIN AMERICA
Committee of the Whole
Santiago, Chile
10 February 1954

DRAFT RESOLUTION ON TECHNICAL
ASSISTANCE PROGRAMMES

THE COMMITTEE OF THE WHOLE OF THE ECONOMIC COMMISSION FOR LATIN AMERICA

Having examined:

a) The Report prepared by the Secretariat of the Technical Assistance Board of the United Nations on the Expanded Programme of Technical Assistance for Economic Development (Document E/CN.12/AC.24/3);

b) The Report on Technical Assistance Activities in Latin America prepared by the Technical Assistance Administration (Document E/CN.12/AC.24/4);

CONSIDERING

That it would be advisable to obtain detailed information concerning the specific results of United Nations Technical Assistance programmes in Latin America;

RESOLVES

To request that the Economic and Social Council should carry out a study of the results obtained with technical assistance programmes in the Latin American countries, requesting detailed information for this purpose from the governments concerned, and also their opinion and any suggestions they may wish to make for the improvement of the said programmes.

ECONOMIC COMMISSION FOR LATIN AMERICA
Committee of the Whole
Santiago, Chile
10 February 1954

DRAFT RESOLUTION FOR ACTION BY THE ECONOMIC AND SOCIAL
COUNCIL ON ANNUAL REPORT OF THE ECONOMIC COMMISSION FOR
LATIN AMERICA

Resolution adopted 10 February 1954

THE COMMITTEE OF THE WHOLE OF THE ECONOMIC COMMISSION FOR LATIN AMERICA
DECIDES to send the following resolution for action by the Economic
and Social Council:

"The Economic and Social Council

TAKES NOTE of the Sixth Annual Report of the Economic Commission for
Latin America;

CONSIDERS that the work programme of the Commission as established
at the Committee of the Whole of the Economic Commission for Latin America
at its meeting held in Santiago from 8 to 10 February 1954, is of primary
importance for the economic development of Latin America; and

ENDORSES the order of priorities allocated by the Committee of the
Whole to the individual work projects."