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Paper N° 47

Place and Date of the Tenth Session.





ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Caracas, Venezuela, May 1961

RESOLUTIONS OF THE GENERAL ASSEMBLY AND THE ECONOMIC AND SOCIAL  
COUNCIL OF CONCERN TO THE COMMISSION

I. RESOLUTIONS ADOPTED BY THE GENERAL ASSEMBLY DURING ITS  
FIFTEENTH SESSION

1496 (XV). Provision of food surpluses to food-deficient peoples through  
the United Nations system (908th plenary meeting, 27 October 1960)

The General Assembly,

Considering that the peoples in many of the less developed countries  
suffer from serious shortages of food,

Noting with approval that the Food and Agriculture Organization of  
the United Nations in co-operation with the United Nations, appropriate  
specialized agencies, Governments of Member States and non-governmental  
organizations, has launched a Freedom from Hunger Campaign designed as a  
concerted attack on the problem of providing adequate food for food-  
deficient peoples,

Recalling General Assembly resolutions 827 (IX) of 14 December 1954 and  
1025 (XI) of 20 February 1957 and Economic and Social Council resolutions  
621 (XXII) of 6 August 1956 and 685 (XXVI) of 18 July 1958 concerning  
international co-operation in the establishment of national food reserves,

Bearing in mind the existing opportunities for consultation and  
exchange of information provided by the Food and Agriculture Organization  
through its Consultative Sub-Committee on Surplus Disposal,

Recognizing that the Principles of Surplus Disposal and Guiding Lines  
of the Food and Agriculture Organization are a valuable instrument for  
guidance to Governments in transactions, programmes, policies, and  
consultations relating to the disposal and utilization of agricultural  
surpluses,

/Recognizing further

Recognizing further that the ultimate solution to the problem of hunger lies in an effective acceleration of economic development allowing the under-developed countries to increase their food production and enabling them to purchase more food through normal channels of international trade,

Convinced of the impelling need to solve the problem of hunger and malnutrition among many peoples and of the role which the United Nations system can play in actions designed to help solve this critical problem,

Further convinced that assistance to food-deficient peoples will help raise productivity and thus contribute to the improvement of their standard of living,

1. Endorses the Freedom from Hunger Campaign launched by the Food and Agriculture Organization of the United Nations and urges all States Members of the United Nations and members of the specialized agencies to support this campaign in every appropriate way;

2. Appeals to States Members of the United Nations and members of the specialized agencies to take suitable measures to relieve the suffering of food-deficient people in other nations and assist them in their economic development and in their efforts towards a better life;

3. Expresses the belief that international assistance in the establishment of national food reserves in food-deficient countries is one effective transitional means of assisting accelerated economic development in the less developed countries;

4. Invites the Food and Agriculture Organization, after consulting Governments of member States, the Secretary-General and appropriate specialized agencies, to establish without delay procedures -- in particular for consultation and the dissemination of information -- by which, with the assistance of the United Nations system, the largest practicable quantities of surplus food may be made available on mutually agreeable terms as a transitional measure against hunger, such procedures to be compatible with desirable agricultural development as a contribution to economic development in the less developed countries and without prejudice to bilateral arrangements for this purpose and compatible with the principles of the Food and Agriculture Organization;

/5. Further invites



5. Further invites the Food and Agriculture Organization, in consultation with Governments of member States, the Secretary-General, appropriate specialized agencies and other international bodies (such as the International Wheat Council the Wheat Utilization Committee, etc.), to undertake a study of the feasibility and acceptability of additional arrangements, including multilateral arrangements under the auspices of the Food and Agriculture Organization, having as their objective the mobilization of available surplus foodstuffs and their distribution in areas of greatest need, particularly in the economically less developed countries;

6. Requests the Director-General of the Food and Agriculture Organization to report on action taken to the Economic and Social Council at its thirty-second session;

7. Requests the Secretary-General, in consultation with the Director-General of the Food and Agriculture Organization and after such other consultations as he may deem necessary, to report to the Economic and Social Council at its thirty-second session on the role which the United Nations and the appropriate specialized agencies could play in order to facilitate the best possible use of food surpluses for the economic development of the less developed countries;

8. Recommends that the Secretary-General, in preparing, in consultation with the Director-General of the Food and Agriculture Organization, the provisional programme for the joint session of the Commission on International Commodity Trade and the Committee on Commodity Problems of the Food and Agriculture Organization which will examine a report on the prospects of the production of, and demand for, primary commodities, include the question of the production of, and demand for, food in relation to the problem of hunger;

9. Stresses that any action taken or contemplated under the present resolution proceed in accordance with the Principles of Surplus Disposal and Guiding Lines of the Food and Agriculture Organization, and, specifically, with adequate safeguards and appropriate measures against the dumping of agricultural surpluses on the international markets and against adverse effects upon the economic and financial position of those countries which depend for their foreign exchange earnings primarily on the export of  
/food commodities,

food commodities, and in the recognition that the avoidance of damage to normal trading in foodstuffs will best be assured by multilateral trading practices.

1507 (XV): United Nations Children's Fund (943 plenary meeting, 12 December 1960)

The General Assembly,

Welcoming the action of the Executive Board of the United Nations Children's Fund in elaborating the activities to be undertaken by the Fund, within the framework of its responsibilities, in helping countries give effect to the high principles proclaimed in the Declaration of the Rights of the Child,

Recognizing the significant contribution the Fund is making to better living conditions in developing countries and the manner in which it reinforces the effectiveness of other measures taken to this end,

Noting that the Fund is taking steps to ascertain the priority needs of children in present changing conditions and to identify the fields in which it might assist in order to contribute to the greatest possible extent to the present and future welfare of children,

1. Commends the United Nations Children's Fund on its achievements;
2. Encourages the Fund to increase aid to countries passing through difficult transitional stages, particularly in Africa, without prejudicing the level of aid to other countries requiring assistance;
3. Expresses the hope that the Fund will receive the necessary financial support to enable it not only to continue its successful work but also increasingly to meet the challenge of extending its services.



1508 (XV): Low-cost housing and related community facilities (943rd plenary meeting, 12 December 1960)

The General Assembly

Recalling its resolution 1393 (XIV) of 20 November 1959 regarding low-cost housing,

Having noted section I of chapter V of the report of the Economic and Social Council on progress made towards the implementation of the long-range programme of concerted international action in the field of housing and related community facilities,

Recognizing the importance of adequate housing and community facilities and services for a rise in the levels of living of the lower income groups in the congested urban areas,

Recognizing the significant role of Governments in the planning, financing and execution of programmes for low-cost housing and community facilities,

Considering that owing to limited resources the developing and newly independent countries have difficulty in meeting demands for simultaneous investment in economic development projects and in housing, health and education,

Recognizing the need to utilize more fully the peoples' own resources and the local sources of materials and finances for the solution of the housing and urban development problem,

1. Requests Member States to review their housing requirements, policies and programmes as well as the extent of investment in this field from all sources in their countries, and to indicate to the United Nations the areas in which outside assistance is most needed;

2. Requests the Secretary-General, in connexion with the concerted programme of practical action in this field, to investigate in consultation with interested Member States the possibility of obtaining technical services, equipment and funds for establishing or multiplying pilot projects:

(a) In low-cost housing and related community facilities, services and utilities in the areas of rapid urbanization in the developing countries;

(b) In the production from local sources of suitable materials,

/accessories and

accessories and construction elements and equipment for the execution of housing and urban development programmes;

3. Further requests the Economic and Social Council to investigate, on the basis of work already done by its functional commissions and regional economic commissions, the possibilities for domestic and international financing of low-cost housing programmes in less developed countries;

4. Invites the Economic and Social Council to submit to the General Assembly a report on the implementation of the present resolution together with the comments of the Social Commission, the regional economic commissions and the specialized agencies concerned.

1512 (XV). Main trends of inquiry in the natural sciences, dissemination of scientific knowledge and application of such knowledge for peaceful ends (943rd plenary meeting, 12 December 1960)

The General Assembly

Considering the important role which the natural sciences in general continue to play in promoting the economic and social progress of mankind,

Having received the survey of the main trends of inquiry in the field of natural sciences, the dissemination of scientific knowledge and the application of such knowledge for peaceful ends,

Noting Economic and Social Council resolution 804 B (XXX) of 3 August 1960 requesting wide dissemination of the survey and seeking comments from Governments of Member States, the appropriate specialized agencies and the International Atomic Energy Agency,

1. Endorses the decision of the Economic and Social Council to give detailed consideration to the survey at its thirty-second session, taking into account such views thereon as may be expressed by the General Conference of the United Nations Educational, Scientific and Cultural Organization;

2. Recommends Governments of Member States, agencies related to the United Nations, and appropriate non-governmental organizations to publicize this survey as widely as possible;

3. Requests the Economic and Social Council, taking into account the views obtained by the Secretary-General in pursuance of Council resolution

804 B (XXX) and the discussions on this item at the fifteenth session of the General Assembly, to report further on this matter to the Assembly at its sixteenth session and to recommend concrete measures including those relating to:

(a) The possibility of utilizing the present achievements in the natural sciences for peaceful purposes, for furthering the economic progress and welfare of mankind, and especially for accelerating the economic and social progress of the less developed countries;

(b) The possibility of extending international co-operation in the exchange of scientific information and experience in the field of the natural sciences.

1514 (XV). Declaration on the granting of independence to colonial countries and peoples (947th plenary meeting, 14 December 1960)

The General Assembly,

Mindful of the determination proclaimed by the peoples of the world in the Charter of the United Nations to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women and of nations large and small and to promote social progress and better standards of life in larger freedom,

Conscious of the need for the creation of conditions of stability and well-being and peaceful and friendly relations based on respect for the principles of equal rights and self-determination of all peoples, and of universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, sex, language or religion,

Recognizing the passionate yearning for freedom in all dependent peoples and the decisive role of such peoples in the attainment of their independence,

Aware of the increasing conflicts resulting from the denial of or impediments in the way of the freedom of such peoples, which constitute a serious threat to world peace,

Considering the important role of the United Nations in assisting

/the movement



the movement for independence in Trust and Non-Self-Governing Territories,

Recognizing that the peoples of the world ardently desire the end of colonialism in all its manifestations,

Convinced that the continued existence of colonialism prevents the development of international economic co-operation, impedes the social, cultural and economic development of dependent peoples and militates against the United Nations ideal of universal peace,

Affirming that peoples may, for their own ends, freely dispose of their natural wealth and resources without prejudice to any obligations arising out of international economic co-operation, based upon the principle of mutual benefit, and international law,

Believing that the process of liberation is irresistible and irreversible and that, in order to avoid serious crises, an end must be put to colonialism and all practices of segregation and discrimination associated therewith,

Welcoming the emergence in recent years of a large number of dependent territories into freedom and independence, and recognizing the increasingly powerful trends towards freedom in such territories which have not yet attained independence,

Convinced that all peoples have an inalienable right to complete freedom, the exercise of their sovereignty and the integrity of their national territory,

Solemnly proclaims the necessity of bringing to a speedy and unconditional end colonialism in all its forms and manifestations;

And to this end

Declares that:

1. The subjection of peoples to alien subjugation, domination and exploitation constitutes a denial of fundamental human rights, is contrary to the Charter of the United Nations and is an impediment to the promotion of world peace and co-operation.

2. All peoples have the right to self-determination; by virtue of that right they freely determine their political status and freely pursue their economic, social and cultural development.

3. Inadequacy of political, economic, social or educational preparedness should never serve as a pretext for delaying independence.

/4. All

4. All armed action or repressive measures of all kinds directed against dependent peoples shall cease in order to enable them to exercise peacefully and freely their right to complete independence, and the integrity of their national territory shall be respected.

5. Immediate steps shall be taken, in Trust and Non-Self-Governing Territories or all other territories which have not yet attained independence, to transfer all powers to the peoples of those territories, without any conditions or reservations, in accordance with their freely expressed will and desire, without any distinction as to race, creed or colour, in order to enable them to enjoy complete independence and freedom.

6. Any attempt aimed at the partial or total disruption of the national unity and the territorial integrity of a country is incompatible with the purposes and principles of the Charter of the United Nations.

7. All States shall observe faithfully and strictly the provisions of the Charter of the United Nations, the Universal Declaration of Human Rights and the present Declaration on the basis of equality, non-interference in the internal affairs of all States, and respect for the sovereign rights of all peoples and their territorial integrity.

1515 (XV). Concerted action for economic development of economically less developed countries (948th plenary meeting, 15 December 1960)

The General Assembly

Believing that the principles laid down in the Charter of the United Nations with regard to international economic and social co-operation should be reaffirmed now when so many States have recently become Members of the United Nations,

Bearing in mind the solemn undertaking embodied in the Charter to employ international machinery for the promotion of the economic and social advancement of all peoples,

Recalling also that one of the principal objectives of the United Nations is to promote higher standards of living and that Member States have pledged themselves to take joint and separate action to achieve this purpose,

/1. Reiterates



1. Reiterates that a prime duty of the United Nations is to accelerate the economic and social advancement of the less developed countries of the world, thus contributing to safeguarding their independence and helping to close the gap in standards of living between the more developed and the less developed countries;

2. Recognizes that this social and economic advancement requires the development and diversification of economic activity, that is, the improvement of conditions for the marketing and production of foodstuffs and the industrialization of those economies which are largely dependent on subsistence agriculture or on the export of a small range of primary commodities;

3. Believes that in the present circumstances that achievement of these ends demands, inter alia:

(a) The maintenance of a high and expanding level of economic activity and of generally beneficial multilateral and bilateral trade free from artificial restrictions, in order to enable the less developed countries and those dependent on the export of a small range of primary commodities to sell more of their products at stable and remunerative prices in expanding markets, and so increasingly to finance their own economic development from their earnings of foreign exchange;

(b) The increasing provision of public and private capital on acceptable terms from the more developed to the less developed countries, notably through international organizations and through freely negotiated multilateral or bilateral arrangements;

(c) The expansion of technical co-operation between countries at all stages of development, with the objective of aiding the people of under-developed countries to increase their knowledge of, and capacity to apply, modern techniques;

(d) Scientific and cultural co-operation and the encouragement of research;

(e) Proper regard for the human and social aspects of economic development;

4. Recommends, with these objects in view, that:

(a) Member States and the international organs concerned should

/continue as

continue as a matter of urgency to seek and apply ways of eliminating both excessive fluctuations in primary commodity trade and restrictive practices or measures which have unfavourable repercussions on the trade in basic products of the less developed countries and those dependent on the export of a small range of primary products, and to expand trade in these products;

(b) In particular, the Economic and Social Council should give close and serious attention to the problems of commodity trade and to the recommendations of the Commission on International Commodity Trade designed to deal with them, including those such as compensatory financing relating to off-setting the effects of large fluctuations;

(c) Technical training, education and pre-investment assistance, whether undertaken by international organizations or by individual Governments, should be regarded as an important factor in the economic development of under-developed countries and, in particular, the fullest possible support should be given to the Expanded Programme of Technical Assistance, to the Special Fund and to the other voluntary programmes of the United Nations which are concerned with these ends;

(d) Technical assistance and the supply of development capital, which are increasing, should be increased further - whether provided through existing and future international organizations and institutions or otherwise - should be of a kind and in a form in accordance with the wishes of the recipients and should involve no unacceptable conditions for them, political, economic, military or other;

(e) Regional economic groupings should be designed to offer the opportunities of an expanding market to all trading nations, taking into account the interests of third parties;

5. Recommends further that the sovereign right of every State to dispose of its wealth and its natural resources should be respected in conformity with the rights and duties of States under international law;

6. Requests the Economic and Social Council, the Secretary-General, the specialized agencies, the International Atomic Energy Agency and the Governments of States members of these organizations to take note of the present resolution and asks them to play their appropriate part effectively in carrying out its objectives and principles for the general and common benefit of the human race.

1516 (XV). Economic and social consequences of disarmament (948th plenary meeting, 15 December 1960)

The General Assembly,

Recalling its resolution 1378 (XIV) of 20 November 1959,

Conscious that the impact of disarmament is likely to set in motion great changes in the domestic economies of States and in international economic relations, as a result of the progressive diversion of human and material resources from military to peaceful purposes,

Recognizing that effective action at the national and international levels will need to be taken to make use of material and human resources becoming available as a consequence of disarmament, in order to promote social progress and better standards of living in the world,

Bearing in mind the importance of comprehensive and systematic studies in this field to enable Member States, especially those which are under-developed, to make the necessary economic and social adjustments in the event of disarmament,

Convinced that it is both timely and desirable to undertake such studies,

1. Requests the Secretary-General to examine:

(a) The national economic and social consequences of disarmament in countries with different economic systems and at different stages of economic development, including, in particular, the problems of replacing military expenditures with alternative private and public civil expenditures so as to maintain effective demand and to absorb the human and material resources released from military uses;

(b) The possible development of structural imbalances in national economies as a result of the cessation of capital investment in armaments industries, and the adoption of possible corrective measures to prevent such imbalances, including expanded capital assistance to the under-developed countries;

(c) The impact of disarmament on international economic relations, including its effect on world trade and especially on the trade of under-developed countries;

/(d) The



(d) The utilization of resources released by disarmament for the purpose of economic and social development, in particular of the under-developed countries;

2. Recommends that the Secretary-General should conduct the proposed examination with the assistance of expert consultants to be appointed by him with due regard to their qualifications and to the need of geographical representation and intimate knowledge of countries with different economic systems and at different stages of economic development;

3. Appeals to Governments of Member States to give full co-operation to the Secretary-General in the fulfilment of the task entrusted to him;

4. Requests the Secretary-General to submit a preliminary report on the results of the examination to the Economic and Social Council at its thirty-third session;

5. Requests the Economic and Social Council to transmit the report with its views to the General Assembly at its seventeenth session.

1517 (XV). Projections (948th plenary meeting, 15 December 1960)

The General Assembly,

Considering the importance of projections of certain major international economic trends, particularly in the field of primary products,

Aware of the special importance of such projections to the less developed countries, including those which have recently achieved their political independence, for the formulation of their long-term policies and plans for economic development, including the use of their natural resources,

Recalling its resolution 1428 (XIV) of 5 December 1959 on world economic development,

Taking note of the activities of the Economic and Social Council in this field, and in particular of its resolution 777 (XXX) of 3 August 1960 concerning the solution of problems relating to methodology, comparability and collation of relevant data,

Believing that the need to accelerate the economic development of the under-developed countries calls for an intensification of all

/activities conducted

activities conducted in this field, in order to make available even tentative data on the medium- and long-term prospects for the production and exports of those countries in the light of the longer-term trends prevailing in the world economy,

1. Endorses Economic and Social Council resolution 777 (XXX);
2. Requests the Economic and Social Council to intensify its work in the field of economic and social projections;
3. Recommends that the regional economic commissions continue and intensify their activities in this field;
4. Welcomes the decision of the Commission on International Commodity Trade to continue the consideration of this question at its next session and invites it to make such recommendations as it deems appropriate;
5. Requests the Secretary-General, bearing in mind the recommendations of the Commission on International Commodity Trade, to prepare in consultation with the Director-General of the Food and Agriculture Organization of the United Nations and in co-operation with the executive secretaries of the regional economic commissions, a study containing tentative medium- and long-term projections of the prospective international demand for, and supply of, selected major primary commodities at present exported by the under-developed countries;
6. Further requests the Secretary-General to submit this study, together with a detailed note on the methodology used and the problems encountered, to the Economic and Social Council for consideration at its thirty-fourth session and for transmission, with its observations, to the General Assembly at its seventeenth session.

1518 (XV). Decentralization of the United Nations economic and social activities and strengthening of the regional economic commissions (948th plenary meeting, 15 December 1960)

The General Assembly,

Expressing its satisfaction that the Economic and Social Council recognized the value of regional co-operation in the establishment of the United Nations system of regional economic commissions to which the Economic Commission for Africa was added in 1958,

/Welcoming Economic



Welcoming Economic and Social Council resolution 795 (XXX) of 3 August 1960 on co-ordination in the field, and being aware of the continuing need for regional co-ordination which requires liaison and co-operation between the representatives of the Technical Assistance Board and the specialized agencies and the executive secretaries of the regional economic commissions,

Recognizing that the regional economic commissions are not limited under their terms of reference to studies and deliberations and are actually performing various operational functions through their secretariats,

Reaffirming its resolution 1158 (XII) of 26 November 1957 on the activities of the regional economic commissions,

Bearing in mind particularly resolutions 11 (II) of 5 February 1960 multilateral economic and financial assistance to Africa and 19 (II) of 4 February 1960 on concerted action adopted by the Economic Commission for Africa, resolution 31 (XVI) of 18 March 1960 on regional economic co-operation for development of trade and industries adopted by the Economic Commission for Asia and the Far East, resolutions 153 (VIII) of 22 May 1959 on the joint ECLA/TAO economic development training programme, 155 (VIII) of 22 May 1959 on economic development advisory groups, 172 (AC.45) of 28 March 1960 on the Latin American common market, 173 (AC.45) of 28 March 1960 on Central American economic integration adopted by the Economic Commission for Latin America, and resolution 4 (XV) of 5 May 1960 on assistance to the less developed countries adopted by the Economic Commission for Europe,

1. Notes with satisfaction the conclusion of the Committee on Programme Appraisal of the Economic and Social Council, as mentioned in Council resolution 793 (XXX) of 3 August 1960, that the regional economic commissions are playing an increasingly important role in the preparation and carrying out of programmes and activities in the economic and social fields, both as focal centres for the promotion of economic and social development and as meeting grounds for experts who contribute to this development in their respective countries in the several regions;

/2. Invites

2. Invites all States Members of the United Nations to advance further their active support of the activities of the United Nations regional economic commissions and all States members of the respective commissions to take further advantage of the facilities and services which could be made available by or through their secretariats;

3. Urges the regional economic commissions, with due regard to the relevant resolutions of the Economic and Social Council, to strengthen co-operation among themselves and among their executive secretaries, including the exchange of the results of work and experiences gained on problems of common interest;

4. Requests the Secretary-General to make every effort to strengthen the secretariats of the regional economic commissions, and in particular to promote and assist, in continuing co-operation with the independent African States, the effective functioning of the secretariat of the Economic Commission for Africa;

5. Requests the Secretary-General to consult the regional economic commissions at their next annual sessions and the specialized agencies, and to report to the Economic and Social Council at its thirty-second session and to the General Assembly at its sixteenth session on the steps taken in implementation of Council resolution 793 (XXX) regarding the decentralization of activities and operations and the increased utilization of the services of the regional economic commissions.

1519 (XV). Strengthening and development of the world market and improvement of the trade conditions of the economically less developed countries (948th plenary meeting, 15 December 1960)

#### The General Assembly

Recalling its resolution 1421 (XIV) of 5 December 1959 on strengthening and development of the world market and improvement of the trade conditions of the economically less developed countries,

Recognizing that expansion of international trade, and in particular of trade between countries of different social and economic systems as well as of trade between countries at markedly different stages of economic development, is of real importance for the progress and welfare

/of all

of all peoples, contributes to the strengthening of peace and constitutes one of the most efficient means of accelerating the increase in the rate of development of the less developed countries, many of which have recently become Members of the United Nations,

Bearing in mind the real importance of maintaining and developing generally beneficial trade free from artificial restrictions,

Considering the endeavours made in this direction by the different United Nations bodies, and in particular by the Commission on International Commodity Trade and, as far as trade between countries of different economic systems is concerned, by the Economic Commission for Europe,

Being aware that regional trade co-operation which does not prejudice the interests of other countries or the interests of world trade at large represents an important step towards world economic and trade co-operation,

Taking note of Economic and Social Council resolution 778 (XXX) of 3 August 1960 and of Economic Commission for Europe resolution 6 (XV) of 5 May 1960,

Reiterating the high priority of this field of work of the United Nations in its activities related to the world economy,

Requests the Economic and Social Council:

1. To recommend to the Economic Commission for Europe that it ensure the preparation of the studies envisaged in its resolution 6 (XV) in time for the thirty-second session of the Council;

2. To recommend to the Commission on International Commodity Trade and to the regional economic commissions that they continue to study the causes of, and the obstacles which have resulted in, substantial fluctuations, whether in volume or prices, of exports of the economically less developed countries, as well as the ways and means of improving the existing situation, and present their views on these matters to the thirty-second session of the Economic and Social Council, which should take into account in its studies and recommendations the problems of all Member States, including those which at present do not belong to any regional economic commission;

3. To recommend to the Economic Commission for Europe, the Economic Commission for Asia and the Far East, the Economic Commission for Latin America and the Economic Commission for Africa that they elaborate further

/appropriate measures



appropriate measures to promote intra-regional trade co-operation;

4. To discuss at its thirty-second session, after a preliminary exchange of views among the executive secretaries of the regional economic commissions and the Chairman of the Commission on International Commodity Trade, the findings of the studies recommended in paragraphs 1, 2 and 3 above together with the report being prepared under General Assembly resolution 1421 (XIV) on ways and means of promoting wider trade co-operation among States, in order to submit those studies together with the Council's comments to the General Assembly at its sixteenth session.

1520 (XV). Improvement of the terms of trade between the industrial and the under-developed countries (948th plenary meeting, 15 December 1960)

The General Assembly

Recalling that one of the greatest economic development problems in most of the under-developed countries is the imbalance between the prices of the products they export and those of the merchandise and other goods which they need to import,

Considering that these terms of trade have been deteriorating steadily in recent years, thereby contributing to the difficult situation of economic and social instability in the countries concerned,

Appreciating that the means these countries can adopt in isolation to protect the prices of the raw materials or primary products which they produce are very weak and for the most part ineffective,

Expressing the hope that agreements similar to the international agreements concluded between producers and consumers in the case of sugar, wheat and tin might be concluded in the case of other primary commodities and implemented on a wider basis more favourable to the under-developed countries,

Noting further that there are other measures which States Members of the United Nations and members of the specialized agencies might take to alleviate the export problems of under-developed countries for their present and potential export products,

/ Recognizing that

Recognizing that by such procedures a considerable improvement could be brought about in the terms of trade between the industrial and the under-developed countries,

1. Recommends that the Economic and Social Council and the Commission on International Commodity Trade intensify the study of measures, including in particular multilateral agreements among States, which might be adopted in order to extend and improve markets for the sale of primary commodities which form the basis of the economies of the under-developed countries;

2. Requests the Economic and Social Council to report to the General Assembly at its sixteenth session on any results of such studies as well as other similar studies now under way in various international organizations which might promote the above ends.

1521 (XV). Establishment of a United Nations capital development fund  
(948th plenary meeting, 15 December 1960)

The General Assembly

Bearing in mind the determination of the peoples of the United Nations to employ international machinery for the promotion of the economic and social advancement of all peoples,

Recognizing the urgency of accelerating the economic and social development of under-developed countries,

Recognizing further that the present flow of capital from the economically advanced countries to the under-developed countries for the economic and social development of the latter is wholly inadequate in nature and scope,

Considering the need for the United Nations to supplement all existing efforts for capital assistance to the under-developed countries,

Recalling its resolutions 1219 (XII) of 14 December 1957, 1240 (XIII) of 14 October 1958, 1317 (XIII) of 12 December 1958 and 1424 (XIV) of 5 December 1959, and Economic and Social Council resolutions 662 (XXIV) of 30 and 31 July 1957 and 740 (XXVIII) of 31 July 1959,

1. Decides in principle that a United Nations capital investment development fund shall be established;

/2. Resolves



2. Resolves that a committee of twenty-five representatives of Member States, to be designated by the President of the General Assembly on the basis of equitable geographical distribution, shall consider all concrete preparatory measures, including draft legislation, necessary to that end;

3. Requests the committee to submit its recommendations, including the draft legislation to the Economic and Social Council at its thirty second session, which shall transmit them, together with its comments, to the General Assembly at its sixteenth session for action;

4. Requests the Secretary-General to provide the committee with the necessary facilities.

1522 (XV). Accelerated flow of capital and technical assistance to the developing countries (948th plenary meeting, 15 December 1960)

The General Assembly,

Bearing in mind the responsibilities laid upon Member States by Article 55 of the Charter of the United Nations to promote higher standards of living, full employment and conditions of economic and social progress and development, and by Article 56 to take joint action in co-operation with the United Nations for the achievement of these purposes,

Bearing in mind also the widening gap in standards of living between the economically advanced and the less developed countries, and the necessity to deal with it through international co-operative action,

Recognizing the urgency and importance of accelerating the economic and social development of the under-developed countries for the maintenance of world peace and security and the promotion of better understanding among nations,

Recognizing further that while the primary responsibility for their economic development, whether through the creation of appropriate social and economic conditions or the generation of internal capital, is and must remain that of the economically under-developed countries themselves, this development would be greatly aided by improving the nature and increasing the volume of the present flow of capital and the scope of

/technical assistance

technical assistance from the economically advanced countries to the under-developed countries,

Appreciating the steady contribution already made over the years to the promotion of development by the regular flow of international assistance,  
Believing however that this present flow is inadequate,

1. Expresses the hope that the flow of international assistance and capital should be increased substantially so as to reach as soon as possible approximately 1 per cent of the combined national incomes of the economically advanced countries;

2. Urges that, while the flow of capital and technical assistance to the under-developed countries could be through public or private channels whether bilaterally, multilaterally or through international organizations, an appropriate part thereof should be channelled through the United Nations and the specialized agencies, and in such a manner as not to bear heavily on the future balance of payments of the less developed countries;

3. Recommends that all States Members of the United Nations and members of the specialized agencies, economically advanced as well as under-developed, take such measures as may be appropriate both to accelerate the flow of capital and technical assistance and to ensure its effective utilization;

4. Requests the Secretary-General to report annually to the General Assembly through the Economic and Social Council on the progress made towards the objectives of the present resolution, taking into account Assembly resolution 1034 (XI) of 26 February 1957 and Council resolution 780 (XXX) of 3 August 1960.

1523 (XV). International credit insurance (948th plenary meeting, 15 December 1960)

The General Assembly,

Recalling its resolution 1318 (XIII) of 12 December 1958,

Taking note with appreciation of the Secretary-General's report on the promotion of the international flow of capital,

Taking note also of Economic and Social Council resolution 762 (XXIX) of 21 April 1960,

/Conscious that

Conscious that all feasible measures should be adopted at the earliest possible date to assist and expand the flow of private funds for the purpose of development of the economically less developed countries,

Requests the Secretary-General, when reporting on measures designed to promote the flow of private capital as envisaged in Economic and Social Council resolution 762 (XXIX), to report also on the feasibility of extending the scope of activities of existing national credit insurance institutions, of creating new institutions or arrangements of this kind and of establishing international credit insurance organizations, keeping in view especially the difficulties encountered by the economically less developed countries with regard to their balance of payments.

1524 (XV). Financing of economic development of less developed countries through long-term loans and in other advantageous ways and ensuring an increasing share in world trade for their products (948th plenary meeting, 15 December 1960)

The General Assembly,

Bearing in mind the urgent necessity of further facilitating the financing of the development of the less developed countries with a view to accelerating their economic development,

Recognizing the need to accelerate the industrialization of the less developed countries through the provision of an increasing flow of capital in a manner acceptable to the receiving countries,

Realizing that the diversification of the economies of the less developed countries implies industrialization and is becoming increasingly more urgent in view of the instability of their export earnings and their limited financial resources,

Believing that diversification, the establishment of modern industries in the less developed countries and the development of their economies must take place in such a manner as to provide them with an opportunity to participate to a greater extent in the world market and, especially, to realize larger earnings from exports of their products, including exports of products of their newly established industries,

Taking into account the establishment of new international sources of credit,



1. Recommends all Member States:

(a) To encourage, on a bilateral and a multilateral basis, the extension as appropriate of long-term loans, grants, or credits on favourable terms, including interest-free loans, or loans at the lowest possible interest rates, the longest possible repayment periods and repayment in local currencies or in other beneficial forms, as well as the influx of other forms of foreign capital and assistance, which are important factors in the economic and social progress of the less developed countries;

(b) To avoid, except for balance-of-payments reasons, reliance on the practices of restricting economic aid to particular sources of supply or exclusively to particular projects; when aid involves the supply of goods or services, they should be made available at competitive world prices;

(c) To co-operate in financing industrial, agricultural, social and other projects for productive purposes in harmony with needs and requirements of the development programmes of the less developed countries;

2. Calls upon Governments of Member States to encourage the development and the diversification of the economies of the less developed countries with a view to increasing their share in world production and world trade, including trade in industrial products;

3. Calls upon the Economic and Social Council and its regional economic commissions to continue to study this important question, and requests the Committee for Industrial Development to make suggestions on the matter.

1525 (XV). Activities of the United Nations in the field of industrial development (948th plenary meeting, 15 December 1960)

The General Assembly,

Recalling its resolution 1431 (XIV) of 5 December 1959, which recommended that the Economic and Social Council give consideration to the prompt establishment of a commission for industrial development,

Noting Economic and Social Council resolution 751 (XXIX) of 12 April 1960 on the establishment of the Committee for Industrial Development,

/Taking into

Taking into consideration the substantial interest of the economically less developed countries in developing their own industries as one of the main ways of diversifying their economic structures and developing their national economies generally,

Being convinced that the activities of the United Nations in the field of industrial development should be widened and accelerated,

1. Recommends that the Committee for Industrial Development should consider in drawing up its programme of work, in conjunction with the functions set forth in Economic and Social Council resolution 751 (XXIX), the following:

(a) To review the methods and techniques of programming general industrial development which have been evolved by different countries and regions, and to contribute to international co-operation in this field;

(b) To work out general conclusions on the basis of the experience of industrial development in all countries with a view to promoting the exchange of experience in the field of industrial development between countries of different regions and having differing economic systems;

(c) To encourage the preparation of long-term economic projections in the field of industrial development, taking into account social aspects of industrialization in the economically less developed countries as well as its influence on international economic relations and trade;

(d) To follow developments in the field of the financing of new industries in the economically less developed countries and to make appropriate recommendations thereon;

2. Recommends that the Economic and Social Council at its resumed thirtieth session enlarge the membership of the Committee for Industrial Development to thirty members in order to ensure a more balanced representation of Member States in that Committee, in accordance with the principles enunciated in paragraph 4 of the Committee's terms of reference as set forth in Economic and Social Council resolution 751 (XXIX), and taking into account, in particular, the countries of Africa;

3. Appeals to the Governments of the States members of the Committee for Industrial Development to designate their representatives to the

/Committee in



Committee in the near future and in accordance with the principle in paragraph 6 of its terms of reference;

4. Decides to include in the General Assembly's provisional agenda, beginning with the sixteenth session, an item entitled "Industrial development and activities of the organs of the United Nations in the field of industrialization".

1526 (XV). Land reform (948th plenary meeting, 15 December 1960)

The General Assembly,

Bearing in mind that land reform is frequently one of the main prerequisites for the general improvement of agricultural productivity, that the needs foreseen and the difficulties encountered still constitute a serious obstacle to the economic development of many under-developed countries and that the necessary remedies to this end have not been set forth,

Convinced that the reports submitted by the Secretary-General for the consideration of the Economic and Social Council and the General Assembly, in accordance with Assembly resolutions 401 (V) of 20 November 1950, 524 (VI) of 12 January 1952, 625 A (VII) of 21 December 1952 and 826 (IX) of 11 December 1954, and Council resolutions 370 (XIII) of 7 September 1951, 512 C (XVII) of 30 April 1954 and 649 B (XXIII) of 2 May 1957, have provided valuable information on land reform but by no means indicate that the subject of land reform has been exhausted either from the standpoint of economic development and social well-being or that of the maximum utilization of resources,

Recognizing the usefulness of studies concerning obstacles which impede or render difficult the implementation of land reform,

1. Recommends that the Secretary-General, in co-operation with the Director-General of the Food and Agriculture Organization of the United Nations and the executive heads of the other specialized agencies concerned, should continue to study the progress achieved by countries which have carried out or are carrying out programmes for the transformation of their agrarian structure, at their request, and should submit

/for the

for the consideration of the Economic and Social Council a comprehensive analytical survey every three years - the first of which would be presented in 1962 in accordance with General Assembly resolution 1426 (XIV) of 5 December 1959 and Economic and Social Council resolution 712 (XXVII) of 17 April 1959 - devoting particular attention to a detailed and critical examination of the basic problems of land reform in under-developed countries, as mentioned in paragraph 55 of the 1959 report of the Secretary-General;

2. Further recommends that the Secretary-General, prior to his report of 1962, should inform the General Assembly at its sixteenth session of the progress achieved in implementation of Assembly resolution 1426 (XIV) and Economic and Social Council resolution 712 (XXVII);

3. Invites the Secretary-General, in complying with the terms of the present resolution and after appropriate consultation with, and at the request of, the Governments concerned in the carrying out of land reform programmes, as well as with the Director-General of the Food and Agriculture Organization and the executive heads of interested specialized agencies, to consider the possibility of;

(a) Undertaking studies with a view to ascertaining the demographic, legal, social, economic or other principal factors which may impede or expedite structural changes in the system of land tenure and consequently influence the application of the recommendations made in Economic and Social Council resolution 370 (XIII);

(b) Carrying out country studies in order to determine how tax, financial and budgetary factors, as well as the present utilization of land, can impede or expedite the execution of national land reform programmes in the under-developed countries;

(c) Evaluating the role of co-operatives and credit agencies in facilitating programmes for the transformation of the agrarian structure;

4. Deems it convenient that the question of land reform, in view of its importance for the economic development of the under-developed countries, continues to be considered by the Economic and Social Council in collaboration with the Food and Agriculture Organization and the specialized agencies concerned;

5. Renews the hope, expressed in its resolution 1426 (XIV), that existing United Nations organs for technical and financial assistance and any new organs which may be set up by the United Nations give as much assistance as possible and the necessary high priority to projects connected with the execution of agrarian reform programmes.

1527 (XV). Assistance to former Trust Territories and other newly independent States (948th plenary meeting, 15 December 1960)

The General Assembly,

Recalling its resolutions 1414 (XIV) and 1415 (XIV) of 5 December 1959,

Considering that the great increase in the membership of the United Nations of countries belonging to the under-developed sector of the world economy underlines the urgency of substantially expanding the flow of technical and capital assistance to less developed countries,

Bearing in mind the estimate made in the Secretary-General's report of 3 June 1960 entitled "Opportunities for international co-operation on behalf of newly independent countries" that the present level of technical assistance to the newly independent States is wholly inadequate on the basis of population and of needs, and that their share of such aid will need to be more than doubled and perhaps tripled if it is to be brought roughly into line with that of other Members of the United Nations at comparable stages of development,

Recognizing the urgent necessity of taking measures to strengthen and consolidate the economic independence of the new and emerging States,

Noting the findings and estimates contained in the Secretary-General's report of 22 November 1960, which includes an up-to-date assessment of the situation in the newly independent States in Africa and is based partly on the work of a recent mission to a number of these States,

Considering further that diversification and industrialization are crucially important for the economic advancement of these new States,

Noting resolutions 10 (II) and 11 (II) of the Economic Commission for Africa of 5 February 1960, contained in the Commission's annual

/report to



report to the Economic and Social Council and Council resolution 768 (XXX) of 21 July 1960,

Welcoming the results of the recent United Nations Pledging Conference, which indicate a substantial increase in the resources of the Expanded Programme of Technical Assistance and the Special Fund for the year 1961, and the decision of the Technical Assistance Committee to increase substantially the assistance to the newly independent and emerging States,

1. Decides, within the context of an all-round expansion of aid, to increase technical assistance to newly independent and emerging States to a level commensurate with their pressing needs and so ensure equitable distribution of United Nations aid, in such a way that no under-developed country suffers any curtailment in the assistance it was receiving or is altogether deprived of the eventual increase of that assistance, as a consequence of increased contributions to the programmes of technical assistance;

2. Notes with satisfaction the proposals of the Secretary-General contained in the report of 22 November 1960 for increased assistance to these States from the regular budget of the United Nations;

3. Urges the economically advanced countries to continue to render, and increase, effective financial and technical assistance to these countries through multilateral and bilateral channels with no conditions attached prejudicial to their political and economic sovereignty;

4. Invites the Economic and Social Council to encourage and facilitate the provision through the appropriate international organs - including the United Nations programmes of technical co-operation, the Expanded Programme of Technical Assistance and the Special Fund - in co-operation with and, wherever appropriate, through the Economic Commission for Africa and other regional economic commissions, of assistance requested by Governments for:

(a) Surveys of mineral, hydroelectric, fuel and other natural resources of their countries;

(b) Specific inquiries and reports, where economic development programmes exist or are being prepared, on the needs for equipment and machinery for specific industries and for other sectors of the economy;

(c) The establishment, where economic development programmes do not yet exist, of advisory groups of experts to assist in the preparation of economic development programmes and the determination of investment requirements and priorities, and to render other advisory services as may be required;

(d) Accelerated programmes for training in practical methods and techniques of economic development programming and related subjects, including fiscal policy and management, public finance and public administration through:

- (i) The use of appropriate existing institutions in individual countries;
- (ii) The creation of regional and sub-regional training institutes or courses serving several countries;
- (iii) The organization of seminars on specific subjects of immediate and practical value to the countries concerned;
- (iv) The granting of increased fellowships and scholarships and urgent provision of facilities for in-service training;

5. Requests the Economic and Social Council at its thirty-second session to review, in the light, inter alia, of the reports of the United Nations operational programmes and of the reports of the Economic Commission for Africa and of the other regional economic commissions concerned, the progress made in the implementation of the present resolution, and to report to the General Assembly at its sixteenth session;

6. Requests the Secretary-General to lend the Economic and Social Council and the regional economic commissions concerned his assistance in the execution of the tasks mentioned in paragraphs 4 and 5 above.

1529 (XV). Contributions to the Special Fund and to the Expanded Programme of Technical Assistance (948th plenary meeting, 15 December 1960)

The General Assembly,

Having heard the statements of the Managing Director of the Special Fund and the Executive Chairman of the Technical Assistance Board,

Bearing in mind the increasing and urgent needs of the less developed

/countries, and



countries, and the increase in the number of Members of the United Nations through the admission of the newly independent countries,

1. Takes note of the report of the Governing Council of the Special Fund on its third and fourth sessions and of Economic and Social Council resolutions 785 (XXX), 786 (XXX) and 787 (XXX) of 3 August 1960 regarding the Expanded Programme of Technical Assistance;

2. Urges States Members of the United Nations or members of any of the specialized agencies or of the International Atomic Energy Agency so to increase their contributions to the Special Fund and to the Expanded Programme of Technical Assistance that the funds available to these two programmes attain, in the immediate future, the sum of \$150 million.

1530 (XV). United Nations assistance in public administration: provision of operational, executive and administrative personnel (948th plenary meeting, 15 December 1960)

The General Assembly,

Recalling its resolutions 1256 (XIII) of 14 November 1958 and 1385 (XIV) of 20 November 1959,

Considering that the experimental programme for the provision of operational, executive and administrative personnel has proved its usefulness,

Considering further that the demand for such personnel is considerably increasing and their provision is urgently needed, particularly to meet the requests of newly independent countries,

Recalling that several Member States have centres and institutes for training in public administration, some of which have been created or expanded with the technical assistance of the United Nations,

1. Takes note of the report of the Secretary-General on the provision of technical assistance of an operational, executive and administrative nature;

2. Approves the recommendations contained in Economic and Social Council resolution 790 (XXX) of 3 August 1960:

(a) That the provision of operational, executive and administrative personnel be placed on a continuing basis;

/(b) That

(b) That the Secretary-General continue to consult with the specialized agencies and the International Atomic Energy Agency whenever requests fall within their competence;

(c) That the financial resources for this activity be established at a level appropriate to the needs for this assistance;

3. Recommends that:

(a) In determining the priorities according to which requests are to be met, the Secretary-General continue to take fully into account the urgency of the needs of the requesting countries;

(b) In submitting candidates for selection by recipient Governments, the Secretary-General continue to make use to the fullest possible extent of all available sources of personnel, having regard to their qualifications and experience and to the desirability of using as much as possible persons who have been trained in the above-mentioned centres and institutes for public administration;

4. Requests the Secretary-General to ensure that due attention is paid in the operation of the programme to the training of nationals to assume as early as possible the responsibilities temporarily assigned to internationally recruited personnel and that due regard be given to this aspect of the matter in the reporting thereon;

5. Invites the Secretary-General to adopt the same procedures in reporting to the Economic and Social Council and the Technical Assistance Committee on the programme of provision of operational, executive and administrative personnel as he follows in reporting on the other United Nations regular programmes of technical assistance;

6. Urges the Governments of States Members of the United Nations and members of the specialized agencies and of the International Atomic Energy Agency which are in a position to supply qualified personnel to this programme to co-operate with the Secretary-General in implementing it.

1532 (XV). United Nations programmes of technical assistance: arrangements to facilitate the prompt supply of technical assistance personnel (948th plenary meeting, 15 December 1960)

The General Assembly,

Noting that the Economic and Social Council's Committee on Programme Appraisals has drawn attention in its report to the growing need of international organizations for highly trained and qualified personnel and to the difficulties of recruiting them,

Noting also that the Secretary-General in his report on opportunities for international co-operation on behalf of former Trust Territories and newly independent States, has pointed out that, with the expansion of activities which he envisages for the new Member States, the task of recruiting will become still more difficult,

Recognizing that the value of the provision of technical assistance personnel is in general enhanced when it is possible to meet requests for such personnel promptly,

Desirous of drawing attention to certain measures which Governments can take to facilitate the recruiting of qualified personnel by the United Nations and its related agencies,

Bearing in mind the desirability of the recruitment of qualified and experienced technical assistance personnel on a wide geographical basis from all sources made available by all participating countries, in order that requesting Governments may select the individuals best equipped to fulfil their particular requirements,

1. Urges Governments of States Members of the United Nations and members of the specialized agencies and of the International Atomic Energy Agency to support and assist the efforts being made by the Secretary-General and the executive heads of the specialized agencies and the International Atomic Energy Agency to recruit and train adequate numbers of qualified personnel for the work of their organizations;

2. Requests the Governments concerned to take appropriate measures to facilitate the prompt recruitment of suitably qualified personnel for long- or short-term assignments in response to requests received through

/the United



the United Nations and its related agencies, especially when a requesting Government signifies that particular urgency attaches to its request;

3. Recommends that for this purpose the Governments concerned consider the desirability and feasibility, within their own constitutional and administrative structures, of establishing and maintaining rosters of qualified personnel available for assignment by the United Nations and its related agencies to advisory or operational posts, or of evolving other effective means of responding rapidly to requests for technical assistance personnel, including the use of national committees;

4. Invites the Governments concerned, subject to their own requirements to bring the value of service with international organizations to the attention both of their own agencies and of other bodies which may be in a position to supply personnel, and, in order to overcome an important obstacle to rapid recruiting, to consider measures for the protection of the seniority, prospects for promotion, reinstatement and pension rights of personnel made available for technical assistance assignments.

1534 (XV). Preparation and training of indigenous civil and technical cadres in Non-Self-Governing Territories (948th plenary meeting, 15 December 1960)

The General Assembly,

Having examined the report on the progress achieved in the Non-Self-Governing Territories since the establishment of the United Nations,

Noting that while information is not available in the report as to the strength, the composition and the state of training of indigenous civil and technical personnel employed in all the various branches of administration in Non-Self-Governing Territories, the report gives evidence of the serious shortages of trained personnel of all kinds in these Territories,

Considering that the existence of adequate personnel of this kind is indispensable to the effective implementation of plans and programmes of development in the educational, social and economic fields,

/Bearing in



Bearing in mind that suitably trained indigenous civil and technical cadres are essential to the efficient functioning of the administrations of the Territories,

Believing that the absence of such cadres has, in the past, resulted in serious administrative dislocation in certain Territories upon their attainment of independence, and that their very expeditious development in the remaining Non-Self-Governing Territories will assist in the transfer of full control of powers, in conditions of stability, from the Administering Members to the administrations of Territories emerging from the status of non-self-government,

1. Urges the Administering Members to take immediate measures aimed at the rapid development of indigenous civil and technical cadres and at the replacement of expatriate personnel by indigenous officers;

2. Invites the Administering Members to make full use of the United Nations technical assistance programmes for training in public administration and related fields;

3. Requests the Administering Members to transmit, before the next session of the Committee on Information from Non-Self-Governing Territories, special reports setting out all available information on the training facilities for, and the current strength, composition, state of preparation etc. of, civil and technical services in the Territories for which they are respectively responsible, so as to enable the Committee, at that session, to undertake an examination of such information and to report thereon to the General Assembly at its sixteenth session;

4. Further requests the Administering Members to include such information on their Territories regularly in their annual reports to the Secretary-General under Article 73 e of the Charter of the United Nations.

1535 (XV). Progress achieved in Non-Self-Governing Territories (948th plenary meeting, 15 December 1960)

The General Assembly,

Recalling its resolutions 932 (X) of 8 November 1955 and 1053 (XI) of 20 February 1957, by which it invited the Secretary-General, in

/collaboration with

collaboration with the specialized agencies concerned, to prepare a report on the progress that has been achieved in the Non-Self-Governing Territories in accordance with the objectives set forth in Chapter XI of the Charter of the United Nations since the establishment of the Organization,

Having regard to the objectives set forth in Chapter XI of the Charter, and particularly the objectives of sub-paragraphs a and b of Article 73,

1. Takes note of the report on progress achieved in the Non-Self-Governing Territories prepared by the Secretary-General in collaboration with the International Labour Organisation, the Food and Agriculture Organization of the United Nations, the United Nations Educational, Scientific and Cultural Organization and the World Health Organization in accordance with General Assembly resolutions 932 (X) and 1053 (XI);

2. Notes with appreciation the observations and conclusions on the progress report prepared by the Committee on Information from Non-Self-Governing Territories in accordance with General Assembly resolution 1461 (XIV) of 12 December 1959;

3. Notes that progress has been achieved in some of the Non-Self-Governing Territories, and notes that, in spite of the increased tempo of change, a substantial number of Territories still remain non-self-governing and that in the great majority of these the achievements of the period fall short of the needs of the inhabitants of these Territories;

4. Expresses its satisfaction that since 1946 a number of former Non-Self-Governing Territories have become Members of the United Nations after acceding to independence, and that the transmission of information on some others has ceased, with the approval of the General Assembly, after the achievement of the objectives of the Charter;

5. Considers that, while rapid economic, social and educational advancement must be directed towards the independence of the Non-Self-Governing Territories, the inadequate level of economic, social and educational development in the Territories should never serve as a pretext for deferring their accession to independence;

/6. Urges

6. Urges the Administering Members to strengthen their efforts in the economic, social and educational fields, with the full participation of the indigenous inhabitants of the Territories in all fields of activity, by transferring to those inhabitants effective powers so that during the period of transition from dependence to independence the Non-Self-Governing Territories will be able to establish sound foundations for their future;

7. Further notes, with regret, that, in spite of some reference in the progress report to constitutional and political developments in some of the Non-Self-Governing Territories, the absence of information of a political and constitutional character on a majority of these Territories renders it impossible to assess the extent of their progress towards the goals of the Charter;

8. Considers that a full knowledge of the political and constitutional developments in Non-Self-Governing Territories is essential not only to a proper evaluation of the progress of the Territories towards independence but also to that of their economic, social and cultural advancement;

9. Urges once again the Administering Members concerned to extend their full co-operation to the General Assembly in the performance of its functions by transmitting information of a political and constitutional character on developments in the Territories under their respective administrations;

10. Requests the Secretary-General to transmit the progress report and the observations and conclusions prepared by the Committee on Information from Non-Self-Governing Territories to the Member States responsible for the administration of the Non-Self-Governing Territories, to the Economic and Social Council, to the regional economic commissions, and to the specialized agencies concerned, for necessary action.

1537 (XV). Report on economic conditions in Non-Self-Governing Territories (948th plenary meeting, 15 December 1960)

The General Assembly,

Recalling that by resolution 564 (VI) of 18 January 1952 it approved the special report drawn up in 1951 as a brief but considered indication

/of economic



of economic conditions in Non-Self-Governing Territories and the problems of economic development,

Recalling further that by resolution 846 (IX) of 22 November 1954 it approved another special report on economic conditions as a supplement to the 1951 report,

Recalling also that by resolution 1152 (XII) of 26 November 1957 it approved a further special report on economic conditions,

Having received and considered a further report on economic conditions in Non-Self-Governing Territories prepared by the Committee on Information from Non-Self-Governing Territories at its eleventh session, in 1960,

1. Takes note of the report on economic conditions in Non-Self-Governing Territories prepared in 1960 by the Committee on Information from Non-Self-Governing Territories and considers that this report should be studied in connexion with the other reports mentioned above;

2. Invites the Secretary-General to communicate this report to Member States responsible for the administration of Non-Self-Governing Territories, to the Economic and Social Council, to the regional economic commissions, to the Trusteeship Council and to the specialized agencies concerned for their consideration;

3. Expresses its confidence that the Members responsible for the administration of Non-Self-Governing Territories will bring the report to the attention of the authorities responsible for economic development in those Territories.

1539 (XV). Participation of the Non-Self-Governing Territories in the work of the United Nations and of the specialized agencies  
(948th plenary meeting, 15 December 1960)

The General Assembly,

Recalling its resolutions 566 (VI) of 18 January 1952, 647 (VII) of 10 December 1952, 744 (VIII) of 27 November 1953 and 1466 (XIV) of 12 December 1959,

Considering that the direct participation of the Non-Self-Governing Territories in the work of the United Nations and of the specialized agencies is an effective means of promoting the progress of those

/Territories and

Territories and their peoples towards the attainment of the objectives set forth in Chapter XI of the Charter of the United Nations,

Recognizing that the participation of duly qualified indigenous representatives of the dependent peoples in the consideration of questions of fundamental concern to their welfare is not only useful and desirable but also essential at the present stage of development of the Non-Self-Governing Territories,

Noting that the participation of some Non-Self-Governing Territories in the work of certain regional economic commissions and specialized agencies has proved a useful means of promoting the progress of the peoples of those Territories towards complete self-government or independence,

1. Considers that the direct participation of representatives of the indigenous peoples of the Non-Self-Governing Territories in the work of the appropriate organs of the United Nations is in the interest of the peoples of those Territories and can do much to accelerate the process of their emancipation;

2. Invites the Administering Members to arrange for the participation of such representatives of the Non-Self-Governing Territories in the work of the appropriate organs of the United Nations;

3. Further invites such Administering Members as have not already done so to propose to the specialized agencies and the regional economic commissions that the Non-Self-Governing Territories participate in the work of those organs as members or associate members, according to the constitution of each organ, through such representatives;

4. Decides to include this question as a separate item on the provisional agenda of its sixteenth session;

5. Requests the Secretary-General to submit to the General Assembly at its sixteenth session a report on the implementation of the present resolution.

1540 (XV). Offers by Member States of study and training facilities for inhabitants of Non-Self-Governing Territories (948th plenary meeting, 15 December 1960)

#### The General Assembly

Having examined the report of the Secretary-General on offers by Member States of study and training facilities for inhabitants of the

/Non-Self-

Non-Self-Governing Territories under General Assembly resolution 845 (IX) of 22 November 1954,

Noting with satisfaction the further response to its resolution 845 (IX) inviting Member States to extend their offers of facilities for study and training to the inhabitants of the Non-Self-Governing Territories,

Noting the increasing interest among the inhabitants of the Non-Self-Governing Territories in such offers, as indicated by the fourfold increase over the previous year in the number of applications for such facilities in 1959-1960,

Expressing regret that despite this increase a large number of the scholarships so offered by Member States remain unutilized,

Further expressing regret that in several instances the students who have been granted scholarships have not been accorded facilities to leave the Non-Self-Governing Territories in order to take advantage of such scholarships,

1. Takes note of the report of the Secretary-General on offers of study and training facilities under General Assembly resolution 845 (IX);

2. Reaffirms its resolution 1471 (XIV) of 12 December 1959;

3. Invites once again the Administering Members concerned to take all necessary measures to ensure that scholarships and training facilities offered by Member States are utilized by the inhabitants of the Non-Self-Governing Territories, and to render every assistance to those persons who have applied for, or have been granted, scholarships or fellowships, particularly with regard to facilitating their travel formalities;

4. Requests all Administering Members which have not already done so to give the fullest publicity in the Territories under their administration to all offers of study and training facilities made by Member States;

5. Urges Member States to increase the number of scholarships offered;

6. Requests the Member States offering scholarships to take into account the necessity of furnishing complete information about the scholarships offered, and, whenever possible, the need to provide travel funds to prospective students;

7. Requests the Secretary-General and the specialized agencies to give such assistance as is possible, and as may be sought by the Member States concerned and by the applicants;

/8. Further



8. Further requests the Secretary-General to prepare for the sixteenth session of the General Assembly a report on the actual use of scholarships and training facilities offered by Member States to students from the Non-Self-Governing Territories.

1557 (XV). Organization and work of the Secretariat (954th plenary meeting, 18 December 1960)

The General Assembly,

1. Takes note of the interim report of the Committee of Experts on the Review of the Activities and Organization of the Secretariat and the related observations of the Secretary-General and of the Advisory Committee on Administrative and Budgetary Questions;

2. Confirms the provisional decision of the Secretary-General that, notwithstanding the provisions of paragraph 1 of General Assembly resolution 1446 (XIV) of 5 December 1959, the composition of the Committee of Experts should be increased from six to eight members;

3. Endorses the recommendation of the Committee of Experts that, pending examination of its final report by the General Assembly, United Nations organs should not, save in cases of real urgency, propose the initiation of studies or other projects involving additions to the budget or to the permanent establishment of the Secretariat.

/II RESOLUTIONS

II. RESOLUTIONS ADOPTED BY THE ECONOMIC AND SOCIAL COUNCIL  
DURING ITS TWENTY-NINTH AND THIRTIETH SESSIONS

751 (XXIX). Establishment of a Committee for Industrial Development  
(1105th plenary meeting, 12 April 1960)

The Economic and Social Council,

Having considered General Assembly resolution 1431 (XIV) of 5  
December 1959,

Convinced of the need to accelerate the process of industrialization  
of under-developed countries, by the expansion of the means of providing  
advice, information and assistance through the United Nations in the  
planning and execution of their industrial development, and to keep the  
General Assembly informed of the pace of their industrial growth,

Bearing in mind the value of developing new approaches to industrial  
development, by bringing together the heads of national economic develop-  
ment agencies or other qualified experts from less industrialized and  
from highly industrialized countries to discuss problems of common  
concern on the basis of their respective views and experiences,

Establishes a standing Committee for Industrial Development with  
the following terms of reference:

1. The Committee for Industrial Development shall advise the  
Economic and Social Council in the matters related to the acceleration  
by less industrialized countries of their industrial development, and  
to this end it will:

(a) Examine for the Council the work programme on industrialization  
and make recommendations concerning its further development;

(b) Initiate, propose and encourage studies and seminars dealing  
primarily with:

(i) The most effective application of modern industrial methods  
of production and management techniques to the establishment  
and operation of industries in the under-developed countries;

/(ii) Economic programming

- (ii) Economic programming techniques as applicable to industrialization;
- (iii) Financial, fiscal and administrative policies conducive to the acceleration of industrial development;
- (iv) Effective techniques of distribution and marketing of industrial products, taking into account the progressive industrialization of under-developed countries;
- (c) Undertake, propose or encourage the collection, evaluation and dissemination of information derived from the studies under subparagraph (b) above and of other information relevant to industrialization;
- (d) Perform such other relevant functions as the Council may assign to it from time to time.

2. The Committee may establish or propose ad hoc bodies to facilitate its tasks.

3. The Committee shall exercise its functions without prejudice to the activities of the regional economic commissions.

4. The Committee shall consist of all members of the Economic and Social Council together with an additional six members to be elected for three-year terms by the Council from amongst States Members of the United Nations or members of the specialized agencies or the International Atomic Energy Agency with due consideration to the principle of geographical distribution and to the adequate representation of under-developed countries in view of the fact that their industrial development is the main objective of the Committee. The Committee is authorized to sit, with the approval of the Council, while the Council is not in session. In the event that any of the six additional members becomes a member of the Council, the Council shall elect another State to the membership of the Committee for the remainder of the term of office of that member.

5. Any State Member of the United Nations or member of the specialized agencies or of the International Atomic Energy Agency not represented on the Committee may bring to the attention of the Committee any problem relating to its industrial development and take part, in a consultative capacity, in the deliberations on the subject.

/6. The States



6. The States members of the Committee should endeavour to designate representatives who hold key functions in the planning or execution of national economic development, or other experts qualified to discuss the problems of industrial development.

7. The Committee shall assist the Economic and Social Council to maintain the necessary liaison between the activities in the field of industrialization of the regional economic commissions, the specialized agencies, the International Atomic Energy Agency and other bodies working in the same field, with a view to ensuring the utmost efficiency and co-operation in their work.

8. The Committee shall report and make its recommendations to the Economic and Social Council.

9. The agenda of the Committee shall be established in accordance with paragraph 1 above.

752 (XXIX). Study of opportunities for international co-operation on behalf of former Trust Territories and other newly independent States  
(1107th plenary meeting, 14 April 1960)

The Economic and Social Council,

Having considered General Assembly resolution 1414 (XIV) of 5 December 1959 calling for a study of opportunities for international co-operation on behalf of the former Trust Territories which have become independent, together with Assembly resolution 1415 (XIV) of 5 December 1959 regarding assistance to territories emerging from a trust status and to newly independent States,

Recognizing that there is an urgent need for international assistance to strengthen the newly found independence of these countries by sound economic growth and social progress,

Noting the desire of the Economic Commission for Africa, as expressed in its resolution 10 (II) of 5 February 1960, to co-operate with the Secretary-General and the Economic and Social Council in this matter, in view of its terms of reference and of the advantages inherent in the fact that it is situated in the African continent,

Having considered the memorandum of the Secretary-General concerning opportunities for international co-operation on behalf of former Trust Territories and other newly independent States,

1. Takes note with appreciation of the Secretary-General's observations, which form a valuable basis for further consideration of the problem;

2. Believes that special efforts need to be made in support of the newly  
/emerging States

emerging States of Africa and elsewhere to provide without delay effective assistance within the framework of existing programmes of the United Nations and through the specialized agencies;

3. Expresses the hope, in accordance with General Assembly resolutions 1382 (XIV), paragraph 5, and 1383 A (XIV), paragraph 5 (b), of 20 November 1959, that additional funds will be made available to the Expanded Programme of Technical Assistance and the Special Fund in 1961 and following years to permit a substantial increase in the activities of these programmes in Africa, at the request of former Trust Territories and other newly independent States, while fully maintaining, or increasing, assistance given to other regions under these programmes;

4. Requests the Secretary-General, bearing in mind existing bilateral and multilateral aid programmes, to present to the Council at its thirtieth session a report based on a further and more specific examination of the opportunities for international co-operation on behalf of former Trust Territories and other newly independent States, including opportunities offered:

(a) Under the regular assistance programmes, specifically those established by General Assembly resolutions 200 (III) of 4 December 1948 concerning technical assistance for economic development, 723 (VIII) of 23 October 1953 concerning technical assistance in public administration and 1256 (XIII) of 14 November 1958, concerning operational, executive and administrative personnel, and having regard to the possible need for the provision of additional funds in the United Nations regular budget for these purposes;

(b) Under General Assembly resolution 418 (V) of 1 December 1950 regarding advisory social welfare services;

5. Further requests the Secretary-General, in preparing the above-mentioned report, to consult the Governments of countries which were formerly under trusteeship and which have become independent, as suggested in General Assembly resolution 1414 (XIV), the executive heads of the specialized agencies as contemplated under Assembly resolution 1415 (XIV) and as he has indicated at the twenty-ninth session of the Council, and, as appropriate, such other international governmental and non-governmental organizations as may be competent to make a contribution to the study;

/6. Decides

6. Decides to consider the report of the Secretary-General at its thirtieth session with a view to further action and the submission of its report to the General Assembly at its fifteenth session.

757 (XXIX). Economic development of under-developed countries: industrialization (1111th plenary meeting, 21 April 1960)

The Economic and Social Council,

Recalling its resolution 709 A (XXVII) of 17 April 1959 and the report of the Advisory Committee on the Work Programme on Industrialization, and its resolution 740 C (XXVIII) of 31 July 1959 on the collection, analysis and dissemination of technical experience in the field of industrialization,

Having considered the progress report and proposals for future work submitted by the Secretary-General under Council resolution 709 A (XXVII),

Recalling its resolution 751 (XXIX) of 12 April 1960 establishing a standing Committee for Industrial Development,

1. Commends the Secretary-General on the work programme carried out thus far in the field of industrialization;

2. Approves the Secretary-General's proposals for the work programme to be carried out in 1960-1961, to be implemented from resources now available or which can reasonably be expected to become available;

3. Requests the Secretary-General to submit proposals, together with any financial implications, for a longer-range and expanded work programme in the field of industrial development, taking into account the report of the Advisory Committee on the Work Programme on Industrialization, for consideration by the Committee for Industrial Development and, in the context of the report of that Committee, by the Council at its thirty-first session.

/758 (XXIX).



758 (XXIX). Economic development of under-developed countries: petroleum resources (1111th plenary meeting, 21 April 1960)

The Economic and Social Council,

Recalling General Assembly resolutions 1319 (XIII) of 12 December 1958 and 1425 (XIV) of 5 December 1959 and Council resolutions 711 B (XXVII) of 17 April 1959 and 740 B (XXVIII) of 31 July 1959,

Noting with appreciation the report of the Secretary-General on petroleum resources,

Having regard to the importance of energy resources of all kinds, including petroleum, to the economic development of under-developed countries,

1. Expresses its satisfaction that the United Nations and the specialized agencies have been able to meet the requests so far made by Member States in respect of studies and meetings on common problems as well as the requests for technical and other direct assistance of a more individual nature designed to further the development of petroleum resources in under-developed countries;

2. Welcomes the assurance provided by the Secretary-General, in his report, that the United Nations and the specialized agencies are able to continue to meet the requests of Member States for such assistance;

3. Notes the conclusions of the report that Member States may find it useful to give further attention to petroleum development in under-developed countries and to the further training of petroleum technicians, the provision of laboratory and other facilities for training, and problems of fuel efficiency;

4. Notes that the regional economic commissions have, where appropriate and at the request of their members, included the study of such problems in their past and future work programmes;

5. Invites the Secretary-General and the Executive Chairman of the Technical Assistance Board to continue to provide assistance, at the request of Governments, along the existing lines and also to organize seminars on the techniques of petroleum development with the co-operation of the specialized agencies;

/6. Expresses

6. Expresses the hope that competent non-governmental and private organizations will be invited to participate in such seminars so that their acknowledged technical experience may be placed at the service of Member States;

7. Requests the Secretary-General to bring to the attention of the Council any significant increases in requests by under-developed countries for the services of petroleum experts which cannot adequately be taken care of under existing facilities and programmes.

759 (XXIX). Economic development of under-developed countries: water resources (1111th plenary meeting, 21 April 1960)

The Economic and Social Council,

Recalling its resolutions 675 (XXV) of 2 May 1958 and 743 A (XXVIII) of 31 July 1959,

1. Takes note with appreciation of the first biennial report of the Water Resources Development Centre;

2. Commends the Centre for its initial activities;

3. Endorses the priorities for further action outlined in chapter IV of the report;

4. Maintains also the priorities established in Council resolution 675 (XXV);

5. Recommends that the Centre, in its work programme, give attention to the development of standards and criteria for the formulation and study of water resources projects.

760 (XXIX). Economic development of under-developed countries: co-operatives (1111th plenary meeting, 21 April 1960)

The Economic and Social Council,

Recalling its resolution 649 C (XXIII) of 2 May 1957 on co-operatives,

Noting with appreciation the report of the Secretary-General on studies made and assistance provided in this field by the United Nations, the International Labour Organisation and the Food and Agriculture Organization of the United Nations,

/1. Commends

1. Commends the Secretary-General and the specialized agencies concerned for their activities in this field;
2. Looks forward to the completion of studies already initiated;
3. Requests the Secretary-General and the specialized agencies concerned to continue to render appropriate assistance to Governments, especially of under-developed countries, at their request, in the establishment and development of co-operatives.

762 (XXIX). International flow of private capital (1111th plenary meeting, 21 April 1960)

The Economic and Social Council,

Recalling General Assembly resolution 1318 (XIII) of 12 December 1958,

Reaffirming the need for increased knowledge and better understanding of the opportunities for international private investment in less developed countries,

Conscious of the need to improve the climate and conditions necessary for an expanding flow of private investment beneficial to less developed countries,

1. Notes with appreciation the Secretary-General's progress report on the promotion of the international flow of private capital;
2. Requests the Secretary-General to transmit his progress report to the General Assembly in accordance with General Assembly resolution 1318 (XIII);
3. Invites the Secretary-General, having regard to the discussion at the twenty-ninth session of the Council and at the fifteenth session of the General Assembly and to the views of Member States, specialized agencies and appropriate inter-governmental and non-governmental sources, to submit a further report to the Council at its thirty-first session concerning measures - including measures to facilitate the adjustment of disputes related to private investments - designed to promote the flow of private capital;
4. Decides that, on the basis of the Secretary-General's further report to be considered at its thirty-first session, it will prepare comments for transmittal to the General Assembly at its sixteenth session.



763 C (XXX). Annual report of the Economic Commission for Latin America (1115th plenary meeting, 8 July 1960)

The Economic and Social Council,

Takes note of the annual report of the Economic Commission for Latin America covering the period 24 May 1959 to 29 March 1960 and of the resolutions and recommendations included in the account of proceedings of the seventh session of the Committee of the Whole, and endorses the programme of work and priorities contained therein.

766 (XXX). Measures to be adopted in connexion with the earthquakes in Chile (1116th plenary meeting, 8 July 1960)

The Economic and Social Council,

Having examined the report of the Committee of the Whole of the Economic Commission for Latin America on its third extraordinary session, convened to examine means of organizing international co-operation on behalf of Chile in view of the grave disaster which has overtaken more than a third of the land area and population of that country,

1. Expresses its deep concern at the consequences of this grave disaster in Chile;
2. Takes note with satisfaction of the assistance given to Chile by the States Members of the United Nations and by other countries as well as the assistance arranged by the Secretary-General of the United Nations and the Executive Secretary of the Economic Commission for Latin America, the heads of the specialized agencies, the United Nations Children's Fund, the Organization of American States and other inter-governmental and non-governmental organizations, and private persons and foundations, and expresses the hope that such assistance will be increased;
3. Notes that an emergency programme of technical assistance for reconstruction and economic development in Chile has been prepared by the Government of Chile calling for a total amount of \$2.2 million for the period of 1960-61-62;

/4. Requests

4. Requests the Secretary-General and the heads of the specialized agencies to bear in mind the urgent needs of Chile when deciding, within the scope of their resources and powers, the services to be extended to Member States;

5. Requests the Managing Director of the Special Fund to consider sympathetically any pre-investment project which is presented by Chile in connexion with the work of reconstruction and which is capable of being handled by the Fund;

6. Recommends that the Technical Assistance Committee, the Technical Assistance Board, and the Executive Chairman of the Board, take account of the special needs of Chile, for technical assistance in 1960-1-2, as noted in paragraph 3 above, and do what is possible to meet them, without prejudice to the general level of the programmes envisaged for other countries during those years;

7. Expresses the hope that the Governments of countries participating in the Expanded Programme of Technical Assistance will take account of the special needs of Chile, as well as other exceptional needs and the normal requirements of the Programme, by making additional contributions to the Special Account, insofar as existing resources are not sufficient to satisfy these needs.

767 (XXX). International co-operation in the field of seismological research (1116th plenary meeting, 8 July 1960)

The Economic and Social Council,

Reaffirming its concern as shown in its resolutions 254 (IX), 746 (XXIX) and 766 (XXX) at the great loss of human life and extensive material damage caused by earthquakes and seismic sea waves;

Mindful of adverse effects of disaster of this kind upon the economic and social life of the population concerned;

Believing that progress of seismological research and its systematic applications including adequate use of national and international services of warnings of earthquakes and seismic sea waves can reduce the damage thus caused;

/Convinced, also

Convinced, also, that there is an urgent need of further promoting international co-operation in order to provide the population of the world with sufficient safeguards against disaster of this nature;

Expressing the hope that, with a view to meeting this need, scientific studies and operational activities on seismological and other related aspects of the problem will be accelerated by the United Nations and the specialized agencies and other international organizations concerned;

1. Requests the Secretary-General to seek the co-operation of the United Nations Educational Scientific and Cultural Organization, World Meteorological Organization and other specialized agencies concerned in undertaking a detailed and comprehensive study of the ways and means of reducing to a minimum the damage resulting from earthquakes and seismic sea waves, including the development and co-ordination of seismological observation and research, and of systems of warning of seismic sea waves, establishment of seismological maps and the improvement of physical planning and of housing and building techniques in areas particularly liable to such disturbances, and to report to the Council at its thirty-fourth session;

2. Invites the Secretary-General and the interested specialized agencies to furnish assistance for this purpose to Governments which so request to the full extent that their resources permit.

768 (XXX). Opportunities for international co-operation on behalf of newly independent countries (1127th plenary meeting, 21 July 1960)

The Economic and Social Council,

Recalling General Assembly resolutions 1414 (XIV) and 1415 (XIV), Council resolution 752 (XXIX) and resolution 10 (II) of the Economic Commission for Africa,

Having considered the report by the Secretary-General entitled "Opportunities for International Co-operation on Behalf of Newly Independent Countries"

Taking into account the oral statement made to it by the representative of the Secretary-General about the new and urgent needs which have arisen in recent weeks,

/Believing that



Believing that the emergence of newly independent states, in Africa and elsewhere, calls urgently for additional international assistance of all kinds to help them in their endeavours to reap the benefits and assume the responsibilities of independence and to attain rapid economic and social advancement in conditions of stability,

Recognizing the importance of ensuring that such countries should have access to advice concerning their requests for assistance from the United Nations and the specialized agencies on the basis of balanced assessment of priority needs, and noting the contribution which Resident Representatives of the TAB and the Secretariat of the Economic Commission for Africa can make to this end,

(1) Commends the Secretary-General for his reports and endorses the objectives and principles contained therein;

(2) Believes that special efforts must be made to provide, within the existing framework of the United Nations and the Specialized Agencies, prompt and effective assistance to newly emerging countries making appropriate use in this connexion of existing resident representatives and of those who may be appointed in the future;

(3) Stresses the need for providing speedily and on an adequate scale operational, executive and administrative personnel where requested;

(4) Requests the Secretary-General and the Executive Chairman of the Technical Assistance Board to prepare, so far as possible, detailed programmes for consideration, respectively, by the General Assembly at its fifteenth session, and by the Technical Assistance Committee at its November 1960 session for meeting the additional needs of newly independent and emerging States, without prejudice to assistance to other countries;

(5) Recommends that the General Assembly make appropriate provision for these purposes in the budget of the United Nations;

(6) Urges that every effort be made to secure increased contributions to the United Nations Special Fund and the Expanded Programme of Technical Assistance.

776 (XXX). Short-term appraisals of the world economic situation  
(1132nd plenary meeting, 3 August 1960)

The Economic and Social Council,

Recalling resolution 690 C (XXVI) of 31 July 1958 in which the Secretary-General was requested to prepare and publish at as frequent intervals as practicable an up-to-date appraisal of the world economic situation and short-term outlook,

1. Notes with approval the Secretary-General's proposals to publish a quarterly statistical review of current developments in the world economy and his plans for progressive improvements in this publication;

2. Requests the Secretary-General to continue to review periodically the information available for that purpose and take or suggest such measures as may be advisable to improve it.

777 (XXX) Proyections (1132nd plenary meeting, 3 August 1960)

The Economic and Social Council,

Recalling its resolution 741 (XXVIII) of 31 July 1959 and General Assembly resolution 1428 (XIV) of 5 December 1959,

Considering that it is desirable to continue efforts at the national and international levels to improve the techniques and reliability of projections in economic and social fields,

Bearing in mind proposals made to take steps for the preparation, on alternative assumptions, of projections of some of the more important international economic phenomena for medium or long term periods,

Aware that considerable expertise is available in the United Nations, including the regional economic commissions, in the specialized agencies, and in other intergovernmental organizations, and that much work in this field continues to be performed in the commissions and agencies, and noting in this respect the convening of the recent second meeting of experts from intergovernmental agencies.

Having regard to the consideration by the Commission on International Commodity Trade of the possibilities of preparing projections of international  
/demand for

demand for and supply of primary commodities, to the request made by the Commission in its report on its eight session for a progress report to be provided at its ninth session, to the Commission's proposal that the United Nations Secretariat might prepare pilot studies of a few non-agricultural commodities before undertaking a more comprehensive programme of work, and to the proposal that a joint session of the commission and the Committee on Commodity Problems of the Food and Agriculture Organization of the United Nations to be convened to consider inter alia, a report on prospective demand for and supply of primary commodities,

Considering that the principal immediate objective in relation to the preparation of projections on an international basis for aggregates of economic activity and their component parts must be to advance toward the solution of problems relating to methodology, comparability and collation and the overcoming of deficiencies in data,

1. Takes note of the preliminary report of the Secretary-General on Evaluation of Long Term Economic Projections including the replies of Governments, specialized agencies and other inter-governmental organizations to his questionnaire on these projections.

2. Requests the Secretary-General to intensify his activities in the field of economic and social projections, including work on the collection, standardization and processing of the relevant data, and on the development of techniques for making medium and long term projections, drawing so far as practicable upon the services of experts at present available in the United Nations, the specialized agencies and other competent international bodies;

3. Authorizes the Secretary-General to convene such meetings of experts from representative groups of national Governments as he deems appropriate for the purpose of further evaluation of techniques of medium and long term projections, particularly in the economic field;

4. Recommends that the regional economic commissions continue their activities in this field in particular by encouraging and facilitating the preparation and supply by their member Governments of information relating to projections, and by arranging for appropriate technical advice and the collation of data;

/5. Invites



5. Invites States Members of the United Nations and the specialized agencies to co-operate with the Secretary-General, the specialized agencies, and the regional economic commissions, by taking measures to improve their techniques of projection, by providing information on the methods, assumption and projections used in their respective countries, and by participating in seminars and other meetings designed to improve the utility and availability of national and international economic and social projections.

778 (XXX). Strengthening and development of the world market and improvement of the trade conditions of the economically less developed countries (1132nd plenary meeting, 3 August 1960)

The Economic and Social Council,

Recalling resolution 1421 (XIV) of 5 December 1959 of the General Assembly on "Strengthening and development of the world market and improvement of the trade conditions of the economically less developed countries",

Recalling further resolution 6 (XV) of the Economic Commission for Europe on "Improvement of techniques of foreign trade",

Believing that the expansion of international trade would stimulate economic and social progress and development,

Recognizing that international trade is one of the important forms of international economic co-operation and that it is important to promote conditions conducive to the development of such trade,

1. Takes note with satisfaction of the preliminary report by the Secretary-General on ways and means of promoting wider trade co-operation among States.

2. Looks forward to the further report envisaged therein as well as to the report of the Economic Commission for Europe concerning the studies called for in resolution 6 (XV) of that Commission.

/780 (XXX)

780 (XXX). International flow of capital (1132nd plenary meeting,  
3 August 1960)

The Economic and Social Council,

Taking note with appreciation, of the reports on the international flow of private capital, 1958-1959 and on international economic assistance to the less developed countries.

Cognizant of the replies which have been received in response to General Assembly resolution 1316 (XIII) of 12 December 1958,

Aware of the importance, for the future work of the Council, of adequate information regarding the flow of international private and public capital, particularly to the under-developed countries, and also of actions and measures being taken to advance the development of the less developed countries,

Believing that a further improvement of the statistical and economic analysis of such capital flow, particularly along lines which will facilitate the study of trends in the volume, direction and composition of capital movements as a whole, will contribute to a better understanding of their nature and significance,

1. Requests the Secretary-General, bearing in mind the discussion at the thirtieth session of the Economic and Social Council, to continue his efforts to facilitate, in consultation with States members of the United Nations and of the specialized agencies, and with the appropriate specialized agencies and intergovernmental organizations, the availability, collection and analysis of data relating to the international flow of public and private capital, including, to the extent practicable, data on the volume, distribution, reinvestment and repatriation of profits;

2. Invites the States Members of the United Nations and of the specialized agencies to co-operate with the Secretary-General by continuing to meet his requests for statistical and other data relating to the international flow of private and public capital and for pertinent information regarding actions and measures being taken to advance the economic information regarding actions and measures being taken to advance the economic development of less developed countries;

3. Requests the Secretary-General to present to the Council the data and related information he assembles, in accordance with paragraphs 1 and 2, in a form which will facilitate the study and analysis of total capital movements, particularly in regard to the less developed countries.

782 (XXX). Meetings at the ministerial level (1132nd plenary meeting,  
3 August 1960)

The Economic and Social Council,

Considering that the functions of the Council as laid down by the Charter call for systematic and continuous consideration of the major problems of economic and social policy,

Considering its responsibility for contributing to the promotion of higher living standards and more advanced economic and social conditions throughout the world, and also its responsibility to further development of the world economy,

Considering, that the attainment of those objectives makes it necessary to recognize the interdependence of the world economy and the need for broader economic co-operation between Governments,

Considering that the meetings at the ministerial level held during the thirtieth session have provided a useful opportunity for the interchange of ideas on the most important problems of co-operation and economic policy,

1. Reiterates the basic priority which it assigns to the economic and social development of the under-developed countries;
2. Recognizes that meetings at the ministerial level from time to time, under appropriate conditions and circumstances, may contribute to the advancement of the objectives of the Council;
3. Invites Governments members of the Council, taking into account the proceedings of the thirtieth session of the Council at the ministerial level to consider and communicate to the Secretary-General, not later than 31 March 1961, their views regarding the conditions and circumstances under which it might be useful for the Council to provide for a further meeting at the ministerial level;
4. Requests the Secretary-General, on the basis of the views expressed by such Governments and of any other consultations he may wish to undertake, to report to the Council not later than the thirty-second session his findings and recommendations;

5. Expresses the hope that the regional economic commissions and their executive secretaries will make an appropriate contribution to any such meeting.



783 (XXX). International Commodity Problems (1132nd plenary meeting, 3 August 1960)

The Economic and Social Council.

Considering the importance of primary commodities for the economies of developing countries and, especially, of nations achieving independence,

Recognizing the need to follow up its previous action to promote the study of measures to limit fluctuations on primary commodity markets and to remedy the harmful effects of such fluctuations,

I

1. Takes note with satisfaction of the report of the Commission on International Commodity Trade on its eighth session and endorses the programme of work proposed therein;

2. Takes note also, with satisfaction, of the 1960 Review of the Interim Co-ordinating Committee for International Commodity Arrangements;

3. Invites States Members of the United Nations and of the specialized agencies not represented on the Commission but having experience of stabilization measures to designate observers to participate in future sessions of the Commission, in accordance with the suggestion made by the Commission in its report on its eighth session;

4. Draws the attention of the Commission to the work on commodities done by the regional economic commissions and by the Contracting Parties to the General Agreement on Tariffs and Trade, and invites it to take that work into consideration in the studies it is carrying out on a world-wide scale;

II

1. Takes note with satisfaction of the resolution adopted by the Conference of the Food and Agriculture Organization of the United Nations (FAO) and of the opinion expressed by the Commission on International Commodity Trade favouring a joint session of the FAO Committee on Commodity Problems and the Commission, on the occasion of the regular session of those two bodies in 1962;

/2. Gives

2. Gives its assent to the preparation, by the Secretary-General of the United Nations and the Director-General of the Food and Agriculture Organization of the United Nations, of a draft agenda for the joint session which should include, besides the study of prospective production of, and demand for, primary commodities, other matters of mutual interest to both bodies;

3. Invites the Secretary-General to communicate the draft agenda to the Council at its thirty-second session.

785 (XXX). Expanded Programme of Technical Assistance: Implementation of Two-Year Programming for 1961-1962 (1132nd plenary meeting, 3 August 1960)

The Economic and Social Council,

1. Decides to amend its resolution 542 B II (XVIII) of 29 July 1954 as follows:

(a) Replace in para. 1 (b)(i) the words "ensuing year" by "the period 1961-1962";

(b) Replace in para. 1 (b)(iii) the words "for the following year" by "for 1961-1962";

(c) Replace the last sentence of para. 1 (b)(iv) by the following "The preparation and review of the programme and all other necessary steps shall be carried out in such a way that the Technical Assistance Committee will be in a position to approve the overall 1961-1962 programme and authorize allocations to the participating organizations for 1961 by 30 November 1960 at the latest";

2. Decides to amend its resolution 623 B II (XXII) of 9 August 1956 as follows:

(a) Replace the first sentence of para. I B (v) by "Subject to the confirmation of the General Assembly, the Technical Assistance Committee shall authorize (i) at its session to be held in November 1960, the allocation of funds for 1961 to each of the participating organizations in proportion to their share in the overall programme for 1961-1962 and (ii) at its session to be held in November 1961, the allocation of funds for 1962 to each of the participating organizations in proportion to their share in the approved overall programme for 1961-1962";

/(b) Replace

(b) Replace para. 1 B (vii) by the following "Any extraordinary requests submitted by a Government for modification of the programme received subsequent to the approval of the programme by the Technical Assistance Committee may be approved by the Technical Assistance Board and reported to the Technical Assistance Committee at its next meeting. Should it not be possible to effect necessary increases and decreases within the programme of the country concerned, the Executive Chairman of the Technical Assistance Board may authorize participating organizations to enter into commitment to meet urgent needs during the biennium up to a fixed percentage, set by the Technical Assistance Committee, of the estimated resources for the period 1961-1962, with the proviso that the obligations to be incurred in 1961 and in 1962 should not exceed the amounts authorized by the Technical Assistance Committee for the year 1961 and the year 1962 respectively. The Technical Assistance Board shall report to the Technical Assistance Committee annually all allocations made under this provision, together with the circumstances relating thereto. The Technical Assistance Committee shall review those allocations, and make such recommendations as it deems appropriate";

3. Decides to amend resolution 222 A (IX) of 14 August 1949 to replace the words "during the fiscal year in which these amounts are reviewed" by "during the period 1961-1962".

786 (XXX). Expanded Programme of Technical Assistance: Country programming procedures (1132nd plenary meeting, 3 August 1960)

The Economic and Social Council,

Having considered the proposals of the Technical Assistance Board on country programming procedures,

Recalling its resolutions 222 A (IX) of 14 August 1949, 542 B (XVIII) of 29 July 1954, 700 (XXVI) of 31 July 1958, and 735 (XXVIII) of 30 July 1959 on the planning and approval of country programmes,

Reaffirming its belief that countries receiving aid should have free choice of carefully considered programmes and projects, including the means for implementing such programmes and projects,

/Reaffirming also



Reaffirming also that participating organizations should continue to advise and assist the recipient governments in the planning and in the implementation of programmes and projects, and to review the technical aspects of the programmes and projects for which they assume responsibility,

Believing that simplification in procedures of country programming is essential,

Considering that such simplification can be promoted by eliminating agency sub-totals from country targets and by eliminating the present system of planning shares of the participating organizations,

1. Approves in principle the system of project programming recommended by the Technical Assistance Board;

2. Requests the Technical Assistance Board to submit to the Technical Assistance Committee at its 1961 summer session specific recommendations for simplification and improvements on the above lines, in particular, by project programming, the elimination of agency sub-totals from country targets and the elimination of the present system of agency planning shares.

787 (XXX). Expanded Programme of Technical Assistance: Local cost arrangements (1132nd plenary meeting, 3 August 1960)

The Economic and Social Council,

Recalling its resolution 470 (XV) of 15 April 1953 on the method of obtaining payment towards the living costs of experts under the Expanded Programme,

Having reviewed the interim arrangements for assessing local costs of obligations adopted for the year 1960, and set forth in resolution 736 (XXVIII) of 30 July 1959,

Noting the proposals of the Technical Assistance Board, made in response to resolution 736 (XXVIII), for a further revision of the arrangements for assessment aimed at securing a more equitable distribution among Governments of local costs obligations,

/Believing that

Believing that a simplification and improvement of the present temporary arrangements will best be obtained if all Governments are assessed in any one year on the basis of the same percentage of the total cost of experts' services provided to them under the Expanded Programme,

1. Decides that for the year 1961 and subsequent years:

(a) The contribution of each Government towards the local costs of expert services shall be computed on the basis of a percentage of the total cost of expert services provided to that Government by the participating organizations under the Expanded Programme;

(b) The assessment of each Government shall be at the rate of 12.5 per cent, subject to the provisions of paragraph 5 of this resolution;

(c) The assessment of each Government shall be made, before the beginning of each year, by applying the percentage figure referred to in subparagraph (b) above, to the approved programme for that year; Governments shall make payments in advance as assessed, and the accounts shall be adjusted after the end of the year, on the basis of the total cost of experts' services actually provided during the year;

2. Decides that the arrangements thus approved shall be made fully effective for all countries from 1 January 1963 and that for the interim period 1961 and 1962 the arrangements shall apply as follows:

(a) In 1961 the amount of the local costs obligations of any Government shall not increase or decrease by more than \$5,000 compared to the amount that the Government would have been charged for local costs under the scheme in force in 1960;

(b) In 1962 the amount of the local costs obligations of any Government shall not increase or decrease by more than \$20,000 compared to the amount that the Government would have been charged for local costs under the scheme in force in 1960;

(c) Governments of recipient countries, where there was not a programme in 1960, shall be assessed in 1961 and subsequent years at the rate of 12.5 per cent provided for in paragraph 1 (b) above;

/3. Decides

3. Decides that for the purposes of this resolution, the equivalent in local currency shall be calculated at the Technical Assistance Board operating rate of exchange;

4. Decides that the assessment arrangements now approved shall be applied to regional projects, where the shares of each recipient Government under such a project can be clearly identified, and where the Executive Chairman of the Technical Assistance Board has reached an appropriate agreement with the Government concerned;

5. Requests the Technical Assistance Board to keep under review the rate of assessment of 12.5 per cent and to make a recommendation to the Committee regarding a new rate if and when any change appears to be required;

6. Decides that the arrangements governing the provision of, and accounting for, lodging provided in kind shall be removed from the context of the local costs scheme now approved.

788 (XXX). Expanded Programme of Technical Assistance: Increase in the level of contingency authorizations for 1960 (1132nd plenary meeting, 3 August 1960)

The Economic and Social Council,

Recognizing that there is a need for increasing assistance under the Expanded Programme of Technical Assistance without delay to the countries which have recently achieved independence or which are expected to become independent in the near future, without affecting the activities of the Programme in other countries,

Having examined the statement of the Executive Chairman of the Technical Assistance Board and his suggestion to increase to 7 1/2 per cent of the estimated resources the total amount which may be authorized for meeting urgent needs in 1960,

Recalling its resolution 623 B II (XXII) of 9 August 1956, under which the Executive Chairman may authorize participating organizations to enter into commitments to meet urgent needs within limits fixed annually by the Technical Assistance Committee, but not to exceed 5 per cent of the estimated resources for the year,

/Decides, without



Decides, without affecting the activities of the Programme in other countries, to increase by not more than 2 1/2 per cent of the estimated resources the limit of authorization for urgent needs in 1960, mainly to provide additional assistance to newly independent countries and to countries expected to become independent in 1960 and 1961.

790 (XXX). Technical assistance in public administration: Provision of operational, executive and administrative personnel (1132nd plenary meeting, 3 August 1960)

The Economic and Social Council,

Recalling General Assembly resolutions 1256 (XIII) of 14 November 1958 and 1385 (XIV) of 20 November 1959,

Taking note of the report by the Secretary-General on the provision of operational, executive and administrative personnel,

Considering that the experimental programme for the provision of operational, executive and administrative personnel has proved its usefulness,

Considering further that the demand for such personnel is considerably increasing and their provision is urgently needed, particularly to meet the requests of newly independent countries,

Recommends to the General Assembly:

(a) That the provision of operational, executive and administrative personnel be placed on a continuing basis;

(b) That the Secretary-General continue to consult with the specialized agencies and the International Atomic Energy Agency whenever requests fall within their competence;

(c) That the financial resources for this activity be established at a level appropriate to the needs for this assistance.

/791 (XXX).

791 (XXX). Programme appraisal in the economic, social and human rights fields (1132nd plenary meeting, 3 August 1960)

The Economic and Social Council,

Recalling General Assembly resolution 1094 (XI) of 27 February 1957, and Council resolutions 665 C (XXIV) of 1 August 1957, 694 D (XXVI) of 31 July 1958, and 743 D (XXVIII) of 31 July 1959,

Recalling especially that the Council expressed the belief that a general survey of the activities of the United Nations and the specialized agencies in the economic, social and human rights fields, and a forecast of the scope and trends of programmes and expenditure, would contribute to the increased effectiveness of their work and be of assistance to Governments in formulating policies towards these organizations,

Having reviewed the Consolidated Report submitted by its Committee on Programme Appraisals and the individual appraisals submitted by the participating organizations,

1. Expresses its appreciation to the participating organizations, to the Administrative Committee on Co-ordination, and to its Committee on Programme Appraisals for the reports and for the spirit of co-operation in which they have been prepared;

2. Considers that the appraisals are a step in the dynamic process of developing progressively the effectiveness of the United Nations and the specialized agencies as instruments for assisting countries to advance economically and socially at a greatly accelerated rate;

3. Transmits the Consolidated Report to the General Assembly in the belief that it provides a picture of what is being achieved and attempted through international action and brings into sharper focus the inter-relationship between the work of the different organizations;

4. Requests the Secretary-General to arrange that the Consolidated Report be given the widest possible circulation for the use of Governments, specialized agencies and other institutions concerned with international co-operation;

/5. Invites

5. Invites the functional and regional commissions to examine the Consolidated Report and to transmit to the Council at its thirty-second session any comments they may wish to make on the Report and particularly on the special problems outlined in Part IV which fall within their respective fields of competence;

6. Invites the specialized agencies and the International Atomic Energy Agency to submit the Consolidated Report, for consideration and comment, to their respective governing bodies or conferences, as appropriate;

7. Further invites the agencies which participated in the appraisals to include in their annual reports a section indicating the extent to which the trends and emphases of their programmes, as outlined in their individual appraisals, are developing as anticipated;

8. Invites those specialized agencies which were not invited to prepare individual appraisals to include in their annual reports a section in which they indicate, in the light of the Consolidated Report, comments on major trends in their own activities and their relationship, to the work of the United Nations and the other agencies;

9. Invites the Administrative Committee on Co-ordination in its future reports to comment, as appropriate, on any developments in respect of problems referred to in the Consolidated Report.

792 (XXX). Concerted action programmes (1132nd plenary meeting, 3 August 1960)

The Economic and Social Council,

Recalling its resolution 665 A (XXIV) of 1 August 1957 concerning the desirability of inaugurating programmes of concerted action and its resolution 694 C (XXVI) of 1 July 1958 which takes note that the Administrative Committee on Co-ordination had indicated certain possibilities for concerted action in a number of fields,

Noting that the United Nations and the specialized agencies are developing a number of programmes of concerted action,

/Noting further



Noting further that the Consolidated Appraisals Report suggests that the time has now come for the drawing up of concrete plans for concerted action in a number of other fields;

I

Considering that the Committee on Industrial Development will examine the work programme on industrialization and make recommendations concerning its further development,

Recognizing the important role of the regional economic commissions in this field,

Recognizing further the need to accelerate the process of industrialization of under-developed countries,

Considering that the Committee on Industrial Development will, in accordance with resolution 751 (XXIX) of 12 April 1960 make recommendations to the Council at its thirty-first session on a work programme for industrialization and its further development,

Recognizing further that, to be fully successful in promoting industrial development, the United Nations organizations concerned should pursue common objectives,

Requests the Secretary-General, in consultation with the executive heads of the agencies concerned, to draw up suggestions for concerted action in the field of industrialization to be considered by the Committee on Industrial Development;

II

Noting that the Administrative Committee on Co-ordination has been giving consideration to inter-agency action with respect to urbanization,

Considering that a broad approach to urbanization is needed because of its complex of interacting economic and social factors of agricultural and industrial development, of changing social institutions and services,

Requests the Secretary-General, in consultation with the Administrative Committee on Co-ordination, to prepare, for consideration by the Social Commission at its thirteenth session, a concerted action programme in the field of urbanization, bearing in mind its relationship to the long-range programmes of concerted action in the fields of community development, of low-cost housing and related community facilities and of industrialization;

/III. Noting

### III

Noting that consultations are taking place among the agencies interested in the field of oceanography,

Believing that the field of oceanography is ready for further steps towards concerted action,

1. Invites these agencies concerned to propose measures for the establishment of a programme for concerted action in this field, for consideration by the Administrative Committee on Co-ordination at its autumn 1960 session;

2. Requests the Administrative Committee on Co-ordination to report to the Council at its thirty-second session on the progress achieved.

793 (XXX). Decentralization of activities and operations (1132nd plenary meeting, 3 August 1960)

The Economic and Social Council,

Noting with appreciation section C of part III of the Consolidated Report dealing with decentralization of activities and operations; and in particular, the shift of emphasis from work at Headquarters to activities in the field,

Considering that this change of emphasis should be appropriately reflected in programmes carried on by the United Nations and the specialized agencies,

Considering further that the regional economic commissions have an increasingly important role to play in assisting in the initiation, implementation and co-ordination of economic and social programmes and activities at the regional level, including appropriate technical assistance projects,

1. Draws the attention of Governments to the advantage of fully using the facilities and services of the regional economic commissions in relation to development programmes being undertaken by Governments which are of common interest to countries in the respective regions;

/2. Requests

2. Requests the Secretary-General also to draw, as fully as possible, on the services of the regional economic commissions, especially in the planning and execution of programmes for advancing regional development in the economic and social fields;

3. Requests the Secretary-General to encourage and intensify co-operation of the regional economic commissions through their Secretariats.

795 (XXX). Co-ordination in the field (1132nd plenary meeting, 3 August 1960)

The Economic and Social Council,

Noting that the Consolidated Report calls attention to the necessity for close co-operation and co-ordination, at the country level, as well as on a global and regional basis, among the inter-governmental organizations providing assistance for development,

Recognizing that it is the responsibility of Governments to relate the assistance which they receive, both from multilateral and from other sources, to their development needs and programmes,

Being convinced that, as regards the technical assistance programmes of the United Nations and the related agencies as well as the projects financed by the Special Fund, resident representatives have an important role to play in this respect,

Believing that the advice and support which can be given by resident representatives may be of special value in countries which have recently achieved independence or are expecting to achieve it in the near future,

Noting that the Administrative Committee on Co-ordination, recognizing the growing importance of the work performed by the resident representatives, considers it necessary to maintain a high standard of representation,

Noting further that the Administrative Committee on Co-ordination feels no changes are called for in the present terms of reference of the resident representatives or the present procedure for their appointment, but that some improvements in their emoluments and conditions of service should be introduced where necessary,

/1. Considers



1. Considers that, with the consent of the Governments concerned, resident representatives should be made available to the newly-independent countries as quickly as possible, as well as to other countries where appropriate;

2. Expresses the hope that Governments will make full use of the services of resident representatives accredited to them;

3. Requests the Secretary-General and invites the executive heads of the related agencies to continue to make full use of the resident representatives and to accord them adequate authority, in co-operation with the Governments to which they are accredited, in co-ordinating the development and execution of programmes of assistance, whether financed from voluntary funds or from the regular budgets of their organizations;

4. Expresses the view that the administrative support for the Office of the Resident Representatives should be strengthened, and that, whenever necessary improvements in their emoluments and conditions of service should be considered;

5. Invites the Technical Assistance Board to take the necessary steps to achieve these objectives, and to submit a report thereon to the Technical Assistance Committee.

797 (XXX). Administrative and technical training (1132nd plenary meeting, 3 August 1960)

The Economic and Social Council,

Noting the emphasis placed in the Consolidated Report on recent developments in programmes for training at all levels, and on the need for more concerted efforts to assist the under-developed countries in the improvement of education and in the rapid formation of adequately trained cadres, particularly in the administrative and technical fields,

Noting further that the United Nations and many of the related agencies are well aware of this need, and are already taking steps to place greater emphasis on programmes in this field,

/Noting also

Noting also the readiness of the Special Fund and the Expanded Programme of Technical Assistance to assist, through the agencies, in the establishment of training centres and institutions,

Recognizing the continuing value of scholarships and fellowships in this sphere,

Realizing the opportunities for the training of national cadres to assume as early as possible the responsibilities temporarily assigned to the internationally recruited staff, which are offered by the programme for the provision of operational, executive and administrative personnel (OPEX),

Believing that it is the duty of the Council to encourage such objectives, and to be aware of the difficulties encountered in attaining them,

1. Recommends to the competent organs of the United Nations, the specialized agencies and the International Atomic Energy Agency that they should within their own spheres of competence give a high priority in their future work to these objectives;

2. Invites the specialized agencies and the International Atomic Energy Agency to provide the Council in their annual reports with information about the progress achieved and difficulties encountered;

3. Requests the Administrative Committee on Co-ordination to keep developments in this sphere under review, and to advise the Council on those aspects of such developments where it appears that a joint approach may be required, particularly as to the best use of the scarce resources in training experts;

4. Expresses the hope that States Members of the United Nations and of the specialized agencies will be able to respond suitably and sympathetically to requests for assistance under any of the programmes of these organizations designed to strengthen, through the training of national cadres of specialists at all levels, the administrative and technical structure of the under-developed countries.

798 (XXX). Establishment of an ad hoc working group (1132nd plenary meeting, 3 August 1960)

The Economic and Social Council,

Considering that the Council has found it increasingly difficult to do full justice to its co-ordination responsibilities because of the multiplicity of organizations, policies and programmes to be considered and their complicated inter-relationships,

Considering further that for the purposes of the annual general review its own work methods in the field of co-ordination should be improved;

1. Decides to establish, for a period of one year, an ad hoc working group consisting of representatives of six Members of the Council, to be elected at its resumed thirtieth session on the basis of equitable geographical distribution, who should be conversant with the programmes and activities of the United Nations in the economic, social, human rights and related fields and of the related agencies as well as with the practices and procedures of co-ordination among these organizations;

2. Decides further that this working group shall have the following functions:

(a) to study the reports of the Administrative Committee on Co-ordination, appropriate reports of United Nations, the annual reports of the specialized agencies and the International Atomic Energy Agency and other relevant documentation;

(b) to prepare for the Council at its summer sessions a concise statement of the issues and problems in the field of co-ordination which arise from these documents and which call for special attention by the Council;

3. Decides finally that the working group should be convened, following the spring session of the Administrative Committee on Co-ordination, for not more than two weeks, it being understood that Members of the Council not members of the working group may participate in its deliberations.

/801 (XXX).



801 (XXX). Concentration of activities of the United Nations in the economic, social and human rights fields (1132nd plenary meeting, 3 August 1960)

The Economic and Social Council,

Having considered the report of the Secretary-General on the Observations of the Work Programme of the United Nations in the Economic and Social Fields, and the relevant sections of the reports of the specialized agencies dealing with concentration of their programmes,

1. Approves the efforts of the Secretary-General and the Commissions of the Council to bring about the most effective use of resources available through greater concentration of activities as outlined in the report of the Secretary-General;

2. Believes that this annual consideration of the work programme has proved beneficial both to the Secretary-General and to the Council;

3. Believes further that the specialized agencies and the IAEA (International Atomic Energy Agency) might find a similar review beneficial;

4. Expresses the hope therefore that the above-mentioned agencies will arrange to undertake such a review on an annual basis; and

5. Approves the Annex to the present resolution.

807 (XXX). Agreement between the United Nations and the International Development Association (1136th plenary meeting, 22 December 1960)

The Economic and Social Council,

Having considered the draft Agreement negotiated between the President of the Council and the representative of the International Development Association for the purpose of bringing the Association into relationship with the United Nations,

Recommends to the General Assembly that this Agreement, which is annexed hereto, be approved by it at its resumed fifteenth session.

/ANNEX

ANNEX

AGREEMENT BETWEEN THE UNITED NATIONS AND THE  
INTERNATIONAL DEVELOPMENT ASSOCIATION

Whereas Article 57 of the Charter of the United Nations provides that specialized agencies established by intergovernmental agreement and having wide international responsibilities as defined in their basic instruments in economic, social, cultural, educational, health and related fields shall be brought into relationship with the United Nations, and Article 58 provides that the United Nations shall make recommendations for the co-ordination of the policies and activities of the specialized agencies,

Whereas the International Development Association (hereinafter called the Association) is an international agency established by agreement among its member Governments and having wide international responsibilities, as defined in its Articles of Agreement, in economic and related fields,

Whereas the Association has been organized as an affiliate of the International Bank for Reconstruction and Development (hereinafter called the Bank),

Whereas article VI, section 7, of the Articles of Agreement of the Association provides that the Association shall enter into formal arrangements with the United Nations,

Whereas it is desirable to establish on a formal basis arrangements for exchange of information and for consultation as required, among the United Nations, the Bank, and the Association, so as to ensure co-ordination of their technical assistance and other development activities;

Now therefore the United Nations and the Association hereby agree as follows:

Article I

The United Nations and the Association shall have the same rights and obligations toward each other as the United Nations and the Bank have under the Agreement approved by the General Assembly of the United Nations on 15 November 1947 and by the Board of Governors of the Bank on 16 September 1947, which Agreement shall mutatis mutandis govern the relationship between the United Nations and the Association.

## Article II

There is hereby created a Liaison Committee composed of the Secretary-General of the United Nations and the President of the Bank and of the Association, or their representatives, which the Executive Chairman of the United Nations Special Fund, or their representatives, shall be invited to join as full participants. Through this Liaison Committee, which shall meet periodically and not less often than four times a year, the participants shall keep each other fully informed, and shall consult each other as required, on their current programmes and future plans in areas of common interest and concern, thereby assuring co-ordination of their technical assistance and other development activities.

## Article III

This Agreement shall come into force when it shall have been approved by the General Assembly of the United Nations and the Board of Governors of the Association.

Agreed to by the Bank  
for purposes of its  
participation in the  
Liaison Committee created  
by Article II hereof.



ANNEX 2

From the above it is seen that the  
total number of persons who have  
been employed in the various  
industries of the country is  
about 1,000,000. This number  
is not very large compared with  
the population of the country.  
It is, however, a large number  
for a country of this size.  
The number of persons employed  
in the various industries of the  
country is not very large compared  
with the population of the country.  
It is, however, a large number  
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for a country of this size.

## ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ADDRESS DELIVERED BY HIS EXCELLENCY JORGE ALESSANDRI RODRIGUEZ,  
PRESIDENT OF THE REPUBLIC OF CHILE, AT THE OPENING MEETING,  
HELD ON THURSDAY 4 MAY 1961

It is particularly gratifying for the Government and the people of Chile, and for myself, as I address you on their behalf, to welcome the delegations attending this ninth session of the United Nations Economic Commission for Latin America and meeting here to discuss the region's urgent social and economic problems.

I should like to extend this sincere and cordial greeting to the representatives of all the States members of ECLA, to the observers sent by other countries, and to the high officials of the Secretariat of the United Nations, the specialized agencies and other similar governmental and private institutions.

I cannot, however, refrain from saying how deeply we are grieved by the sudden death of the Head of the Delegation of Guatemala to the present ECLA session, Mr. Jorge García Granados, a few moments after he landed on Chilean soil. At the same time, I wish to extend our sincerest condolences to the Government and people of a fellow-member of our Latin American fraternity.

When Chile was chosen to be the permanent headquarters of important international agencies such as ECLA and the FAO Regional Office for Latin America, it fully realized that its acceptance of the honour entailed the obligation to spare no sacrifice to assist them in their work. It understood, moreover, that this country - our home, which we trust will always remain a stronghold of democracy, and which now extends to you a warm welcome - must at all times keep its doors open to any States Members of the United Nations which may desire within these organizations to exercise the rights accorded to them by the San Francisco Charter. This has been and will continue to be my Government's attitude.

I should like to take this opportunity to assure the Executive Secretary of ECLA that I appreciate the full significance of the honour conferred on my country in singling it out as the site for this session of the organization he directs with such efficiency; and I would ask him to transmit the gratitude of my Government to the Secretary-General, whom I should like to assure once more of the loyalty and support which my  
/representatives have

representatives have so often expressed in the General Assembly and in the Security Council.

This ninth session of ECLA is meeting at a time of anxiety and uncertainty. A very serious crisis, which is no doubt the reflection and to a large extent the consequence of the disturbing world situation, is threatening inter-American relations. We are experiencing the effects of the violent social, economic and political changes brought about by the spectacular progress of science and technology. The world community of which we are members is cleft by two opposite conceptions of liberty, the worth of the human individual and the destiny of man; and the growing conflict between them is making itself felt in the most varied aspects of national life as well as in international relations.

It would be naïve not to recognize that this disquieting situation, probably the most serious the region has known in the present century, derives largely from the social backwardness of the Latin American countries, and unfortunately it is very difficult to remedy this within a short period, owing to the chronic weakness of their economies. But it is equally obvious that matters have been brought to a head by attempts to transplant to our hemisphere - in the interests of world domination - political and economic ideas and practices which are directly opposed to the basic principles of the inter-American community and to our democratic and Christian tradition. International tension has thus been rendered more acute by the patent threat to the juridical institutions we have freely established with a view to preserving the peace and security of the continent and helping, as far as we can, in the difficult but necessary task of creating a basis on which the Latin American peoples can live with dignity as free men, unperturbed by alarms, anxieties or upheavals.

My Government is convinced that the relaxation of such international tension as that at present afflicting Latin America depends on unqualified adherence to the principles underlying the systems of security and co-operation established by the United Nations Charter and the Charter of the Organization of American States, as also on strict compliance by Member States  
/with the



with the obligations those instruments impose upon them. Consequently Chile again declares its adherence to the principle of the right of peoples to self-determination and believes that this principle should be restated from time to time by those who speak for representative democracy; it resolutely defends the inviolability of treaties and the validity of the rule of law in resolving disagreements; it advocates the peaceful settlement of all disputes; it opposes any intervention in the internal affairs of other States, including intervention in the form of subversion or infiltration, and recalls that the international community and the countries of the American continent have solemnly pledged themselves to undertake collective measures to ward off, repel or prevent any aggression and to remedy any situation that endangers peace or security. My country is aware that peace and security are also threatened whenever there is any failure to respect fully the fundamental rights and freedoms of the individual, and when levels of living obtain that are incompatible with human dignity. We are also ever conscious of the obligation assumed by States under the San Francisco Charter to take measures, both individually and collectively, to safeguard human rights and to establish conditions of progress and human welfare in the world.

This is my Government's integrated approach to peace and security, as applied at both the international and the inter-American level, which has governed our foreign policy in the past and will continue to do so. In accordance with this approach Chile will continue to make every effort in its power to restore harmony among the countries of the American continent and to strengthen the instruments of co-operation and collective security that can help us to overcome the present crisis.

It is indeed disheartening to realize that the gross product of this part of the continent as a whole is not increasing as it should. This situation is all the more serious in that the population growth is higher than in any other region in the world and that our peoples' legitimate hopes for a better life are being shattered in the face of the tremendous obstacles of economic facts. Consequently social pressures are growing ever stronger, sometimes taking on strident and violent forms, shaking

/the foundations

the foundations of our institutional structures and, as I have said before, endangering the peace of the entire continent.

Thus no-one questions the imperative need to concentrate our greatest efforts on strengthening our economies so that we can attain the better living conditions rightly demanded by our peoples. It would be absurd to suppose that at the present stage of development of mankind there could still be groups, trends, movements or doctrines for which the improvement of the living conditions of the people, particularly those most in need, is not an essential aim. Hence, it is not economic and social objectives which stand between the main philosophies now pitted against each other in the modern world, but the methods and procedures for achieving those objectives.

We in America, accustomed as we are to living in freedom, rightly feel that we would never be willing to surrender it, even if we were told that the sacrifice of our freedom was the price we must pay for the strengthening of the economy and hence the improvement of the living conditions of our peoples. On the contrary, we believe that these basic social and economic aims can be achieved to great advantage under a system of democracy and freedom.

Moreover, the tremendous effort being made in this direction by the Latin American countries must be recognized. Many of these countries, including Chile, have managed at the cost of great sacrifice to achieve stabilization as the means of furthering a policy of economic development and social improvement. Some have also prepared comprehensive plans by which, as in the case of Chile, the resources of the State can be allocated according to a rational order of priorities and the private sectors encouraged to invest their resources in works and projects of vital interest to the community.

Much of course remains to be done in these countries to combat underdevelopment. In this connexion, may I repeat what I said less than two years ago at the inaugural meeting of the Conference of Foreign Ministers of the American Republics held in this capital.

I pointed out at the time that in my opinion it was essential to find some means of settling as soon as possible any outstanding border disputes between Latin American peoples and thus to create an atmosphere of confidence in which a true and sound integration could be achieved. I went on to say that this would also avoid the high cost of an armaments race among sister nations and make for a system of efficient armed forces which, while discharging their great and worthy mission of safeguarding internal order, could defend the security of the continent and the sovereignty of the various countries.

/The above

The above views, which I feel still hold good, give further support to what I have just stated in connexion with inter-American peace and security.

The peoples and the Governments of this part of America know that the main responsibility for expediting economic development rests with the nations concerned. But they also realize that there are great obstacles in the way of achieving this objective, many of them beyond their control, since they are of an external nature. The ECLA Economic Survey of Latin America for 1960 mentions the chief obstacles and states that "Latin American exports have tended to remain static" and that "for the third consecutive year, external market conditions continued to be unfavourable for Latin America"; that "the prices of most Latin American export commodities have shown a persistent decline over the last three years" and that "the net flow of public and private capital in 1960 was smaller than in 1959".

Faced with this alarming situation, the President of the United States announced his "Alliance for Progress" programme, which opens up new prospects for inter-American co-operation and places it on a firm basis of genuine solidarity.

This outstanding action on the part of the President of the United States betokens a new approach to the problem in which the vast national efforts of the Latin American republics will be intensified and stimulated by international co-operation, which, besides being much broader and more dynamic, is in harmony with the social, economic and political circumstances of the countries concerned and their immediate and long-term needs.

President Kennedy's plan gives concrete form to aspirations long felt by his southern neighbours, such as the need for long-term planning of economic development and for the establishment of a common market to make it possible for a strong industrial structure to be created; the need for international trade to be placed on a more stable and equitable basis, for the sources of public finance to be increased so as to create the economic bases to allow of an expansion of private initiative; and the desirability of broadening international co-operation to include social activities such as public education, housing, rural welfare and public health.

The President of the United States has based his programme on the idea that international aid can only achieve its objectives to the full if the Latin American countries undertake thoroughgoing social reforms to eliminate the obstacles standing in the way of a more dynamic growth of  
/the economy



the economy and to a fairer distribution of wealth between the different social groups. I, for my part, am in full accord with these aspirations and my Government has done and is doing its utmost to bring about thoroughgoing reforms, mainly in agriculture, education and taxation.

It is not my intention, on this solemn occasion, to describe what my country is doing in these fields or to dwell upon our proposals to carry out such reforms in their entirety in the near future, with the natural prudence required to safeguard the interests of the community so as to ensure that the application of those reforms will not have an adverse effect on the economy and hence on the social aims pursued. I feel it incumbent upon me to point out, however, that in order to defend democracy and to forge it into an effective instrument for the achievement of these aims, it is essential that changes should be made in the institutional framework of these countries without further delay, so that the reforms envisaged, which call for co-ordinated programming, may not suffer during their internal preparation from distortions or delays which might lead to deplorable and even catastrophic results.

Economic and social problems require overall solutions that are directed only towards the good of the whole and are above and beyond the vested interests of the different groups, whatever their nature. It is these interests which are most energetic in their own defence and, whenever they are threatened, bring pressure to bear in the formulation of new standards or their amendment in response to the dictates of economic and social progress.

If these reforms are not to be invalidated, substantial changes of an institutional nature are required to free parliaments from such pressures and thus to make it impossible for these forces to undermine basic economic plans, and in so doing to impair the prestige of the country as a democracy and of its representative bodies.

I have no doubt that this important session, which I have the honour to inaugurate, will adopt constructive resolutions that will reflect the aspirations of the American peoples in this anxious and uncertain time, and I am confident that present circumstances will not adversely affect its work and its conclusions. On the contrary, I believe that this

/conference can

conference can help to lessen the prevalent state of tension, since all that is done through international co-operation effectively to raise the levels of living of these republics and to hasten their economic development will be, as the United Nations Charter states, a positive step towards world peace and better relations between States.

As far as Chile is concerned, our delegation will make a detailed statement of its views for the consideration of the assembly in the course of the discussions. I should like, however, to draw your attention to the marked trend observable in the world of today towards the formation of large economic conglomerations that are capable of meeting the new demands made by the changing situation and of concerting resources and efforts so as to serve the common interests of a vast geographical area. The Economic Commission for Latin America, although its particular interest is focused on the problems of this part of the continent, was created within the United Nations to facilitate the study of those problems from a broad standpoint and in relation to world phenomena. Other areas, such as Western Europe, constitute vast economic systems with a power and operative capacity comparable to those of the United States, the Soviet bloc or the Commonwealth of Nations.

Although the establishment of a Latin American common market is already under way, since the Governments and peoples are aware of the need to expedite it, it is still beset by many problems arising largely from ignorance of the real situation in our countries and of its projection into economic affairs. I believe that ECLA, in collaboration with the Organization of American States and the United Nations Food and Agriculture Organization, should make a swift and effective contribution to the study of these problems and to the search for satisfactory solutions. It also seems to me that ECLA is in an exceptional position for studying the repercussions on the Latin American economy of the European Common Market and of other integration plans, as also for recommending ways and means of reconciling our interests with those of a region with which we are linked by so many cultural ties and by a commercial tradition of more than a century's standing.

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I should like to state on this occasion that the Government of Chile is deeply appreciative of the technical assistance it has received from the United Nations, the Food and Agriculture Organization, the World Health Organization, the International Labour Organization, UNESCO and other specialized agencies, as well as from the United Nations Special Fund acting in collaboration with the bodies already mentioned. I should also like to stress once more our deep gratitude for the emergency assistance given us after the earthquakes in Chile about a year ago, which caused untold damage and seriously disrupted our plans for economic development. I hope that the changed circumstances already mentioned, in the world at large and on the American continent, will result in an increase in this assistance, which we value greatly, both for its technical excellence and for the philosophy underlying it. At the same time I am most gratified that an effort is being made to co-ordinate the activities of the organizations in question with those of the inter-American system and the Inter-American Development Bank.

In conclusion, may I express my heartfelt good wishes for the success of your deliberations. I am sure that on this occasion, as on earlier occasions, the Governments that have sent their representatives to attend this session will give the secretariat the support and guidance it needs to enable it to pursue its activities with the zeal, enthusiasm and efficiency it has always shown in carrying out its important tasks.



ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ADDRESS DELIVERED BY HIS EXCELLENCY JULIO PHILIPPI, MINISTER OF  
ECONOMY, DEVELOPMENT AND RECONSTRUCTION OF THE REPUBLIC  
OF CHILE, CHAIRMAN OF THE COMMISSION, AT THE  
OPENING MEETING ON THURSDAY, 4 May 1961

It is a source of deep gratification and a signal honour to me to inaugurate the work of the ninth session of the Economic Commission for Latin America.

Since its establishment a little over ten years ago the Economic Commission for Latin America has been engaged - successfully and with positive results - in its vast task of studying and making more widely known the economic problems of our peoples from the individual point of view of each country and within the overall framework of the Latin American area. Its complementary programmes, such as the economic integration of Central America, the Latin American Free-Trade Association and the recently completed analysis of our hemisphere's foreign trade with other continents, are of great value to those of us who feel that the progress of nations must be based upon a constant expansion of trade.

Mankind is engaged in a process of sharply accelerated scientific and technological development. This makes it imperative upon the nations to exert every effort to adapt the machinery designed for the most efficient use of their resources, in order to obtain the maximum yield at low cost and an adequate distribution of output.

Production methods, which are constantly being improved by the more industrialized nations, compel us to absorb modern techniques rapidly. Otherwise we should find ourselves falling farther and farther behind in our efforts to attain the targets now considered the new economic optimum and thus losing the possibility of processing at competitive prices the raw materials we produce or creating the new industries needed to absorb the vast increase in manpower generated by our rapid population growth.

/With respect

With respect to the process of development in our countries, we should bear in mind that in many fields only mass production can be competitive, and this, in addition to requiring a great concentration of capital, calls for a sufficient supply of skilled labour and consumer markets larger than the domestic markets.

Moreover, in applying these modern processes we should guard against causing any sudden and extensive displacement of labour that would make the unemployment problem more acute and we should take particular care not to bring about pressures that are out of proportion to our countries' limited capital resources.

The desire for a continuous improvement in the standard of living in Latin America has more than once led to the adoption of policies of a somewhat disjointed character and the inflationary processes thereby released have in the end destroyed any real chance of developing production. This unfortunate experience has, however, had one positive result, in that it has shown us that inflation, once initiated, acquires an impetus of its own, spreading over more rapidly until it attains a level at which the economic and social structure is completely distorted and the machinery for controlling and promoting production becomes increasingly imperative. All sense of economic realities is lost, with a consequent waste of resources and a deterrent effect in the fields of production and labour.

For the foregoing reasons we consider that general price stability, although not sufficient in itself to bring about economic development, is absolutely essential to that development. We believe that the nature of economic phenomena excludes any justification for saying that stabilization conflicts with rapid progress.

Broadly speaking, we may say that in the strictly economic sphere our efforts to bring our countries into line with modern technical development must take account of the need to overcome our great shortage of capital resources, skilled labour and adequate consumer markets.

But there is a brighter side to the picture, and if these brief remarks have dwelt on the darker side, it is solely in order to emphasize more strongly the great importance of the efforts which the countries of this continent are making to overcome all the limiting factors involved, a matter

/that requires

that requires strict systems of domestic economic policy and the international co-operation provided by the Economic Commission for Latin America.

His Excellency the President of the Republic has referred in clear terms to such recent promising developments as President Kennedy's Alliance for Progress and the ratification of the Montevideo Treaty establishing the Latin American Free-Trade Association. These developments, and others too numerous to mention, mark a signal advance in this common effort to find an integrated solution for the economic problems of Latin America.

In this context, it is a source of satisfaction to note that the agenda for the present session virtually covers the most important basic aspects, such as questions of economic development, monetary stability, population, agriculture, industry, electric power and foreign trade. These are topics of burning interest for every one of our countries. But in studying them we must never lose sight of the fact that Latin America does not constitute a homogeneous whole. While the common origin of the countries of the region, their background of Christian culture and some of their economic characteristics mean that their problems resemble one another closely in a number of respects, there are other factors which differentiate them sharply. Apart from the diversity of their climates, soils and natural resources, there are also dissimilarities in the composition of population, in degrees of organization of production and trade, in land tenure systems and in the levels, distribution and purchasing power of income. The discussion of our economic problems must not, therefore, exclude factors of such importance as those relating to population, cultural background, politics, social structure and levels of living. Were we to leave these out of account, the result would be a dangerously distorted picture of the real situation.

Obviously, the economic development programmes of the Latin American countries, investment projects and such external aid as may be obtained must take into careful consideration the special features of each case, with due regard to the prevalence of different economic patterns in certain States; there are some in which more modern structures are to be found in juxtaposition to others of an archaic character, and there are also countries at a more advanced stage, economically speaking, in which the limitations attendant upon under-development still survive.



A particularly delicate aspect of our development processes is the whole question of the agricultural system. It is here that the structural differences among our countries and even among various parts of the same country are perhaps most strongly marked.

But it is also in the agricultural sector that the need for radical changes is most urgent.

The Latin American economies are to a great extent dependent upon agriculture, since this activity provides employment for a very high proportion of the labour force. The income accruing from it, however, is relatively small, owing to defective systems of farming, low yields and very high costs. It is paradoxical that, while agriculture is the most important activity of part of the continent, the economic and social studies on this subject are possibly the least detailed. Precise data on many aspects are wanting, but the statistics that are available warrant deep concern and apprehension regarding the future of this important productive activity. Available data on the extremely low levels of living in vast agricultural areas, especially those where smallholdings predominate, the serious losses brought about by the inefficient use of the land, the excessively large or unduly small size of farms, the lack of proper technical instruction, the uncertainty of prices and innumerable other factors are indicative of the pressing need for these vital problems to be solved. Agrarian reform must be tackled with the greatest possible immediacy and with a profound awareness of the real situation and the requirements of the common welfare.

It is not our intention to dwell at length on so topical a subject as that of land reform, but we should like to make it clear that we do not regard it as directed solely at the subdivision of land - which by itself may not offer any advantage - but as the combined action of numerous and varied measures which would rapidly lead to a substantial improvement in the rural population's level of living while increasing production and expediting the marketing of agricultural commodities. The institution of a more equitable system of land distribution and resolute assistance for the areas where smallholdings predominate are undoubtedly a very important part of the programme. But the aim of any

/true land

true land reform should not simply be to bring about a substantial increase in the number of landowners but also to raise levels of production appreciably. Unless changes in the systems of land tenure are co-ordinated and strengthened by firm technical and economic support for farmers, they will not have the beneficial effects that are desired.

I should not like to close my statement on some of the basic problems that affect the development of Latin America without stressing the importance of the part played by international organizations in the study, analysis and proposal of the relevant solutions. Untrammelled co-ordination among such organizations and between them and Governments will enable their work to be carried out with the greatest possible efficiency. In this respect, I should like to draw attention to the establishment of the ad hoc Committee of Co-operation of the Organization of American States, the Economic Commission for Latin America and the Inter-American Development Bank.

We are convinced that this session of ECLA will make a positive contribution to the efforts of the countries of the American continent to programme their development. The fact that these countries have become fully aware of their problems and responsibilities is a pledge of their ability, through their united efforts and with the efficient aid of the international organizations, to march with a sure step along the path of a just and ever-increasing progress inspired by a supreme respect for democratic traditions.





ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ADDRESS DELIVERED BY MR. PHILIPPE DE SEYNES, UNDER-SECRETARY  
FOR ECONOMIC AND SOCIAL AFFAIRS OF THE UNITED NATIONS,  
AT THE OPENING MEETING, HELD ON 4 MAY 1961

It would have been a great privilege for us to meet on any occasion in this most hospitable city and in this country, which, after making its vital contribution to the independence of Latin America, has, although beset by constant difficulties, steadfastly upheld its democratic ideal.

On the present occasion it is our pleasant duty not only to express our thanks to the Government of Chile for its traditional hospitality but also to add that we owe it a very special debt of gratitude for having - virtually without forewarning - made the necessary arrangements that have enabled us to inaugurate this session today in such satisfactory conditions.

Lastly, as we are gathered together at the permanent headquarters of ECLA, I cannot fail to refer with gratitude to the efforts now being so generously made by the President and Government of Chile to provide this Commission with magnificent new premises.

In the two years which have elapsed since the last session at Panama the wind of rapid change now sweeping the world has increased in intensity. Since its inception the United Nations has felt the impact of this wind of change and, like a sensitive instrument, has been recording its various manifestations and variations. Without seeking to contain its dynamism, the United Nations endeavours, by all the means at its disposal, to ensure that the changes are directed towards the fulfilment of constructive objectives.

I am convinced that the session being inaugurated by you today, which, as in previous years, is devoted to the collective consideration of problems of cardinal importance, can make a valid contribution to this positive work.

The tensions which almost invariably accompany the process of change may currently be observed throughout Latin America. They would seem to consist, at least in part, of a lack of harmony between social evolution and economic development. Clearly, the need for well-balanced economic and  
/social development

social development cannot be accepted as an article of faith. There are countries whose development would seem over a long period not to have suffered from any basic disequilibrium but whose growth was not impelled by any particularly dynamic forces. On the other hand, there are examples of spectacular growth occurring through a whole series of successive imbalances which have been more or less deliberately provoked. It seems probable that today the latter method has exhausted its possibilities almost everywhere and that it is likely henceforward to create critical situations which necessarily demand the undivided attention of Governments.

This phenomenon assumes very heterogeneous forms that are often mutually incompatible. On some occasions, social progress may lag behind economic growth, with the mass of the population deriving insufficient benefit from the increase in wealth. On other occasions, a bold social policy has preceded the development of real resources, thereby arousing and fostering aspirations and demands which cannot, in the long run, be fulfilled. The two phenomena sometimes overlap, for example, when collective social services such as education, public health or social security are developed in a milieu where the distribution of individual incomes continues to suffer from serious shortcomings.

Lack of equilibrium naturally becomes more apparent and more disturbing when, as has been occurring for some time past, the upward swing of the economy comes to a temporary halt or slows down. If the economic indices for 1960 show progress over the preceding year, this improvement seems slight indeed when compared with the progress characterising the period between the end of the war and the middle of the last decade and particularly when placed in the context of the pressing needs of a population which is growing at an unprecedented rate. Furthermore, the improvement apparently has not come about by ways and means which can be welcomed without reserve, for it was somewhat less the outcome of an increase in internal production as of a surplus of investment over internal savings and of a growth of imports heralding the return of the difficulties which have so often adversely affected the balance of payments of the countries of the area.

In whatever direction the present combination of circumstances may swing, there are serious grounds for believing that the principal forces which

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for many years have generated and maintained a noteworthy expansion of the Latin American economies are now partly dissipated. To whatever extent certain forecasts may be ventured, there is little reason to expect that exports of raw materials, whether agricultural or industrial - even if a systematic effort were made to secure a foothold in markets hitherto outside Latin America's trade orbit - can possibly develop at a pace approaching the predictable rate of increase of the population. Any attempt to conjecture the future movements of foreign capital is clearly the merest speculation; the least that can be said is that the considerable inflow in recent years has probably largely absorbed the most obvious and safest investment possibilities, and that at the present juncture there is no trace of any likelihood of a further contribution on the same scale.

Hence it is the production of manufactured goods for domestic consumption that seems recently to have been the factor determining Latin America's economic growth, and today it is unquestionably not so much in the improvement of world conditions as in the development of internal markets that the countries of this region will have to find the desired incentive to autonomous and regular growth.

Such a trend has long been predicted and its various aspects analysed by your Commission and the ECLA secretariat, and it is as a result of this analysis that such noteworthy efforts have been made, within the framework of the institution referred to, towards the establishment of a single regional market, broad enough to afford a favourable setting for the development of new industrial activities, especially heavy industries. Here I should like to express my satisfaction at the first success with which these efforts have been crowned - the signature of the Montevideo Treaty. With much fervour and perseverance this Commission has managed to promote a policy aiming at regional integration, but at the same time it has always taken care to view this aspiration in its true perspective - that is, from the long-term angle - nor has it ever sought to over-estimate the scope of the results that may be expected. There is no suggestion of a panacea, a magic formula which can provide a reply to all the burning questions of the hour.

It is hardly possible to wait until the division into compartments that is a feature of this continent has been abolished to initiate the development  
/and organization



and organization of internal markets. To take action in this direction immediately raises the problem of institutional and structural reforms. Obsolete economic and social structures may possibly be allowed to survive so long as the motive force of growth continues to lie, as in the past, in the expansion of world markets. But such structures are wholly incompatible with the systematic development of an internal market.

From this point of view, it is undoubtedly in the agricultural sector that the most energetic and sustained efforts are called for. About half the active population of Latin America obtains a livelihood from the land, and in many instances the levels of income and agricultural productivity are less than a third of those recorded in the urban sector. In these circumstances, it is not surprising that foodstuffs still have to be imported, naturally to the detriment of the balance of payments. But, above all, the agricultural sector can hardly be expected to constitute a broad, expanding market capable of absorbing the mass of goods and services which could be procured by a process of accelerated industrialization. It is a well-known fact that the stagnation of the agricultural sector very frequently derives from an unsatisfactory distribution of land and income. The great majority of those who work the land are not the owners of the land or else possess only small plots yielding at best a precarious living. This is a major problem, and any advances to be made in other directions, such as the balance of payments, industrialization and social tensions, will presumably largely depend on its solution.

Other weaknesses are the result of discriminatory taxation, preferential exchange rates, subsidies to specific sectors, and the fixing of certain tariffs or prices below production costs. All this makes for distortion and lack of flexibility in the economic and social structure. Such impediments are so deeply rooted in habit and tradition that they are not easily eliminated, and when corrective action is taken it is liable to provoke such violent protest and resistance that the authorities cannot restrain or mitigate these reactions without applying strongly inflationary measures.

In the context of the structural weaknesses and lack of flexibility observable on this continent, the reconciliation of what is required for development and for stability respectively is an objective that constantly eludes attainment. At all events, it cannot be attained by a single stabilization operation, however drastic. The precepts that hold good in the search for stability are not necessarily those that will suffice in themselves /to produce

to produce development, and frequently the very achievement of growth can form the basis for internal equilibrium. Too many stabilization plans evolved in accordance with orthodox theory have found their results immediately jeopardized because they were not applied in conjunction with a systematic development policy.

The mistakes made in this connexion seem to have been the result of a tendency to apply to under-developed countries methods which may not have given rise to any major difficulty in the context of industrialized economies. In European or North American countries progress is in a sense integrated into the economic system, continued growth becomes a spontaneous phenomenon and, moreover, is not as vitally important as it is in under-developed countries, where the requirements for growth and stability may not be exactly the same within a given period. When a choice must be made, it will be based not on theoretical considerations but on political and social realities, on the recognition of dilemmas which can only be coped with as part of a comprehensive policy whose various components are integrated into an over all programme and are treated from a long-range point of view.

The difficulties of a task of this kind cannot be over-estimated. Fortunately, thinking has evolved sufficiently to remove at least some ideological obstacles. It is all the more gratifying to note this here in that the discussions and studies which have distinguished this Commission since its establishment have played what is surely a decisive part in this evolution. "Programming" can be referred to to-day without the implication that a State-controlled and centralized system is being advocated in which private enterprise plays only a minor role. Nowadays the tendency is rather to recognize the fact that the two elements, instead of being mutually exclusive, should strengthen each other, that the future progress of private enterprise can be greatly encouraged by a greater degree of organization, by presenting the various factors affecting the operation of the economy, their mutual relationship and probable evolution, as part of a comprehensive whole. This kind of thing is, of course, still viewed with some scepticism, and not everybody is convinced that it can contribute greatly to an allocation

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readily accepted if they appear not as the product of an idea conceived separately but clearly as part of a general plan whose various elements are carefully thought out and co-ordinated; if economic policy follows a clearly visible pattern; and if hopes for a better future rest not on some prophetic vision but on the definition of targets established on the basis of a realistic and rational process.

While the notion of programming, understood in a broad and sufficiently flexible sense to apply to very different traditions and conditions, is generally accepted to-day, in practice virtually everything has still to be done; and it seems to me that your Commission is naturally fitted to serve as a framework for the effort which must now be made. I feel that the time has come to set up, under the auspices of the Economic Commission for Latin America, a "centre of expertise" covering the various aspects of a policy of accelerated economic development. An institution of this kind could make available to governments advisory services which would help them to set up machinery for the formulation of rational economic decisions and facilities for the training of administrative staff to cope with techniques which are at times difficult and in some cases still very new.

In a word, the problem is to intensify and systematize the all too modest efforts that are already being made here. It is not only the Commission's past history that, to my mind, indicates it as the ideal body for carrying out such a project; it is also the fact that it would be hard to find anywhere else the same sense of involvement in a common undertaking, which can be an invaluable asset in applying austerity measures. I earnestly hope that the present session will give a decisive fillip to an idea which the Economic Commission for Latin America could effectively carry out with the assistance of the Special Fund and with the various forms of external help that will undoubtedly be forthcoming.

At the same time, the establishment of an economic programming centre might represent a decisive stage of development in the direction of increased decentralization of United Nations activities, with a view to ensuring that these activities are related more and more closely to the actual conditions



United Nations departments and governments a mutual acquaintance and easy relationship that will ensure fruitful co-operation.

Latin America has a long and brilliant tradition of international co-operation, now strikingly manifested in the form of a network of multilateral institutions that other regions might well envy. I cannot let this opportunity pass without welcoming the recent establishment of the Inter-American Bank, a long-awaited event that has given rise to great satisfaction throughout the continent. Another development that I find highly promising is that the various existing bodies have already taken positive and effective steps to ensure that their various activities, instead of being weakened by pointless rivalries, are so arranged as to strengthen and support one another constantly.

The vitality of these multilateral institutions is a strong evidence of a deep sense of community of aims that transcends disagreements and even differences. The opportunities for collective action within the framework of such institutions for the purpose of attaining the objectives of economic development, far from being already exhausted, have not even been fully explored. I venture to hope that this session will mark a new starting point in the direction of further advances.



ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ADDRESS DELIVERED BY MR. RAUL PREBISCH, EXECUTIVE SECRETARY  
OF THE ECONOMIC COMMISSION FOR LATIN AMERICA, AT THE  
FIRST PLENARY MEETING, HELD ON 5 MAY 1961\*

I should like first to express my deepest appreciation for the most encouraging words addressed to the ECLA secretariat by His Excellency Jorge Alessandri and the Minister of Economic Affairs. Such encouragement is not new in the history of this organization. The President was Minister of Financial Affairs when the Government of Chile decided to submit to the United Nations the proposal establishing this Commission. Since then we have been favoured with unflagging support which was very vividly demonstrated only a few days ago when, within only a few hours, the Government of Chile consented to the change in the site of the present ninth session.

I

The slow average growth rate of the past few years and the ever-increasing social tensions are leading to a recognition of the need for a review of the policy of domestic development and international co-operation.

Remedial measures, however appropriate, have proved inadequate to ensure a more rapid rate of development, obstructed as it is by major obstacles. These obstacles are structural. The economic and social structure is now unsuited to the needs of a population which is growing at an extraordinary rate, nor has it availed itself of the tremendous opportunities for assimilating rapidly the impressive abundance of modern technology available to meet the increasingly cogent aspirations of our peoples to achieve a higher standard of living.

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\* This version is entirely provisional and has not been revised by the author.



We must deal with this structure consciously and deliberately. As was pointed out yesterday, the situation calls for radical measures to change the system of land tenure, to transform the outworn pattern of foreign trade and the internal production structure, to set aright gross inequalities in income distribution, to increase the accumulation of capital at the expense of differences in consumption levels, to train the broad masses in technical skills and to promote social mobility, and to make individual initiative as dynamically effective as possible.

The traditional obstacle of the land tenure system still exists and has been aggravated by small land-holdings. The present system must be changed to allow advanced techniques to penetrate so that the land and manpower can be put to better use. This is a very involved matter because, save for a few exceptions, there is a surplus of population on the productive land in Latin America. However rationally the land is redistributed, this surplus may be reduced but will not disappear.

Only industry and other related activities can gradually absorb the redundant rural labour force more and more productively. Hence, the problem of land reform cannot be solved if it is divorced from the general problem of economic development. The more extensively modern techniques are used in agriculture, the more will industry and these other activities have to expand in order to purchase agricultural products without seriously dislocating the price relationship and to absorb the surplus manpower.

I should like to emphasize this decisive dynamic role of industry which has so far been most inadequately performed. Even in countries with a relatively high annual rate of industrial growth, it is quite obvious that this function of absorbing the rural labour force has been insufficient. This is attributable to two main factors. On the one hand, industry has had to absorb artisans and unskilled workers even in urban areas; on the other hand, because of the play of market forces our countries have had to assimilate technological forms used in the more advanced countries, where capital is largely invested to economize manpower rather than capital. If funds available for investment

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are scarce, as in our countries, capital employed to economize manpower where there is insufficient capital to absorb it is simply a waste of resources. An adequate relationship between these two types of investment must be established. This raises one of the most delicate problems of economic development.

The industrialization drive must therefore be much more vigorous than it has been in the past so as to allow industry adequately to perform this function of absorbing manpower with a rising level of productivity. But here we come up against another structural obstacle to development. Industry has developed in accordance with the outworn pattern of foreign trade which the nineteenth century left so deeply implanted as part of our legacy. It has developed inwards and we have continued with our traditional exports which are characterized by a slow rate of expansion. Industry has not grown outwards and there are no industrial exports on any sizable scale. This, as is well known, has entailed high costs and is bringing the countries which have advanced further as regards industrialization and import substitution up against phenomena of bottlenecks and new forms of external vulnerability which add immeasurably to the difficulties of economic development. These phenomena cannot be avoided unless the structural pattern is resolutely transformed.

Fortunately, this can be achieved, if only in part, through the creation of the Free-Trade Area, its extension to other countries, and even, perhaps, its ultimate linking with the Central American integration zone. But no premature illusions should be cherished with regard to the Free-Trade Area. The step which the Governments have taken is of vital importance, but it is only the first along the road that lies ahead. They now have in their hands efficacious instruments for promoting the establishment of the common market and adopting highly significant decisions. But progress towards this goal will be difficult. If the decisions in question are spread out over a long series of negotiations, it is my fear that the fundamental aim of large-scale expansion of trade in industrial goods may be frustrated and the impetus towards the common market lost. It therefore seems to me essential to establish from the

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very outset very specific and clearly-defined objectives with respect to the progressive reduction of duties affecting huge categories of industrial products, so that there may be no uncertainty regarding the desired goal. In this way it will be possible for industry to adapt itself smoothly and gradually to the new system. Furthermore, the Montevideo Treaty contains sufficient saving clauses to deal with any persistent internal maladjustments and external disequilibria which may arise from its application. And if it is complemented with other essential mechanisms, the way will be clear for a determined advance.

The Montevideo Treaty may, therefore, be of noteworthy assistance in changing that pattern of foreign trade which is so seriously hampering economic development. But this should not be our only target in this connexion. We must begin at once to look towards the future of the system, and consider whether it is to be of a relatively closed type, tending, like the industrialization and import substitution processes in the past, to develop inward, or whether it will also develop outward. If the great industrial centres of the world do no more than continue to purchase our primary commodities at the same leisurely rate, the former alternative will be inevitable. But if they progressively open their doors to Latin American manufactures, while their purchases of primary commodities may still be encouraged, far-reaching possibilities for industrial trade may be created as well. And if our countries exported manufactured goods, they could offer a growing market for exports from the centres referred to, and especially for those new capital or consumer goods in which the progress of technology is constantly manifested.

Now is the time for the great industrial centres to adopt measures which will be of supreme importance for the future, and of which, I am convinced, the Latin American countries will undoubtedly be quick to take advantage, if they give concrete shape to the new concept of reciprocity as a means of reconciling the acceleration of the region's economic development with the expansion of international trade.

This links up with the inescapable need to revise our countries' protectionist policy also, in order to imbue it with the rationality in which it is largely wanting. It is common knowledge that the very nature of

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Latin America's necessarily haphazard industrialization process, in combination with intermittent balance-of-payments difficulties, has led as a rule to an excessive degree of protection which precludes foreign competition or makes it extremely difficult. The possibility of the gradual development of competition within the Free-Trade Area will in itself be very important. But it would be much more so, if it were also extended to the rest of the world by means of judicious reductions of duties and restrictions, alongside such liberalization measures as the great centres may adopt to encourage our own exports.

Let there be no misunderstanding. I am not advocating the end of protection, but its modification to the extent necessitated by differences in productivity. Much has been said of free enterprise in Latin America, but stress has not always been laid on the fact that the terms free enterprise and free competition are inseparable. Besides stimulating technical progress and the more efficient utilization of the factors of production, competition will pave the way for the gradual elimination of one of the principal causes of the wide disparities in income distribution which, broadly speaking, characterize the Latin American countries.

## II

I could not refrain from touching on this point, because it is here, in this aspect of the prevailing social structure, that another of the most serious obstacles to economic development is to be found. The great traditional disparities inherent in the land tenure system have been intensified by the substantial profits which often derive from this exaggerated degree of protection, since, besides hindering external competition, it usually involves practices which restrict internal competition and prevent consumers from reaping the full benefits of industrialization.

The worst of it is that disparities arising from this cause, together with those brought about by inflation and by unwarrantable forms of State intervention, in addition to other factors, have tended of late to become more acute in certain cases, and particularly in those countries where economic growth has been satisfactory in recent years. This was recalled at the assembly of the Inter-American Conference.

towns, or in their very midst, and set up the shanty towns - poblaciones callampas, favelas or villas miseria - which are the crude and disquieting evidence of a serious social disequilibrium.

If such disparities had led to a substantial increase in capital accumulation they would have played an important part in the dynamics of development. Latin America could have a distinctly higher investment coefficient, and hence a more rapid rate of development if this saving potential were put to better use. But this does not happen, and the reason is that a large part of the potential is dissipated on luxury or non-essential expenditure or on investment for the same purpose - if indeed resources are not transferred abroad to the detriment of internal saving.

The lack of measures - mainly tax incentives - to stimulate investment by the higher income groups or to appropriate a part of the saving potential for State investment, often tends to be compensated by inflation. In some cases inflation has undeniably raised the level of productive investment and hence the rate of growth. But these dynamic effects, in common with those produced when inflation offsets the depressive consequences of an external contraction on the economy, have a direct relationship with their regressive effects on income distribution. This accentuates the disparities in the pattern of distribution. In any case, this type of inflation, like that produced on the costs side, has been causing increasing disquiet, and it is understandable that several Governments have made laudable efforts to check this process. It is to be hoped that some adverse effects of anti-inflationary policy, which are not at all inherent in that policy, will be swiftly remedied if proper international action is taken in conjunction with certain internal measures.

It would be a grave mistake, however, to imagine that once the inflationary process has come to an end, the free play of economic forces and the inflow of foreign private capital will suffice to quicken the rate of growth. This cannot be accelerated without the structural changes I have spoken of and without a great effort to increase capital formation. Otherwise it will be extremely difficult to maintain monetary stability, and if it could be done, it would probably be at the cost of development. What we need, therefore, is a development policy that combines stability with vigorous growth.

### III

To be as effective as possible, this policy calls for development programming. Happily, the stubborn objections to this idea have been progressively dissipated and, both inside and outside our countries, the need for rational planning is becoming more and more widely accepted. ECLA has acquired some experience in this field, and I hope that a favourable reception will be given during the present session to the proposal, which is strongly supported by Mr. Paul Hoffman, the Managing Director of the United Nations Special Fund, to create a centre for economic development programming attached to our secretariat - a proposal mentioned yesterday by Mr. Philippe de Seynes, United Nations Under-Secretary for Economic and Social Affairs. As regards the training of personnel and the development of the technique of programming, we cannot, unfortunately, make up for lost time. But I can assure you that we have the enthusiasm and conviction to shoulder this work and to carry it out speedily.

Programming has often tended to be opposed because of its possible effects on private enterprise. We, on the contrary, adhere to the paradoxical idea that programming is needed to give a strong impetus to private enterprise, which as a rule does not operate in Latin America with the dynamic efficacy necessary for accelerated development. Several factors are involved.

And above all, the structural obstacles that hamper development. The removal of these obstacles, and the investment in infrastructure which is basic to any development plan, and which in Latin America has nearly always resulted from government action, will provide much broader opportunities for private enterprise than exist at present.

Thus an essential condition of the strength of the private enterprise



education available to these dynamic elements whose initiative and readiness to take risks and assume responsibilities at all technical and economic levels constitute the most powerful motivating force in economic and social life, whatever the system within which it operates. There is a tremendous waste of human resources which can only be reduced to a negligible quantity by means of a vast programme of primary education and technical training for the broad masses.

Lastly, the policy of international co-operation has not been directed specifically towards stimulating private enterprise within our countries; the emphasis has been almost exclusively on foreign private enterprise.

#### IV

There can be no question as to the value of foreign private enterprise in the Latin American countries, especially when it constitutes powerful nuclei for the spread of technology. But economic development is essentially a process of developing national skills. From this standpoint, the problem is not to get others to come here and do what we cannot do, but rather to get others to co-operate with us in technical and economic fields so that in the course of time we can do anything the more advanced countries can do, from the exploitation of natural resources to the most complex forms of industrial activity.

Consequently I believe that it is essential to make an organized, systematic and large-scale effort to transfer international resources and technology to private enterprise within our countries. Thus far foreign private enterprise has not been greatly interested in domestic development. It undoubtedly should be, especially if the activities in which foreign private capital can be most useful for economic development are properly circumscribed. But the greater the inflow of such capital, the greater the need to strengthen national private enterprise.

Otherwise, antagonisms might arise that we would do well to guard against. The technical and economic superiority of foreign private enterprise has in some cases led to the ousting of domestic enterprise from activities which had long been in its hands. Many fear that this might happen in the Free-Trade Area, and that the best opportunities will be seized

by foreign private capital. This risk exists whether there is a Free-Trade Area or not, but it is undoubtedly true that if such a movement were to spread within the area, considerable resistance would arise which might seriously hamper progress towards the common market. This is all the more reason for underlining the vital need for the large-scale transfer of capital and technology to private enterprise within our countries, without prejudice to other measures which need to be given careful consideration.

These words are not lightly spoken; I have given them much thought. They are based on a conviction which has become stronger and stronger. Nor are these emotional statements, which would be out of place for one in my position. But I believe it is my duty to state this conviction strongly at this decisive moment when the policy of international co-operation is being reviewed. To continue to place the emphasis on foreign private enterprise as the keystone of our development would be to strengthen the belief, widespread among public opinion in our countries, that the co-operation policy is intended primarily to open up new avenues to foreign capital for the benefit of the great industrial centres.

I am not saying that such an intention would not be legitimate; but past experience strikes deep, and clear proof must be given that international co-operation has a completely different aim. Only thus can this policy become an intimate part of the widespread mobilization of public opinion needed in our countries to give economic development policy a definitely popular stamp. However, to establish the prestige of international co-operation it is not enough to dispel these misgivings. We must likewise convince public opinion in Latin America that it does not mean strengthening those elements in the economic and social structure that oppose development, and that on the contrary, it is based on the need to change that structure in order to speed up development.

Hence the essentially political significance of international co-operation, as pointed out more than once at our meetings. I am not, of course, referring to the immediate political advantages of the provision of international resources - since this would add nothing to the prestige of the policy of international co-operation - but to the lofty and far-reaching political aspects of that policy, inasmuch as it will help to

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reduce gradually the social tensions that tend to transcend national boundaries and to become a powerful motivating force in international politics.

We in Latin America are not unaware of the deep forces revealed in the recent emergence of a number of new countries, however different those countries may be from our own. They are forces that tend to develop and crystallize a nation's personality; in the economic field, they make for genuine forms of development, and in the political field for equality among countries, since in this world of increasing interdependence in which the United Nations operates, and within the framework of which this Commission has to carry out its activities, equality and independence mean the ability to discern, and to take boldly, those major decisions that affect the national interest, irrespective of the size of the country concerned.

## V

But international co-operation policy must be revised not only as regards its direction but also quantitatively. Fortunately it is recognised that international assistance has been notoriously inadequate in relation to development needs.

A considerable increase in this assistance will be required for a number of years to come if results are to be achieved expeditiously. Even if use is made of national savings potential, this will continue to be insufficient to achieve and maintain a satisfactory rate of development, for attention must also be given to social investments. Social investment is now a much discussed topic and very rightly so. It might be called welfare investment to distinguish it from productivity investment. It is essential to arrive at a proper relationship between these two types of investment in development plans, for any over-emphasis on the former might seriously handicap an acceleration in rates of growth, while excessive attention to the latter - productivity investment - might dangerously aggravate present tensions.

Productivity investment itself must be carefully studied, not only to ensure the equilibrium, to which reference was made earlier, between labour-saving and labour-absorbing investments, but also to discourage investment intended to satisfy certain forms of consumption which involve an obvious waste of scarce resources.



As a raison d'être for international assistance on a larger scale, the Latin American countries are now being advised to formulate economic development programmes. It is to be hoped that this will evoke a favourable response in those countries - and they are in the majority - which have not done this yet.

On the basis of these programmes and depending on their intrinsic merits, it will be possible to determine what international assistance each country requires. This may well be the occasion on which practical effect will be given to a suggestion which has been advocated for some time, namely, that the international credit agencies should engage to grant this financial assistance for whatever period proves necessary. Otherwise programming would not be based on firm ground, as there would be no way of determining whether national savings efforts would or would not be accompanied by an adequate amount of international assistance. But clearly the fulfilment of such an engagement must be conditional not only upon the submission of specific projects but also upon the stipulation that, when it is being carried out, a programme should continue to comply with the basic requirements which the Governments themselves established and with respect to which the engagement was accepted.

It is understandable that the formulation of programmes of this kind will take some time - at least two years perhaps. In the meantime, there are urgent investments in strategic points which could make effective use of idle capacity in the economy thereby raising the level of overall income; and such investments could at the same time make the struggle against inflation more effective and easier to bear. These investment needs are well known and could give rise within a short space of time to the formulation of preliminary plans.

The ECLA secretariat is prepared to collaborate with Governments in this work of programming and in determining what Latin America wants and needs in the matter of international co-operation. In this connexion, I wish to express my great satisfaction at the agreement which we have reached with the Organization of American States and the Inter-American Development Bank to co-operate and co-ordinate more efficiently work of common interest without affecting the terms of reference assigned, in each case, by the respective Governments. It will thus be possible to concentrate resources

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to good purpose and to afford member countries which so request the collaboration that is required in all these matters.

All this programming work amounts in essence to adopting a rational approach towards major economic decisions. Such a rational approach is essential and is not incompatible with efforts of a different kind. We at ECLA are motivated not just by technical considerations. We also place great hopes in the new generations of Latin America. They feel bewildered and lack faith in the dynamic soundness of the system in which they are living. How could they be expected to have faith when the free play of economic forces was being advocated as a solution to our most serious problems at a time when man has acquired an unsuspected power over the forces of nature? Could we arouse their imagination and enthusiasm in this way, could we foster their natural constructive propensity and their sense of achievement? We have lost much time, and a gigantic effort must now be made to hasten the advance. We here are prepared to play our part in this effort, however slight it may be. I repeat that there is much to be done and that it must be done without delay. I believe that we are in time to give expression to those vital impulses of the new generations and to show them a new social horizon. I also believe that we in this part of the world are capable of pooling our efforts to find the right way of interpreting our problems and our own solutions for them.

Let us refer to the past to gain experience and a better understanding of the present, but not to revert to forms that have been irredeemably discarded. Hence, we face these moments through which Latin America is living with great equanimity, for they may be pregnant with results, if they instil in us the firm resolve by our own efforts to deal consciously and deliberately with the forces of the economy in order to achieve the great and clear objectives of economic and social development.

ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

STATEMENT BY MR. JORGE MENDEZ, HEAD OF THE DELEGATION OF COLOMBIA,  
AT THE FIRST PLENARY MEETING, 5 MAY 1961

The Economic Commission for Latin America came into being in this great city of Santiago, Chile, thirteen years ago, at a time when hopes of world co-operation to solve the problems of the underdeveloped countries were running high. Today its member States are once again holding their conference in Santiago. A review of the work carried out in the course of this revolutionary period of Latin American history, during which problems have presented themselves pell-mell, creating demands of a dramatic and urgent nature such as would have been unimaginable in 1948, is highly significant. ECLA has been able to keep up with the tremendous pace of events and future possibilities. What is more, on some occasions it has actually gone ahead of them, foreseeing solutions and blazing trails which at the outset seemed remote.

ECLA has in fact helped Latin America to form an outlook of its own on economic development, and in the process it has had to encroach boldly upon fields which in 1948 were regarded as somewhat abstruse and exotic. The very pace of world history in the last ten years has gradually rendered such questions more and more immediate, obvious and unavoidable, and ECLA's foresight has enabled it to make the appropriate response as each occasion has arisen. Cases in point are the integration of trade and production in Latin America; internal industrialization as a formula for coping with the stagnation of productivity and the foreign exchange difficulties attendant upon overdependence on traditional world trade flows; the need for structural changes in the land tenure system in order to improve the living conditions of the rural population and at the same time expand production of foodstuffs; the use of monetary and fiscal policy as an active instrument of economic and social development; the preparation of development programmes, and the /establishment of

establishment of permanent planning machinery, whereby definite objectives integrated with the overall economy can be pursued, resources can be satisfactorily distributed, and the maximum effectiveness of all the nation's efforts can be assured.

All these concepts, which in 1948 were not part of Latin America's own mental outlook, are nowadays diffused throughout the region, forming the basis of discussion and analysis for Latin American economists and for most statesmen, and, in addition, presenting a bold and determined front to the broad ideological and technical currents of the world economy, as Latin America's point of view.

The vast scope and importance of these general development propositions put forward by ECLA have already brought about practical consequences of unquestionable significance. Economic integration, by virtue of which it is hoped that the problem of narrow domestic markets will gradually be solved and that the area will come to enjoy the true benefits of intra-regional specialization, is now, with the signature of the Montevideo Treaty, becoming a reality. All the Latin American countries are making deliberate, conscious efforts to promote industrialization, with special emphasis on import substitution; in many of them land reform is being carried out; public investment has become a major instrument for economic development and for the direct solution of social problems; monetary and exchange policy is applied in the light of development requirements; and several of the States members of ECLA are organizing or have already organized permanent programming systems which will serve as a guide and basis for their development policy and enable them to concentrate their effort where it is most needed.

Such achievements on the part of Latin America, both in the ideological field of the theory of economic development and in the practical sphere of economic development policy, may be considered of vital interest. They have enabled us to keep up with events. But the trouble is that the momentum of these events shows no sign of slackening, and unless our response is even more prompt, it will inevitably become more and more difficult to grapple with the situation. We must, for example, see to it that as each year passes, the economy in the various countries increases gross product at a rate sufficiently high to afford satisfactory and improving levels of well-being

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for all its inhabitants, at the same time ensuring that the economically weaker social groups receive the major share of the benefits of the expansion of production.

If this satisfactory rate of growth - 5, 6 or 7 per cent according to the country concerned - is to be attained permanently, private capital formation efforts, the requisite supplies of foreign exchange, public capital formation, and the expansion of educational and health services, housing projects, etc. etc. must be greater than at present.

The picture over the last few years is not very encouraging. Few countries are even approaching these targets today. And if drastic structural changes in production trends are not brought about, and sufficient external assistance is not obtained, problems which set rigorous limits to development - e.g. balance of payments problems - will grow steadily more serious in the future.

The challenge with which the peoples of Latin America are faced is particularly complex. We cannot meet it solely by the use of traditional procedures; we must draw upon new sources of energy, deriving from new conceptions of regional solidarity, the solidarity of all social classes in each country, and we must apply new types of organized and continuing action in which the public and private sectors combine in a determined endeavour to fill up all the lacunae and surmount all the difficulties inherent in the fragility and vulnerability of an under-developed economy.

If this struggle is to succeed, there will be many calls on the continental solidarity referred to above; hence the importance of the Latin American common market, of technical assistance on a continental scale for the preparation of development programmes, and of financial assistance from the countries that have more capital. But the basic effort must come from these countries themselves. Each country must be ready and able to carry out on its own account whatever undertakings, structural changes, sacrifices and contributions may be necessary. Continental solidarity, mutual aid, and the common market, will attain real strength only if each country undertakes to use its own efforts to the full, and does so successfully. The under-developed countries cannot rely on external aid as their sole life-line. No amount of external aid, however great, will suffice if the receiving country does not make itself responsible for providing a firm and fertile soil in which this external aid can take root and bear fruit.

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This is how the Government of Colombia sees its role with respect to the problem of economic development and social welfare, and it has devoted itself in recent years to cultivating this fertile soil. The task has been a long, arduous and complicated one, and the Colombian Government realizes that there is still a long, arduous and thorny path ahead. But we are conscious of having made progress, and the result of our efforts will surely become more striking as time goes on.

Our starting-point is our democratic faith. In other words, we are convinced of the need to maintain a stable constitutional organization, in which there is a proper respect for rights already acquired, where the constructive role of private enterprise is recognized, and where there are legal limits to the State's power to intervene directly in the economy or in the lives of individuals. This democratic faith is not a mere matter of preferring particular juridical forms. It also implies the conviction that a system based primarily on private enterprise is capable of achieving the maximum rate of development. The role of the State will naturally have to increase, because of the need to formulate and establish a planned development policy.

A recasting of ideas and of certain institutions will be necessary. In a few cases, the free market principle must be limited in the face of the latent imbalance in specific sectors. The State must assume the task of establishing such public services and co-operating in such social activities as private enterprise cannot establish on its own. Moreover, the State should remain alert so as to determine which of the sectors included in a development programme are not achieving their objectives, and to institute the economic policy measures, negotiations or direct moves required in order to remedy these failings.

All this involves a deliberate policy of development. In our view, however, the principle that the State should only intervene where private initiative, for one reason or another, is wanting or inadequate remains the ideological basis of State action.

If such State action actually produces the highest rate of development of which the available resources are capable, it will mean that a Development Programme and a development policy can claim to reconcile the general interests of society with those of private initiative. That is what the

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Colombian Government has been trying to achieve, and trying successfully, we feel, during the past few years.

The economic policy followed by the Colombian Government since 1957 is based on three essential points: first, to achieve monetary stability by controlling the inflationary elements which created a very difficult situation towards the middle of 1957, while at the same time allowing the economy as a whole to develop at a moderate rate; secondly, to attempt without further delay to reduce the most pressing social problems by establishing the bases for a more adequate distribution of wealth and income and by carrying out specific programmes of land reform, wage increases, revision of the tax system and large-scale public works in housing, health and education through public investment; thirdly, and perhaps most successfully in the long run, to reorganize economic policy from the point of view of development programming by establishing and setting in motion permanent planning machinery and adapting its operation to public administration activities. The three objectives are closely inter-related.

In Colombia in 1957 there were several powerful sources of inflationist monetary expansion which, if given free rein, would have meant a serious and progressively worsening imbalance. By mid-1957 the Government had to decide to devalue the peso, thus allowing the exchange rate to reach a level more in line with the factors which had accumulated throughout a period when foreign exchange resources had been diminishing while the increase in the amount of currency in circulation had continued at a more rapid rate.

Devaluation was considered above all as a first step in easing pressure on the balance of payments by reducing the existing imbalance. Naturally, devaluation itself produced new domestic inflationary tendencies, costs rising in some production and consumer sectors and the income of exporters increasing.

This state of affairs generally produces a chain of inflationary conditions which the Colombian Government sought to avoid from the very beginning. Moreover, the impact of currency and of devaluation costs was

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not the only expansionist factor at work. The Government had to finance the payment of a long-standing commercial debt, which had also accumulated since 1954 and amounted to 520 million dollars, equivalent to the total annual earnings from exports. The financing of the remittances in respect of this payment was one of the major problems with which the new Colombian Government was faced. Thirdly, the Government had to finance the coffee stocks withheld from the market. Moreover, the Government's income had seen its actual purchasing power reduced because of the higher cost of many imported items. The outlook was therefore bleak.

The Colombian Government decided to choose the path of stability, despite its difficulties and dangers, since it felt the need to be consistent with the other two objectives of its over-all economic policy - a gradual overhaul of the distribution of wealth in favour of the economically weaker classes, and the systematic organization of development for the economy as a whole. It feared that unchecked inflation would be irreconcilable with either of these two objectives, since inflation notoriously tends to produce a shift in purchasing power in the direction of the wealthier classes and to give rise to imbalances which sooner or later are apt to lead to intervals of stagnation in the process of development.

At the same time, the Colombian Government had no wish to apply a stability policy for the sole purpose of achieving equilibrium in the balance of payments. It was felt that the idea of achieving a minimum degree of development must never be relinquished, even during the period of severe financial difficulties through which the country was passing. The theory underlying many of the ideas put into practice during the last four years finds eloquent expression in the work of Dr. Prebisch on stability and development, which will undoubtedly give rise to absorbing discussions.

Colombia's policy of stability with development appears to have been successfully applied up to now. Monetary expansion has been maintained over the last three years at an annual rate of 6 per cent, which is appreciably lower than those prevailing up to 1956. In the past two years,

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prices have not risen more than 6 per cent yearly, and the gross national product has increased at a rate which, taking into account the particularly adverse external conditions, may be regarded as satisfactory: during 1959 it was 6.4 per cent, and during 1960, 4 per cent.

The criteria adopted for this policy of stabilization were pragmatic: to keep a close watch on spending under the national budget, in order to avoid a deficit or the necessity of calling upon the Central Bank for assistance, without reducing the funds required for expansion in public investment; to finance payments in settlement of trade debts and the withholding of coffee on the basis of taxation; to prevent the undesirable expansion of credit facilities by commercial banks; and to channel the sources of existing bank credit more and more towards those sectors of production considered the most urgent for development purposes.

These various measures have imposed a régime of austerity on many sectors, but have ensured proper capacity for growth in other sectors. The fall in export income has thus not brought about either an internal depression, which usually accompanies a deterioration in the terms of trade, or inflation as a result of the attempt to offset that deterioration by monetary measures alone.

The Government has also taken resolute steps to deal with social problems. Although development is, in general, the only long-term solution, over the short term it does not in itself cope with the poverty and distress that beset large groups of the population. Furthermore, the perpetuation of these problems of hardship, lack of education, lack of sanitation, inadequate remuneration, etc., is one of the biggest obstacles to development. Hence, they need to be dealt with directly and immediately. For this purpose, the Colombian Government has first of all its Public Investment Programme, which covers sanitation, health, communal public services and schools. In addition, it makes use of such instruments as the new taxation act - which involves a fairly radical redistribution of the tax rates in favour of earnings from labour and of the low and intermediate income scales-, backing a wage policy designed to ensure that wages are properly tied to productivity and to the rise in the cost of living, and, as the keystone of its social policy, it has submitted and strongly

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recommended to the National Congress a bill on land reform. This bill has two main aims: first, to allow the State to dispose of land not being economically exploited by its present owners or occupants, and second, to see that a large proportion of rural workers who at present are landless or whose holdings are too small to be economic, are given land and work it in the best interests of the country.

The third objective, that of establishing criteria for development programming which are valid for all the Government's decisions and can also serve as guide-lines and targets for all sectors of private activity, has already been attained in Colombia.

Since the middle of 1959, the work of the programming bodies has had two preliminary aims. The first is to make a comprehensive study of the national economy and its prospects, by sectors, in order to determine the feasible targets for each and the best ways of reaching them.

This study, defining the basic principles underlying the fundamental lines of policy which should shape government action or which it is hoped will shape the action of the private sector, has given rise to two basic documents that should act as a frame of reference for future economic policy: the Four-Year Public Investment Programme, to be put into effect for the first time in 1961, and the over-all Development Programme. The last-named document will be ready in two months' time, and will set forth a series of objectives to be attained in the next five years. The Colombian delegation will give a more detailed explanation of the essential features of both documents and the principal conclusions reached in them to the committee concerned with aspects of economic development, at the present session.

The second task of the Colombian programming bodies is to establish, in close collaboration with the Executive, the machinery to enable the Administration to carry out the Public Investment Programme and the Over-all Development Programme, and to ensure that the implementation of both, the way they proceed and the alternatives chosen, may be followed as closely as possible, so that any aims may be revised, policy changed, external assistance negotiated and encouragement given to private enterprise, whenever necessary. Programming groups have therefore been

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set up within the principal executive agencies; any changes in the economy are constantly analysed; and assistance is being given in the preparation of the national budget to ensure that it conforms to the projections included in the Four-Year Public Investment Programme.

The publication of the Over-all Development Programme will mark the culmination of what is perhaps the most important stage in Colombian programming. It has, however, already been possible for some time past to follow the basic outline of the future development of the country, as established in the preparatory studies for the Programme, and hence to suggest to the Executive measures in accordance with that basic outline. Thus it may be said that the Colombian Government has for some time already been thinking in terms of integrated development. All our recent planning for the negotiation of external credit, for instance, is based on this criterion, and we hope that this will be even more true in the near future.

We have great faith in the system and we hope to improve it gradually. It will serve as the best possible indication for us of the obstacles standing in the way of our development and what we must do to overcome them. We also hope that it will be especially useful in giving new sense and scope to external financial aid so that it can play a more specific and integral part in development, thereby helping to reach objectives which once reached would make it possible for a country like mine to forge steadily ahead on its own account. President Kennedy's "Alliance for Progress" plan is completely in keeping with this approach.

Colombian planning bodies would not have been able to make the progress they have made - modest progress but nonetheless in our opinion well organized and sound - without the very valuable assistance of the ECLA Advisory Group and of the United Nations technical assistance we have been receiving since 1959. To set planning machinery on foot, special techniques requiring experts of a kind as a rule scarce in Latin America, must inevitably be used, and that is precisely what the ECLA Advisory Groups provide in the form of direct and full co-operation to Governments in programming their development. We are no longer at the  
/stage of

stage of carrying out specific studies, preparing reports or obtaining collaboration from time to time. The present stage calls for continuous or systematic practical experience in which the planning machinery within the country must be gradually and patiently modified until it is ready to operate on its own. I am certain that Latin America will need more and more of this kind of assistance, and that ECLA should be prepared to extend the excellent system of Advisory Groups more and more widely. My country has joined enthusiastically in the request submitted by four Latin American countries to the United Nations Special Fund, for the establishment of a development programming institute, as referred to today by Mr. Heurtematte, which would work under the joint auspices of OAS, ECLA and the Inter-American Bank, under the direct responsibility of ECLA.

Latin America is today confronted with much that is disquieting and which needs to be dealt with decisively, energetically and wholeheartedly. At the same time there are two splendid signs of solidarity and optimism which are in themselves enough to give grounds for believing in a future American continent which will be great, free and prosperous.

The first of these is the official establishment, in an atmosphere which augurs well for the future, of the Latin American Free Trade Area. The second is the encouraging direction taken by international co-operation in the continent in the financial field, on the basis of development programmes. Both are events of great historical significance and it must be our purpose to take proper advantage of them. Colombia is not yet a member of the Free Trade Area, but the Colombian Government has already decided that it would be a good thing to join the Area, and it has just applied to Congress for the necessary authority to do so. We are therefore prepared to participate with great enthusiasm and strong faith in this effort towards integration, which is without doubt one of the greatest undertakings in which our peoples have taken part since the days of Bolívar.



## ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

TEXT OF THE STATEMENT BY MR. PAUL HOFFMAN, MANAGING DIRECTOR OF THE UNITED NATIONS SPECIAL FUND, PRESENTED ON HIS BEHALF AT THE FIRST PLENARY MEETING, HELD ON 5 MAY 1961, BY MR. ROBERTO HEURTEMATTE, COMMISSIONER FOR TECHNICAL ASSISTANCE, OF THE DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS OF THE UNITED NATIONS

## ECLA IN THE 1960's

The Economic Commission for Latin America is a vital institution not only in the eyes of its member Governments but also in the eyes of the United Nations Special Fund. It has proved itself a most serious and capable champion of the individual and mutual interest of the countries of its region. We can appreciate why the Governments and people of Latin America regard this indigenous, non-political, impartial Commission as a most valuable instrument for assisting national, and promoting regional action for economic and social progress in this dynamic part of the hemisphere.

What is more, countries in all parts of the world have watched with admiration the efforts of ECLA to serve its member Governments and to show what its nations - united by common aspirations and consequent responsibilities - can accomplish in the framework of our world organization, the United Nations. They, too, place great hope in your Commission.

ECLA clearly is ready for a substantial expansion in the depth and breath of its work. Your distinguished Executive Secretary, Mr. Raúl Prebisch, and I are well aware of this. That is why we intend to intensify ever further the fruitful relations established between our sister organizations from the moment the Special Fund was created. Our attention has been focussed on several areas of particularly urgent need and great promise. It is to one of these, perhaps that of greatest potentiality, that I wish to address myself immediately.

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There is much evidence that Governments of Latin American countries - eager to face squarely the urgent need for reforms and progress - want to improve or acquire the key tools for such tasks. They seek specific advisory services in economic programming, and in the preparation of economic development plans, as well as larger opportunities for their own nationals to acquire the training requisite in these fields to meeting the new and heavy responsibilities falling upon the Governments. They have expressed a desire to receive such assistance through the United Nations.

These are reasons why the Special Fund has given particular thought to its opportunities for providing assistance in this important area. And naturally it turned to ECLA, which has already made a noteworthy contribution through its training programme and through the work of its advisory groups.

The Special Fund whole-heartedly desires to assist the Governments of Latin America in furthering their national and regional economic development. Projects aimed at meeting these goals would, I am sure, receive the sympathetic attention of the Special Fund's Governing Council. It would, I believe, be prepared to devote quite substantial sums for this purpose, provided such projects meet the established criteria for Special Fund assistance.

What are these criteria and how might they be met in the case before us?

Any project to be assisted by the Special Fund must offer strong promise of contributing substantially to the economic development of a country or group of countries, notably by helping to make large-scale investment feasible or more effective.

The role of the Special Fund is that of assisting Governments in financing projects to which the Governments attach the highest priority and for which they are willing to assume immediate and long-range responsibilities. One indication of the priority which individual Governments attach to a project is their willingness to share in its financial support. Only thus will it be their project and not someone else's.

We have already received a request from several Latin American Governments for a major scheme of assistance in training experts in

/programming and

programming and planning, together with assurances of the importance they attach to this. We expect and hope that these and other Governments will soon formally indicate not only their support for the scheme but also their desire to participate and, I would stress, their preparedness to contribute their fair share towards the cost.

What form might such a scheme take? Clearly, a programme of this importance and magnitude, and one involving many millions of dollars, should not only be brought into action with a minimum of delay, but also be most carefully worked out. Our first thoughts, based on the Governments' needs, ECLA's experience and consultations with officials of other institutions, inside and outside of the United Nations, suggest a two-fold approach.

First could be that of providing advanced training in programming and planning. This might be done through the creation of an institute or centre in Latin America for that purpose and to which suitably qualified trainees would be sent by their Governments. Obviously, such a centre should operate in closest association with ECLA. At the same time, it would seem necessary that it have a status as an autonomous legal entity with an independent directorate and the capacity to receive and administer funds which might be forthcoming from other sources than Latin American Governments and the U.N. Special Fund.

The second aspect of the approach would be the provision through the centre of advisory services to individual Governments on their request. The practical work of teams sent into the field on such requests should not be divorced from the centralized training aspect of the programme; both aspects should be related for their mutual advantage, including that arising from the interchange of personnel.

If the Governments of this region, jointly in ECLA and individually, indicate their serious interest in having such a centre in Latin America and their willingness to support its creation, I would propose to recommend to the Governing Council later this month that it approve a special allocation of up to \$200,000 to permit the prompt formulation of a sound project request for consideration by the Council at its following session.

We are ready to move forward, and now await your views.

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There is an urgency about getting under way with promising pre-investment projects, because, in my opinion, the decade of the 1960's is a crucial period in human history. It is in this period that the momentum must be built up which will ensure the conquest of poverty, illiteracy and chronic ill-health throughout the world. If Latin America surges forward, as it should and could, as I am confident it will, its contribution to making this a safer and more prosperous world can be momentous.

I said that Latin America can and should surge forward in the 1960's. I believe this because with every passing day it becomes increasingly clear that the underlying reason for under-development in all countries, and perhaps most particularly in those of Latin America, is the under-utilization of their physical and human resources.

It is the earnest desire of the United Nations, your United Nations, to contribute to the maximum in assisting the countries and territories of this region to make these resources more productive.

Ways in which the United Nations Special Fund is endeavouring to do its part in accelerating economic and social progress in Latin America can be seen in a brief information paper before you. This document, E/CN.12/571, shows that the Special Fund concentrates on assisting relatively large projects designed to reveal the wealth-producing potentials of natural resources and to train and assist the people of the countries concerned to make most effective use of those resources. I have underlined that word "people", for while the fortunate few in your countries can do much, enduring success in development cannot be achieved without the enthusiastic support of the entire populace. It is heartening to all of us that this fact of life is at last being more widely recognized.

The work of the Special Fund is carefully coordinated with that of the technical assistance programmes of the United Nations and its specialized agencies, as well as with that of financing institutions, particularly those of the United Nations such as the World Bank and its affiliates. Just as many Special Fund-assisted projects have had their origin in United Nations technical assistance so, it is expected, will Special Fund projects demonstrate to all sources of finance the feasibility of large-scale investments.

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One evidence of the close collaboration prevailing among the United Nations agencies in the development field, is that all projects thus far approved by the Special Fund are to be executed by the United Nations or one of its specialized agencies. Thus we are using the extensive and priceless experience of these agencies, and at the same time extending the impartial, dedicated and expert services they can provide your countries.

Further, the field representatives of the Special Fund are also the representatives of the Technical Assistance Board in the countries to which they are assigned. They are eager to help your Governments with any information or assistance your countries may require of the Special Fund.

And those representatives, like my staff at Headquarters and the staff of ECLA, are strengthening each day a network of effective collaboration among us to bring about the most rapid and efficient achievement of our common purpose. The Resident Representatives are also proving increasingly useful in responding to requests for informal guidance on how bilateral and other outside assistance may be better oriented and integrated in national development programmes.

To date the Fund's Governing Council has approved 30 national and regional projects for 19 countries and 3 territories in Latin America. This represents over 30 per cent of the projects it has authorized. The cost of your 35 approved projects is approximately \$60 million, for which the Special Fund allocation is \$29 million and the counterpart contribution by the recipient Governments equals \$31 million.

I should like to mention briefly elements of progress on these projects in this hemisphere.

Field operations on at least twenty-one projects are at present under way in ten countries and territories, as is the Central American Research Institute for Industry project, which will serve at least five additional countries. These projects include surveys of agriculture, water-use, minerals, transport and regional development, as well as institutes for training in higher technology, agriculture, management, etc.

All of these projects have a vital role to play in laying the groundwork for substantial investment. Thus studies and projects

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carried out under ICATTI with Special Fund assistance during 1960 are estimated to have produced some £10 million of potential investment possibilities.

As a further example I would like to tell you of an Argentine project assisted by the Special Fund through the World Bank. This project, completed last summer, was a survey of the needs and resources for electric energy in Argentina. In the completed report of the survey, engineers and economists show that prospective revenues will fully support an investment of some \$735 million over the next ten years for facilities to provide the electric energy Argentina needs for industrial development and domestic use.

We in the Special Fund are much challenged by the increased interest of the Latin American countries in our activities. Some two-score additional projects have recently been submitted by your Governments and are under active consideration. Eleven of these projects will be recommended by the staff of the Special Fund to the Governing Council at its meeting later this month. More will be ready in December.

And may I add that experience and plans assure that the work of the Economic Commission for Latin America will in many ways broaden the scope of Special Fund assistance to your countries and at the same time strengthen the impact of that assistance.

I should like to conclude my remarks by stressing that the great task before all the countries in the United Nations is to achieve a rapidly expanding world economy, and thus make possible improved living standards for everyone. We cannot succeed in this urgent endeavour unless relationships between nations are on a sound basis. And there is only one relationship that is sound - that is one of partnership. No nation is so rich that it cannot profit from an expanding world economy; and no nation is so poor that it cannot help other nations.

May I add that this principle of partnership applies with respect to contributions in talent and cash to United Nations development programmes. The needs are growing for highly qualified Latin Americans to serve the

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United Nations abroad. At the same time, there is need for resources to finance such services. These come from voluntary contributions by Governments and require sacrifice by all for the benefit of all. It is our high hope that at the United Nations Pledging Conference this coming October every nation - large and small - will contribute its rightful share to the \$150 million target which has been established by the General Assembly for these two important programmes in 1962.

The developing nations, as we know, should not over-estimate the contribution that external assistance can make to speeding economic and social development in their countries. Assistance has a vital role to play, but it can only help, and then only in countries where there are dedicated leaders and where the people are doing all they can to help themselves.

Perhaps I can best illustrate the part that Latin Americans must play in their continent's development by a reference to the Marshall Programme with which I was associated. That programme has been given too much credit for the achievement of Western Europe's rapid recovery from the ravages of the Second World War. The Programme did have an essential part in that recovery. Yet in the year of its maximum assistance, which was 1949, the goods and services supplied under it from the outside amounted to only 3 per cent of the gross national product of the Western European countries. Ninety-seven per cent was supplied by the people of the European countries themselves. It was the Europeans who saved Europe. And it is the Latin Americans who can, must and will assure the necessary development of this continent in the critical decade we face.





ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

STATEMENT BY MR. PLACIDO GARCIA REYNOSO, REPRESENTATIVE OF MEXICO,  
AT THE THIRD PLENARY MEETING HELD ON 5 MAY 1961

On behalf of the Mexican delegation, which I have the honour of heading, I should like to express to you, Mr. Chairman, my sincere congratulations on your well-deserved election. It is only fitting, in view of your ability and experience, that you should be the one to guide our debates. At the same time, I should like to express to the Government of Chile, through you, my deepest appreciation for the hospitality it has extended to us in its beautiful and progressive capital. We were about to meet in Caracas for the ninth session of the Economic Commission for Latin America when we were informed that the session would be held at the headquarters of our regional organization because it would be impossible for us to carry on with our work at the site originally selected. We fully appreciate the reasons for the change, which should increase the sense of urgency with which the essential aims of the Economic Commission for Latin America and the institution of the internal reforms required by the economic and social development programmes of each of our countries, should be effectively carried out.

We feel that at a gathering of such cardinal importance as this, being held at a time of dramatic historical significance, as pointed out yesterday evening at the opening meeting by His Excellency the President of the Republic of Chile, some points of increasing concern to those who are attempting to bring Latin America finally to the stage of real and accelerated economic progress of tangible benefit particularly to the less-favoured groups of the population cannot fail to be dealt with promptly. Why, in spite of the many studies, plans and programmes, the proposals advanced and the work done, has our region at best succeeded emerging briefly from stagnation only to fall back into it again after a short respite. Where have we failed, what are the obstacles, what is preventing us from executing the plans we have formulated?

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We are fully alive to the complexity of the economic and social problems affecting our region, and to the fact that clear-cut conclusions do not readily emerge from an analysis of the factors responsible for these problems; and we are also aware of the impact of external factors. We must nevertheless state from experience that the frustration felt by the peoples of Latin America are largely attributable to serious omissions and failings in the policies so far applied by some Latin American countries. The need to introduce the remedial measures required by accelerated development, even at the cost of grim sacrifices, as pointed out here by the Under-Secretary for Economic and Social Affairs of the United Nations is becoming even more pressing at a time when new and heavier responsibilities have been created because the patience with which our peoples have waited for an improvement in their living conditions is wearing visibly thin.

Time has not reduced - rather it has borne out and indeed enhanced - the significance of the statement made by Mr. Raúl Prebisch, Executive Secretary of the Economic Commission for Latin America, towards the end of the address he delivered two years ago at the opening of the Commission's eighth session at Panama, when he said: "There are serious tensions which can be eased only by the close co-ordination of social and economic development policies.... Such tensions, rather than slackening, will become more acute, unless Latin America accelerates its rate of growth.... The need for such acceleration is imperative, and that not only in relation to the mass of the population.... (but) in each generation of young men entering a country's active life, there are dynamic elements, incisive minds, well fitted to combine technique with commerce, industry, the arts. If they are not effectively absorbed by the growth of the economy... these elements gradually accumulate in society and very serious resentment and frustration arise. These are phenomena whose importance is self-evident in several countries of Latin America, and whose depth and implications are too great for them to be overlooked by economists when the social and political aspects of economic development are under consideration."

It is clear that on this occasion we are once again faced with many of the same problems, - some of them in a more acute form, - that we had before us at the Commission's eighth session in May 1959.

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According to the Economic Survey of Latin America, 1960, in the last two years the region's economy has made no appreciable progress, and in 1961 it has been a struggle even to leave stagnation behind. There has been practically no change in the gross product of Latin America as a whole since 1958. We find ourselves faced with the same problems of external origin, and with the same kind of omissions and shortcomings in domestic policy, that confronted us before. Some inadequate and regressive institutional and structural forms still persist, including anti-economic systems of land tenure, the inequitable distribution of income and the absence of long-term plans for economic development. In some parts of our continent short-term economic policies still prevail, capable of solving urgent problems, but taking no account of possible future repercussions.

As the Economic Survey before us shows, the value of the region's exports has tended to remain stationary, and the measures taken to deal with the precarious economic conditions resulting from this fact have mainly consisted in safeguarding minimum prices, while there has been little progress in the diversification of exports or in plans to bring about a lasting recovery in primary commodity markets.

However, the gloomy picture that I have drawn is somewhat relieved by certain changes of attitude, brought about by favourable developments both within and outside the region. An increasing number of Latin American countries are adopting and executing long-term plans for economic development programming. There is also a growing interest in regional economic co-operation. The Central American countries, with the valuable help of ECLA, have begun to carry out a specific programme of accelerated integration that can be expected to achieve most useful results in this part of the region. We trust that Central America will continue its progress and that the remaining obstacles to it will be shortly overcome.

The Latin American Free-Trade Association, of which my country is proud to be a founding member, will soon become a reality, and we confidently expect that its activities will bring about not only an increase in intra-regional trade, but also a strengthening of the basic structures of our countries through supplementary agreements that are already beginning to take shape. The work being carried out in this connexion, especially in  
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certain industrial sectors, is encouraging proof that both Governments and private enterprise have decided to waste no time in availing themselves of the opportunities provided by the Latin American Free-Trade Association for expediting economic development.

Latin America's legitimate concern over certain Western European attitudes with respect to the preferential systems provided for in the European Common Market for territories associated with its member States has been somewhat alleviated by recent statements that reveal a sympathetic attitude on the part of some of those countries as regards closer trade co-operation with our region. The bargaining power that our countries will acquire as a result of the closer links between them is a new factor that gives grounds for the assurance that reasonable and profitable solutions to these problems can be found.

In recent years the dilemma of monetary stabilization versus development has been a topic of lively discussion. However, experience goes to show that stabilization can be justified only when it creates suitable conditions for bringing about development. Since in most cases the existing economic and institutional structures encourage inflationary pressures, it will be necessary, in order to achieve more rapid economic growth, to adjust the economies to long-term programming aimed at the introduction of structural changes. Here too there are encouraging signs to be found in the region. As Mr. Philippe de Seynes and Mr. Prebisch have both stated here, "programming" can be referred to to-day without the implication that a State-controlled and centralized system is being advocated in which private enterprise plays only a minor role.

My brief outline of these favourable signs would not be complete without a reference to the way in which the need to carry out land reform programmes has gradually come to be a generally accepted principle. It is now true to say, as has repeatedly been demonstrated here this evening, that the topic under discussion is no longer the principle itself, but the scope and implementation of such programmes.

Another positive feature of the external picture is constituted by the new direction which international economic co-operation is taking. The indications of a favourable change in the economic policy of the United States vis-a-vis our region, and the steps it has taken with a view to

/persuading States



persuading States members of the European Economic Community to participate in programmes of aid to under-developed countries, are encouraging signs. Still greater understanding of our problems, however, may be looked for from the United States, together with the application of measures, jointly approved by them and by us, which will help to solve the problems in question, especially in the field of trade in raw materials. The change of attitude on the part of the United States, reflected as it is in the acceptance of the idea of Latin American economic integration and in the abandonment of the notion that it is incumbent solely upon private foreign capital to assist in our economic development, constitutes a factor of basic importance in present circumstances. The two messages from the President of the United States concerning the "Alliance for Progress" plan, as it is called, reveal that in governmental circles the traditional ideas underlying United States economic policy in relation to Latin America have been sweepingly revised. The United States authorities themselves have made it clear that, provided our countries introduce such reforms as will make the projected financial aid productive and socially useful - unquestionably a justifiable and reasonable stipulation -, the Fund for Social Progress, established by the Act of Bogotá, will present only the first step in a programme designed to make the present decade a period of vigorous progress for Latin America. All this is conducive to the impression that co-operation between the United States and Latin America has now embarked upon a new course which will lead to concrete achievements in the near future.

First and foremost among the tasks that lie ahead is that of deciding what must be done to help Latin America to emerge from its present stagnation. Intensive policies for sound and productive public investment, in line with co-ordinated short and long-term programming, must supersede unsystematic, non-essential and anti-social expenditure. Since internal savings possibilities are limited, the obtaining of external financial aid

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manufactured goods from the semi-industrialized areas.

will represent the most appropriate form of external aid. The administration of such aid should be in the hands of agencies directed from within the region itself, such as the Inter-American Development Bank. As regards systems of administration, the experience acquired by the European countries in the course of the implementation of the Marshall Plan might afford useful object lessons.

It is supremely important for us to advance towards a solution of the export trade problems which spring from two main causes. The first of these is the rapid expansion of world production of raw materials, which has its origin not only in the traditional producer countries, but also in the emergence of new producers in the under-developed regions and in the efforts of some of the more advanced countries to attain self-sufficiency and even to become exporters. Secondly, it should be pointed out that world demand increases relatively slowly owing to the low rates of growth registered in industrial countries, and that, moreover, technological progress promotes the use of substitutes and synthetic materials in all the industrialized economies.

To judge from statements made by the Executive of the United States and by several members of its Congress, its attitude towards these matters is changing. A committee of senators recently suggested to the United States Government that the categorical opposition to stabilization agreements which had previously dominated United States policy should be superseded by increasing participation in negotiations of that type. It must be recognized, however, that the effect of international stabilization agreements will continue to be limited, and that in order to guarantee producer countries larger export earnings it will be necessary, on the one hand, for the developed economies to grow faster than at present, and on the other, for the broad masses of the population of areas in process of development to enter the world market as consumers. The big industrial centres could contribute to the development of Latin America and of other regions, if they showed greater willingness to refrain from stimulating their own production of raw materials and if, at the same time, they revised their trade policies with a view to opening their markets to

I cannot close these remarks without commenting on the progress of ECLA's work in the last two years and on its projects for the immediate future. At our last session, in Panama, I took the liberty of suggesting, in view of the limited resources at the Commission's disposal that "we must progress beyond general studies" and establish co-ordination and exchange of experience with other United Nations agencies and institutions. It is gratifying to note what has been done in this direction. My delegation considers that ECLA's activities during the last two years have greatly enhanced its contribution to the solution of the practical problems with which our Republics are faced. Significant progress has also been achieved in respect of co-operation between the Commission and other international agencies. Special mention may be made of the co-ordination established between ECLA, the Organization of American States and the Inter-American Development Bank, which is sure to be reflected in yet more efficient utilization of the resources available to the agencies in question.

With a view to ensuring the optimum use of the scarce resources available to regional United Nations bodies I wish to take this opportunity to stress the suggestion I made at Panama that there should be considerable broadening, by every possible means, of the co-operation between the four United Nations economic commissions and particularly between ECLA, the Economic Commission for Asia and the Far East (ECAFE) and the Economic Commission for Africa (ECA). I believe that in this respect progress has been slight, although it must be recognized that circumstances appear to be more propitious today. But co-operation between the regional economic commissions should not be confined to liaison at the secretariat level, but should embrace specific studies, seminars, working groups and other similar activities.

While reserving my right to take part in the discussion at a later stage on agenda items connected with the Commission's activities, I should like to take this opportunity of making a general statement setting forth my delegation's point of view regarding the relative importance of ECLA's various spheres of activity. In our view, without detracting from the

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significance of other activities, the three most important are the following: firstly, research and advisory activities in connexion with Latin American integration and, particularly, with a view to implementing the Montevideo Treaty; secondly, work connected with the planning and programming of economic development, both regionally and nationally; and, thirdly, projects designed to increase staffs of technical experts and economists in Latin America.

I believe that we should give the very highest priority to the last-mentioned category. The documents submitted to this session include one on the teaching of economics in Latin America. This study provides clear evidence not only of the serious deficiencies from which we suffer in this respect but also helps to give a clearer understanding of the unfavourable repercussions of such deficiencies on each country's efforts to promote economic growth. It is common knowledge that ECLA, acting in co-operation with BTAO and through the Economic Development Training Programme, has for quite a number of years been taking part in an effort to alleviate the great scarcity of national experts in the area. In Mexico, an intensive training course was organized last year and a further similar course will be held this year. A serious approach must, however, be taken to the problem of finding ways and means of strengthening and extending this type of activity. This may well be a suitable moment to support the establishment of a programming centre or institute under ECLA auspices, as was suggested last night by Mr. de Seynes and this morning by the representative of Mr. Paul Hoffman, Managing Director of the United Nations Special Fund. Such an institute would devote itself exclusively to intensifying and systematizing training in accelerated economic development and to giving advice to member Governments which request it.

I wish to express my satisfaction at the fact that, at the request of UNESCO, the agenda of our session includes, an item on the development of information media in Latin America. The importance of this question is recognized in the report which the ECLA secretariat itself submitted some months ago for consideration to the conference of experts on information media in Latin America which was held at Santiago. On that occasion, ECLA

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recalled that Latin America would find it difficult to fulfil its aims as regards economic growth and satisfy the already urgent social aspirations of its peoples if national and regional development programmes failed to enlist the understanding and support of all sections of the population.

If we agree that the success of our work will depend to a large extent on our ability to mobilize public opinion in favour of development programmes, we must then give wider dissemination to the results of ECLA work. On behalf of the Mexican delegation, I wish to congratulate the Executive Secretary and the technical and administrative staff of ECLA on the splendid work they have done in the last two years the fruits of which are before us here at this important meeting.



ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

STATEMENT BY MR. ALWYN V. FREEMAN REPRESENTATIVE OF THE  
DIRECTOR GENERAL OF THE INTERNATIONAL  
ATOMIC ENERGY AGENCY

On behalf of the Director General of the International Atomic Energy Agency, I should like to express our deep appreciation for the opportunity given to the Agency's Representative to attend and address the Ninth Session of the Economic Commission for Latin America. This is the second time that and Agency's representative has been privileged to address the Commission. At your Eighth Session, in Panama City, it was our pleasure to review for this body the objectives and purposes of the Agency, as well as some of the steps it had taken in its brief existence to advance the peaceful utilization of atomic energy among the nations of the world.

I

Since the Agency's First Mission to Latin America, the report of which was considered by this Commission at the last session, the IAEA has stood ready to assist governments of this hemisphere requesting our assistance. On the invitation of the Argentine, Brazilian and Venezuelan Governments, two Preliminary Assistance Missions visited those countries in June and July of 1959. The Argentine and Brazilian requests were for experts to survey the economic aspects of producing electricity in nuclear plants. Both countries were also interested in obtaining advice on problems related to the prospecting, mining and processing of uranium ores. Venezuela and Brazil desired advice on their over-all atomic energy programs, Venezuela particularly with respect to research programs connected with its research reactor.

Our most recent mission to Latin America conducted a broad survey of the prospects for atomic development in Salvador, Guatemala, Mexico, Paraguay and Peru. In those five countries, Agency experts visited the main centres of work in atomic and allied fields, held discussions with the national authorities, advised them on various aspects of their planning, and helped to formulate specific requests for technical assistance from the Agency. For example,

/in Guatemala

in Guatemala the Mission assisted the appropriate authorities in drawing up a consolidated program of technical assistance which would include the services of an expert in radioisotope measurement procedures together with the necessary equipment, and four fellowships for training in radiation protection, the use of radioisotopes in soil and entomological studies, and the operation of a clinical radioisotope laboratory. The mission investigated the facilities for university education and training, the development of mineral and energy resources, the evaluation of nuclear power possibilities and the uses of isotopes in agriculture and medicine. Among other things, specific recommendations were made in Peru with respect to the industrial uses of isotopes, and the training of metallurgists with assistance by Agency experts in Mexico's uranium processing program.

Our missions to Latin America have provided much useful information not only on what is being done in the countries visited, but also concerning the limitations on what could be undertaken as a practical matter, in the peaceful uses of atomic energy. Everywhere interest is high; and in several countries positive measures have been taken to ensure that this area will not lag far behind other regions in enlisting the atom to the service of your industry, your agriculture and your health. To cite only a few examples, the Mexican Nuclear Energy Commission has organized courses to train its scientists in the techniques of radioisotope use, and has made a survey of the country's energy resources. In Salvador, radioisotopes are being used for both therapeutic and diagnostic purposes. A kilocurie cobalt 60 teletherapy machine has been in operation in a government hospital there since early 1959. Similar units are in operation in Mexico and Peru. In that connection, it was gratifying to learn of the cooperative action being taken between your governments on a bilateral basis in this important field. Thus, under a program initiated with the assistance of the Brazilian Nuclear Energy Commission, radioisotopes are being used for medical purposes in Paraguay. An isotope course was sponsored by the Commission in 1959 as a joint undertaking of the Universities of São Paulo and Asunción. Mexico and Venezuela have been working on an arrangement for Mexican staff to be sent to Venezuela for work with the Venezuelan reactor. This venture suggests that similar cooperative measures might be taken to permit the

/trained personnel



trained personnel of a government not yet in possession of reactor facilities to do work in a country which does have such equipment until it can acquire its own installations.

Though this summary hardly affords room for complacency, it shows that within the available resources, a solid beginning is being made by many of your countries. In the present circumstances not every country will attempt to cover all aspects of nuclear science and its application to industry and agriculture in their economic development. Specialization is obviously what is called for here. Again, using as our example, the Central American Area, one of the governments might concentrate on one application, say agriculture, and another might specialize in such a subject as industrial application.

## II

You may ask what the International Atomic Energy Agency can do to help your countries in practical programs. In the first place, it can arrange for surveys and studies to ascertain the desirability of nuclear power from a technical and an economic standpoint. Agency experts are also available for objective advice in developing a reactor program. Once a government has decided to proceed along a given line, the Agency can undertake an evaluation of the hazards of specific types of reactors and of the most appropriate locations to install them. We are presently doing this kind of work in Switzerland, Japan and the Netherlands.

Moreover, the Agency can provide technical assistance of various kinds, such as experts in reactor operations, specialized equipment - in limited amounts - for nuclear science installations. IAEA can train the personnel needed to operate the reactors and to insure the safety of the operation. Moreover it can, as the Agency has done already on a small number of occasions, arrange for the supply of fuel for the reactor under terms divorced from national political considerations.

/One aspect

One aspect of nuclear energy to which the Agency has been giving considerable attention is the matter of health and safety measures, which are of great importance to the radiation worker and to the public at large. We have been issuing a series of manuals and regulations for the guidance of governments and scientists to assure the safe-handling of radioisotopes, the safe transportation of radioactive materials and the disposal of dangerous radioactive waste. An Agency panel established in 1958 under the Chairmanship of Mr. Harry Brynielsson of Sweden, completed its work last year with a number of recommendations on the disposal of waste into the sea. A further panel was then created to deal with administrative and legal measures which might be required to implement those recommendations, as well as to deal with problems of international law arising from such disposal. Still another panel has been created to consider international problems which might arise from the discharge of radioactive wastes into fresh water - which involves lakes shared by more than one country, as well as ground water crossing national boundaries.

In addition to its extensive fellowship, technical assistance and exchange of scientists activities, a regular feature of the Agency's programming has been the holding of scientific conferences and symposia on the peaceful uses of atomic energy. Among these, to mention only a few, have been a seminar on medical radioisotope scanning held in Vienna in 1959 with the joint sponsorship of WHO; an international conference on the preservation of foods by ionizing radiations, jointly sponsored by the Agency, the United States Government, the Massachusetts Institute of Technology and the Food and Agriculture Organization; and a conference at Monaco in November, 1959, on the disposal of radioactive waste at sea and into geological structures, jointly sponsored by IAEA, UNESCO and FAO.

I have already mentioned that the provision of expert advice and equipment for specific projects, the exchange and training of scientists and the organization of training courses, enjoy a high priority in the Agency's operations. The organization of training courses complements this work. The first internationally organized training course in radioisotope techniques specifically designed to meet the needs of research workers in

/agriculture, forestry,

agriculture, forestry, fisheries and nutrition, was conducted two summers ago at Cornell University under the joint sponsorship of the International Atomic Energy Agency and the Food and Agriculture Organization, in collaboration with the United States Government and Cornell University. A course in Buenos Aires, on the application of radioisotopes in medicine, and designed primarily for participants from Latin American countries was organized jointly by the Agency and the National Atomic Energy Commission of Argentina in November and December of that year.

One of the principal activities of IAEA in 1961 will be the sponsorship of its first large scale scientific conference in the Western Hemisphere, dealing with the utilization of radioisotopes in animal biology and the medical sciences. The Conference is being co-sponsored by the World Health Organization and the Food and Agriculture Organization. It will be held in Mexico City in November.

### III

As in previous years, however, a great portion of the Agency's resources derived principally from voluntary contributions by its Members Governments, as well as from the United Nations Expanded Program of Technical Assistance - has been devoted to fellowships and training, and to technical assistance. Emphasis on education and training was early seen to be indispensable because one of the vital commodities in short supply in the world is the nuclear energy specialist; and this is true even in those states that are usually regarded as technically advanced. By the end of last year, the Agency had awarded 1,000 fellowships to scientists coming from 45 countries. 59 of those fellowships went to Latin Americans. For 1960, 463 candidates for fellowships were approved out of 648 requests. Of these, 49 fellowships were granted to 8 countries of Latin America. Since the average value of a fellowship in the Atomic Energy field is \$3500, this represents a significant investment in training.

For 1961, our Board of Governors has approved an allocation of \$513.00 from the operational fund of the Agency to furnish 31 nuclear experts for 16 requesting countries, along with nuclear equipment of a total value of \$191,200. Three of the projects approved are in Latin America.

/Two experts

Two experts will be made available to Argentina, one to assist in demonstrating the use of tracer techniques in research on animal stockbreeding, the other to assist the National Atomic Energy Commission of Argentina in the separation of stable and radioactive isotopes for nuclear physics research. In addition, nuclear equipment will be made available by the Agency in the amount of \$27,000. Two visiting professors will be provided under our exchange program.

Three experts will be sent to Brazil to assist in cancer research and in the use of radioisotopes in agriculture. IAEA is providing \$32,200 in nuclear equipment for the projects. Four experts will be sent to Mexico to assist the National Commission in such areas as agriculture, prospecting for radioactive ores, the design of nuclear electronics equipment and radiation dosimetry. As already stated, these are among projects to be financed from the Agency's own funds. But 35 other countries will also be assisted by the Agency under the United Nations Expanded Program of Technical Assistance.

#### IV

Our Organization considers the development of relations between the IAEA and Latin American regional organs pursuing goals of mutual interest to be of great importance. Steps have ~~already been taken~~ to ensure that contacts between the Economic Commission for Latin America and IAEA are not limited merely to the appearance of a representative at each other's conferences. During a visit to Chile last November, our Director-General gave the Commission's Secretariat a general review of the Agency's activities in which it was interested. We shall keep the Secretariat informed as to scientific meetings and training courses planned for this region.

Both organizations are keenly interested in what the other is doing in the field of nuclear power development. On the Agency's invitation, an official of the Commission concerned with this subject (Mr. Dorfman) is planning to visit Agency Headquarters for an extended period later in the year. This visit will enable the Agency's Nuclear power experts to benefit from his experience in Latin America, and through him, to acquaint the members of the Commission with the Agency's potentialities in promoting nuclear power. The Agency, of course, will be represented at the Commission's seminar on Electric Power to be held in Mexico.

/Finally, Mr. Chairman



Finally, Mr. Chairman, we welcome the increasingly close collaboration between the Inter-American Nuclear Energy Commission (IANEC) of the OAS and the International Atomic Energy Agency which is promised by the Agreement for cooperation concluded by the two organizations last year. Informal working relations had previously been developed between our Agency and the Inter-American Nuclear Energy Commission (IANEC). For example, IANEC has given valuable assistance to IAEA activities in Latin America, such as in the holding of training courses and the organization of assistance missions. On IANEC's invitation, IAEA has sent observers to the second and third inter-American symposia on peaceful applications of Nuclear energy, and has published the Agency's activities in its information bulletin. On the other hand, IAEA has invited IANEC to send observers to various meetings, including our Third and Fourth General Conferences.

These relations are now formalized by the agreement which became effective last December upon approval by the Council of the Organization of American States. The agreement is modelled after an earlier agreement between the IAEA and the European Nuclear Energy Agency. Its two basic concepts are consultation and cooperation. Regular consultation is provided for in matters of common concern to the two organizations. Among other things, the agreement contemplates the exchange of information and documents; working relationships between the two staffs, arrangements for the cooperative use of personnel, materials and facilities, and reciprocal representation at each other's meetings.

In the two short years which have elapsed since the Panama Session, considerable progress has been made, yet a great deal more remains to be done. The sources of atomic energy can contribute much to the economic development of all countries; but full advantage is still to be taken of the many facets of this modern Aladdin's lamp. It is our hope that we may be able to assist the American Republics in seeking a better existence for their peoples, through the miracle of the atom.



## ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, 6 May 1961

STATEMENT MADE ON BEHALF OF FAO BY MR. HERNAN SANTA CRUZ,  
ASSISTANT DIRECTOR GENERAL AND REGIONAL REPRESENTATIVE  
FOR LATIN AMERICA

The United Nations Food and Agriculture Organization (FAO) associates itself with the words of thanks expressed by the United Nations Under-Secretary and Executive Secretary of ECLA to the people and Government of Chile. I have been especially requested by the Director-General of FAO, Mr. B.R. Sen, on whose behalf I am speaking, to take this opportunity of stating once more how much we appreciate the facilities which the Chilean Government is placing at our disposal to assist us in carrying out our work in this country, which is also the permanent headquarters of our regional office for Latin America, and what encouragement we derive from the assistance we receive from all sectors of Chilean affairs.

I should also like to take this opportunity of informing Mr. Prebisch, the Executive Secretary of ECLA of the great pleasure it gives FAO to take part in this meeting of ECLA, which he so ably directs. The FAO regional office under my direction is very closely linked to ECLA by virtue of agreements between the United Nations and FAO concluded in accordance with the stipulations of the San Francisco Charter and also through special arrangements and common programmes for Latin America for which our two agencies are responsible. We are highly gratified to have been able to contribute to the preparation of important work which will serve as a basis for the discussion of item 12 of the agenda of this session: "Economic problems of agriculture".

The position of agriculture in Latin America

Both you, Mr. Chairman, in your opening address and Mr. Prebisch in the statement he made yesterday, laid stress on the fact that the backward state of agriculture was one of the most serious problems for the economy of Latin America. FAO has been harping on this fact for years. During the  
/meeting of

meeting of the body known as the Committee of the 21 held at Bogotá on 8 September 1960, speaking on behalf of FAO, I made a detailed analysis of the information and figures given regarding the sad state of agriculture in Latin America (production, distribution, external trade, consumption and living standards) both in "The State of Food and Agriculture, 1959" issued by FAO and in the "Economic Survey of Latin America, 1959" published by ECLA. I pointed out that it could be categorically stated that Latin American agriculture with its low output and productivity and faulty distribution system had stood in the way of a more rapid economic development and industrial growth in Latin America. In Part II, of chapter III of the "Economic Survey of Latin America, 1960" devoted to agriculture and prepared by the Joint ECLA/FAO Agriculture Division, the dramatic conclusion is reached that in the two-year period 1959-60, Latin American agriculture continued to develop at the slow rate characteristic of recent years; that "over the short term, agriculture has remained virtually at a standstill in Latin America, owing to diverse factors, whose incidence has varied in nature and intensity from one part of the region to another"; and that "over the longer term, production in a number of countries is still suffering from the ill-effects of a defective agrarian structure, which retards agricultural development and therefore the growth of the economy in general". Similarly the survey once again makes clear that as in previous years, population growth has continued to exceed agricultural production for internal consumption, and countries have found themselves compelled to import foodstuffs, thereby turning large amounts of foreign currency away from more productive uses like the import of capital goods. Thus today, at the beginning of the sixties, it is evident that the situation could not be more alarming.

FAO has made a very thorough study in recent years of the reasons for the continuance of this state of affairs in Latin America and has pointed frankly to the factors underlying it - to cite only a few of the most important ones: outmoded land structures, defective technology and management, lack of capital, the precarious state of basic education, great scarcity of technicians at all levels, and disorganization or inadequate organization of the public services responsible for directing agricultural development.

/Fortunately, agreement



Fortunately, agreement has gradually been reached regarding the seriousness of the problem and there is now a general awareness, particularly noticeable in Latin America, of the fact that countries are compelled to make a decided and urgent effort to solve their land problems as the only way of converting the nations of the region into modern States with populations enjoying a standard of living compatible with human dignity.

#### The responsibility and activity of FAO today

FAO is the agency within the United Nations family which has been entrusted in its Constitution, Rules and Regulations with the task of gaining and directing international collaboration undertaken with a view to improving nutrition and living standards throughout the world, increasing production yields and efficient distribution of foodstuffs and agricultural products, improving the living standards of the rural population and thus contributing to the expansion of the world economy. This is a Herculean task requiring far larger resources than Governments have made available for the purpose. It is, however, being carried out with a profound sense of the seriousness and urgency of the problems involved. Latin America constitutes a substantial part of the under-developed world which is FAO's principal concern at the moment. To cope with Latin America's needs in full awareness of the special conditions in the area and using methods suited to its peculiar conditions, FAO has recently extended considerably the scope of its regional services in the region. It has done so, moreover, in the light of a growing conviction that in Latin America international institutions must deal with economic and social problems from the regional angle if they are to serve the great desire for integration and unity existing in these countries, at the same time not failing to make the best possible use of information, experience and technical staff from all parts of the world which a world-wide institution such as ours is in a position to employ and dispatch to its member States.

In carrying out this important work, FAO embraces almost every aspect of the national policies in regard to agricultural development and the improvement of rural well-being. We shall be placing before the Agriculture Committee a document setting forth the outstanding points of our Latin American programmes, including both the regular programme and the technical /assistance programme

assistance programme, and of our participation in the projects of the United Nations Special Fund, so that representatives will have an opportunity of appreciating the potentialities of this instrument of collaboration they have at their disposal.

Furthermore, FAO's views regarding a suitable policy for Latin America with a view to solving the problem of agricultural under-development and the social backwardness of the rural population, are contained in document E/CN.12/592 entitled "An agricultural policy to expedite the economic development of Latin America", prepared by the ECLA/FAO Joint Agriculture Division. This Division was until recently in charge of one of the best FAO agricultural economists, who is now Minister of Agriculture in El Salvador and the head of that country's delegation to this conference. The views set forth in the above-mentioned document are a faithful reflection of FAO's views. In addition to specific recommendations the document contains a fairly detailed analysis of the causes underlying the slow rate of development of this branch of activity which is so vital to the economy. I do not think I need review the contents of the document, and I shall therefore confine myself on this occasion to dealing with some of the questions of a general nature which we believe should be discussed in plenary, especially some that have been referred to by speakers who have preceded me.

#### Economic Development Planning

Latin America has at last outgrown the sterile controversy - a survival of a nineteenth century way of thinking - as to whether planning or programming is compatible or incompatible with liberty.

For more than ten years international organizations have been insistently recommending that the under-developed countries should work out over-all development plans so as to establish the proper bases for the best use of human, financial and technical resources, both internal and external. In making such recommendations, the United Nations General Assembly, the Economic and Social Council and the FAO Conference have had no feeling that in any instance they were violating the principles set forth in the preamble to the San Francisco Charter: "To promote social progress and better standards of life in larger freedom".

/FAO continues

FAO continues to believe that the surest way of bringing about an increasing rate of development is by planning for the purpose in each and every sector of the economy and social life of the country concerned. In accordance with this idea, FAO has been directing its work in the economic and even the technical field in a direction closely related with planning. Thus in the technical assistance granted by FAO to Governments, special emphasis has been placed on projects closely linked to central government planning. Similarly, the various projects which FAO is carrying out as executing agency of the United Nations Special Fund, and which our experts have helped to devise, form part of an over-all conception of economic development.

A clear expression of FAO's ideas in this field is afforded by the action it has undertaken in seven countries of the Mediterranean basin. Realizing the need to make a sweeping and resolute onslaught on the complex of agricultural and forestry problems besetting that vast area, FAO embarked upon a complete study of its land and water resources, as well as of its human and financial potential, and formulated recommendations designed to protect natural resources, increase agricultural and forest productivity, raise the level of employment and improve the living conditions of the Mediterranean peoples. Its method of operation was to select "pilot areas" in which efforts were to be concentrated and whose dynamic influence would spread to the other national territories. The design of the Mediterranean project will be adopted by FAO as the model for a policy which it desires to promote in other regions of the world, and certainly in Latin America.

What is more, FAO has begun to programme its long-term technical assistance in terms of the aggregate requirements of the economies of the recipient countries. Thus, two pilot studies have been carried out in Ethiopia and Sudan, and plans are afoot for one in Chile, which will serve as a model for others of a similar nature in the other parts of Latin America. Only in this way will it be possible to make more rational use of the limited financial resources and technical personnel at the disposal of the international agencies, and co-operate more effectively with the efforts of the countries themselves in the direction of steadier and more rapid development.

/It was

It was with deep satisfaction that we listened to what Mr. Prebisch had to say on the need for countries to programme their economic development and on the way in which international cooperation could help to put such programming into effect. The Executive Secretary of ECLA referred to the work of the advisory groups on the programming of development, in which FAO has played an active role through the many agricultural experts who have been members of such groups. In addition, he called attention to the project for the creation of a programming institute for Latin America which would study the techniques and administration of programming, and would also become an efficacious instrument for training the national and international personnel to promote and implement the development programmes. In this context it was a great pleasure to hear the message brought to this session from Mr. Hoffman, Managing Director of the United Nations Special Fund, by Mr. Robert Heurtematte, United Nations Commissioner for Technical Assistance, in which it was stated that the Special Fund is decidedly in favour of the creation of such a programming institute and will provide financial assistance to expedite its establishment. FAO fully endorses the need to put this project into effect, and is prepared to offer its fullest co-operation, since it realizes the project's vital importance for the improvement of the economic conditions of peoples - the objective underlying the work of all the bodies belonging to the United Nations family. Just as we have collaborated with ECLA through the Joint ECLA/FAO Agriculture Division, we could reach agreements which would give us the opportunity of actively participating in this new and promising institute in all matters connected with the programming of the agricultural sector and the training of agricultural technicians and experts. To this end, we could draw upon the experience we are acquiring in the many training institutes we have established, in conjunction with the United Nations Special Fund, in Latin America.

/Agrarian Reform



### Agrarian Reform

The document I cited just now, relating to an agricultural policy for economic development, mentions as one of the basic causes of the stagnation of the region's agriculture its defective agrarian structure, as seen in the unequal and unfair distribution of property, unsatisfactory land use and land tenure systems, and agricultural labour and employment regimes essentially alien to the concept of social justice. The delegations of the Governments and the ECLA secretariat have expressed the same opinion, and this problem and the best means of solving it - agrarian reform - may be said to have acquired exceptional importance in Latin America. They are the subject of the most comprehensive and sometimes the most controversial public debate in international institutions, the Press, broadcast programmes, the universities and round-table discussions. FAO is proud of having preached the need for land reform for over ten years, of having scientifically analysed and discussed the technical, economic and social problems it creates, and of having sought to shape a universal awareness of the possibility of introducing it in such a way as to produce a minimum of economic disturbance and avoid unnecessary social friction.

I should like to define very clearly, and as precisely as possible, our idea of land reform. We recognize of course that the problem is extremely complex and assumes a wide variety of forms according to the country or even the part of a country concerned, the density of the population, the technical and financial resources available, and so forth. But while accepting this, when we in FAO speak of land reform we mean a process which fundamentally implies substantial changes in the land tenure system, normally accompanied by changes in other agricultural institutions. In our view, the very essence of agricultural reform must be the redistribution, in favour of the actual farmers, of production resources and of

/the opportunities

the opportunities deriving from control of the land. A higher degree of public control over land resources must also be included.

The objectives of agrarian reform naturally include increased and more efficient agricultural production; but FAO has learnt from experience that reforms of this kind which give a share in land ownership and use to the landless Latin American rural workers - who are virtually outside the pale of civic life, have no access to the sources of culture and the advances of modern comfort and are not consumers of manufactured goods - are loosening the bonds which used to prevent this major population sector from taking its proper part in the life of the twentieth century. It has also learnt that by this means vigorous impetus is being given to all the aspects of a country's economic, social and cultural development. Many believe - and perhaps they are right - that therein lies the secret of Mexico's diversified economic growth, which has been more rapid than that of the other Latin American countries.

Obviously, we share the opinion already expressed at this and other meetings that land reform is not a mere matter of redistribution of the physical ownership of the land. If it is to produce lasting benefits, it must be considered as a complex of technical, economic and social elements, in which the various measures or forms of action should be closely interwoven. It is unreasonable to expect a land distribution programme to be fully successful unless it is accompanied by collateral measures in the fields of education, research, extension services, credit, marketing, rural industries, co-operatives, social and cultural services, and so forth. Nor must the fundamentally important role of infra-structure projects, which constitute a basic government responsibility, be forgotten.

Similarly, we are in full agreement with the idea that land reform should not be an isolated process. Agricultural change should always be made with due regard to the central objectives of a country's over-all economic development. Consequently, it must be conceived as an instrument of over-all development policy, and must thus form part of a broader programme covering the economy as a whole. Only in this way

/will it

will it be possible to prevent the attempt to eliminate disequilibria in one sector from giving rise to others, perhaps more serious, in the other parts of the economy.

As I have said, land reform is a highly controversial topic. We are therefore aware that, as in the case of every other matter affecting fundamental problems of income distribution, political and social power, and the basic economy, it is undoubtedly for each individual country to plan reforms appropriate to its circumstances, needs and opportunities. This is its own peculiar responsibility. FAO is prepared, however, to help in the search for the formulae best suited to each case and will do so, as always, with the greatest possible objectivity. The Governments have shown clearly that they appreciate FAO's assistance in the domain of land reform and its impartial and technical nature.

We are developing a broad programme of land reform in the region. It includes supplying Governments with consultants to assist them in the planning of agrarian legislation, in the preparation of basic studies for programmes and, lastly, in the evaluation of the reforms concerned. This work has not only involved assisting Governments in an advisory capacity, but has also enabled us to collect a considerable volume of data from all the countries of the world. In Latin America we shall have, by the end of this year, ten experts advising Governments on matters directly related to land reform, the countries concerned including Bolivia, Chile, Colombia, Cuba and Ecuador.

Our programme also comprises the preparation of comparative monographs on systems of land reform, written by authorities of world-wide reputation. A series of regional seminars on land reform has been convened, bringing together experts from several countries with the object of discussing common problems and exchanging information. In Latin America two of these regional seminars have been held - one at Campinas, Brazil, in 1953, and the second at Montevideo, Uruguay, towards the end of 1959. The background documents presented at these seminars have become basic works of reference on land reform problems. In both seminars other institutions belonging to the United Nations family have collaborated, and ECLA in particular has played a very important role.

/We are

We are also concerned to promote and increase training and research in respect of land reform. The last FAO conference and, subsequently, the sixth regional conference for Latin America, held in Mexico, laid special emphasis on the need to train specialists in land reform and kindred activities, and on the creation of research and study centres. It was recommended that FAO should explore the possibilities of establishing a permanent regional institute for agricultural research and training. We are actively studying various procedures and projects for the creation of such an institute. We have reinforced our Regional Office with two specialists to improve the service offered to the Latin American Governments, and recently, we have closely collaborated with the Inter-American Development Bank in the preparation of the land reform programmes which will be financed by the social development fund.

In the opinion of FAO, given on the one hand the close relation between land reform and economic development - which Mr. Prebisch emphasized in his address yesterday - and, on the other hand, the growing interest in the subject displayed by the Organization of American States and the Inter-American Development Bank, it will be necessary to combine efforts and co-ordinate activities, in order both to avoid unnecessary duplication and to strike at the roots of the problem from every angle, thus multiplying the resources of all four institutions.

#### The Freedom from Hunger Campaign

I should like to draw the attention of this assembly to a campaign launched by FAO which has now become its chief concern, since it was devised as a means of reaffirming the aims and objects of its Constitution, and of strengthening its activities so that they could be increased substantially. I refer to the Freedom from Hunger Campaign. It would be superfluous to explain once again in detail the features of this Campaign, since both the FAO Director-General and myself have described them, at the joint conference of FAO and the Organization of American States in Mexico and at the meeting of the Committee of the 21 held at Bogota, respectively. I would, however, like to emphasize that it is a measure which is closely bound up with Latin America's economic and social development, since its purpose is to stimulate agricultural production and

/productivity; to



productivity; to expedite the distribution of foodstuffs and contribute to the nutrition of the more backward peoples; to develop economic activity in general; to eliminate the obstacles to international trade in foodstuffs and to enhance the well-being of the rural population. It aims at bringing to the under-developed areas of the world the technological advances which have glutted the markets with foodstuffs in the highly industrialized countries and, through the promotion of institutional reforms, extending the benefits of production increments to the needy population groups in those countries. It is FAO's reply to the great challenge of our time, namely to face the fearful prospect ahead of mankind: a soaring population and a much slower output of food. It is a way of forcing the world to recognize this problem and the tremendous injustice of keeping hundreds of millions of people living in rural areas on the same level of living as that prevailing centuries ago.

The Campaign endeavours to stimulate public opinion, producers and their organizations, workers and their trade unions, the institutions and foundations that work for the common good, and people all over the world, so as to bring home to them the gravity of the problem and the need for them to collaborate with their Governments in solving it. Further, FAO intends to encourage scientific research for the purpose of discovering new techniques and applying them to the less developed countries, and lastly, it hopes to obtain extraordinary funds to enable it to use the vast storehouse of experience, information and technical know-how acquired in the course of fifteen years of work, as well as all its facilities, procuring the collaboration of the most able scientists and experts in the world with a view to providing more technical assistance to countries in need of it.

The response to the international freedom from hunger crusade has been enthusiastic in every part of the world. Substantial contributions have been made by Governments, foundations and private bodies in the industrialized countries, and these will enable FAO to launch new programmes on a large scale in the under-developed countries. FAO hopes that the Latin American countries, whose Governments have nearly all become participants in the Campaign, will set up National Committees without delay and will link up their agricultural development programmes with the Campaign in order to make proper use of this new instrument which is providing the international co-operation they need so as to develop their economies rapidly and raise their levels of living.

/Co-operation and

Co-operation and co-ordination of the activities of FAO  
with those of ECLA and other bodies

Before closing, I should like to make the briefest possible reference to a subject which is sufficient in itself to justify the participation of our organization in this conference, namely co-operation and co-ordination with ECLA and other bodies, whether they belong to the United Nations family or not.

Positive action on our part is of course inconceivable except in close collaboration with the United Nations departments concerned with social affairs and education, and with the specialized agencies that work in the same fields, such as UNESCO, the World Health Organization and the International Labour Organisation. We fully realize that in the promotion of human progress and welfare economic and social factors are interdependent. But since this meeting is sponsored by an economic organization, I should like to speak of collaboration and co-ordination in the economic field in particular.

Alone among the United Nations specialized agencies, FAO is active in a field which, in addition to being technical, is predominantly economic. In the case of the Economic Commission for Latin America, FAO's interest is particularly strong, because of the numerous and highly important programmes that the two organizations have in common. They have pooled their technical and financial resources in order to create a Joint ECLA/FAO Agriculture Division, and it is this Division that prepared the large number of documents, including the relevant chapters of the Economic Survey of Latin America, that will serve as a basis for the discussions on agricultural subjects at the present conference. The two bodies have also set up a joint advisory group on regional pulp and paper problems and, as I have already mentioned, they are collaborating in the new and promising activities connected with economic development programming by participating in the so-called advisory groups, which include experts from our Technical Assistance Missions and from the Regional Office for Latin America. This policy of co-operation, which we hope will be extended, is no doubt in keeping with the express provisions of the terms of reference of our respective organizations and at the same time fulfils the earnest desire of Governments that international co-operation shall be as simple and as /effective as

effective as possible; that the limited resources provided by the countries themselves shall be used to the full; and that there shall be no duplication of effort, which leads to unnecessary waste, creates confusion and eventually lessens the people's confidence in international co-operation.

In the same spirit of active co-operation, FAO has established close working relations with the Organization of American States and with the Inter-American Institute of Agricultural Sciences, a specialized agency of OAS. At the present time, we virtually have, with the OAS, the same inter-governmental organ to guide us in our respective agricultural activities in the region, since the experience of the joint conferences held in Mexico in 1960 was so good that the Governments decided that they should be held every two years. We have strengthened our collaboration with the Institute by starting a large-scale training and research project, which will considerably enlarge its sphere of responsibility, within FAO as executing agency.

We are now arranging with OAS and ECLA to undertake a comprehensive study of Latin American agriculture which will enable specific recommendations to be made to Governments on ways and means of formulating a more systematic, effective and dynamic policy for the development of agriculture in the region.

I have also drawn attention earlier to our co-operation with the new Inter-American Development Bank, which we hope will be intensified in future.

The foregoing observations explain why FAO views with deep satisfaction the creation at Washington of the Committee of Co-operation of the Inter-American Development Bank, the Organization of American States and the Economic Commission for Latin America. We believe that it was essential to establish machinery for co-ordinating activities which frequently relate to the same subject and which are in any case complementary.

In view of the prime responsibility which the Member States have given FAO in matters of agricultural development, it is carrying out technical assistance programmes covering economic, technical and social matters in every part of Latin America. It is also carrying out, or is about to carry out, more than a dozen pre-investment projects of the United Nations Special Fund. These are expressly important and involve hundreds of experts and specialists. Many of the programmes deal with subjects that are similar to those sponsored by the organizations mentioned or are closely connected with

/them. FAO

them. FAO will therefore spare no effort to ensure that its programmes do not duplicate others, by making a careful study of the decisions taken by the Committee of Co-operation and of the way in which its joint plans of action are to be carried out. We feel sure that this co-ordinating group will keep itself fully informed of FAO's over-all programmes and individual projects, and will take due account of the responsibilities incumbent upon FAO under the terms of its Constitution and the directives of its governing bodies.

May I wish this meeting every success, and assure you once again that FAO staff members on the Agricultural Committee will be at the disposal of the representatives for any information or explanations that they may desire.



ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ADDRESS DELIVERED BY MR. ROBERT F. WOODWARD, CHAIRMAN OF THE DELEGATION  
OF THE UNITED STATES OF AMERICA, AT THE PLENARY MEETING OF THE  
NINTH SESSION OF THE ECONOMIC COMMISSION FOR LATIN  
AMERICA AT SANTIAGO, CHILE, ON MAY 6, 1961

The Delegation of the United States is delighted to be here in this friendly city of Santiago and we consider ourselves fortunate to take part in this meeting. We appreciate this opportunity for discussion with distinguished statesmen and economists who are so earnestly working to promote economic progress and social justice for all the peoples of this hemisphere. We have been deeply impressed by the profound conviction shown by those who have already spoken - by their conviction that fundamental steps must now be taken toward these ends in a spirit of inter-American cooperation.

Several of the Delegates have kindly made mention of the support which the Government of the United States has determined to give to accelerate economic and social development in the hemisphere. President Kennedy has manifested this clearly in his proposal of an "Alliance for Progress".

As President Kennedy also indicated in the message which he addressed to the distinguished Director of CEPAL, Dr. Prebisch, the Government of the United States is confident that the outstanding abilities of the experts of CEPAL will make an increasingly important contribution to this great work.

The Studies of the CEPAL Secretariat

I should like to express the great interest of my Government in the work of the CEPAL Secretariat during the past year. In addition to the annual Economic Survey, the Secretariat has produced a number of useful studies important to the future economic progress of Latin America.

We have noted with interest, in certain of these studies, the significant emphasis placed upon the potential contribution to the rate of development from sectors of the economy other than traditional exports.

/This approach

This approach has much to commend it. In analysing the obstacles to growth in the economy, the reports have pointed out some basic institutional and structural weaknesses, including the lack of capital markets, inefficient systems of land utilization, and inadequate tax policies and administration. The CEPAL studies emphasize that orderly planning should give high priority to domestic forces and to such goals as increasing domestic savings, raising agricultural production, and improving the tax structure.

These studies also draw attention to the impulse to economic development which can come from the establishment of free trade areas and customs unions. We congratulate the Governments which are members of the Latin American Free Trade Area and we fully recognize the usefulness of the studies the CEPAL Secretariat has produced which contributed to this accomplishment.

The Secretariat has likewise provided two important papers on the subject of inflation for this conference to consider and is continuing further studies on the subject. This is a subject which we believe merits the fullest and the most definitive study; and we shall look forward with keen interest to the conclusions which may be drawn from further research.

#### Trends in the United States Economy

Problems of growth and economic progress are not confined to the less developed countries. For example, in the U. S., despite a substantial recovery in 1959 and early 1960, after the 1958 recession, economic activity has dipped somewhat in recent months and unemployment rose to nearly seven percent. Consequently, we too find it necessary to plan in order to deal with such problems and to assure adequate expansion of economic activity.

Fortunately, the current economic recession has been relatively mild. Personal income and gross national product have declined only about one percent from their peaks in 1960. There are now good prospects that the economy will start advancing in the second quarter of this year.

To bring about a rapid economic recovery and a more rapid rate of economic advance, while maintaining a stable price level, the new Administration has acted promptly and a series of special measures have been adopted recently by our Government to promote a higher rate of economic growth. For example:

1. A great deal is being done to stimulate housing through expanding credit and through more liberal terms. Government housing programs are being speeded up. Several legislative proposals to extend housing programs have been presented to the Congress.

/2. Direct

2. Direct aid to the unemployed and their dependents is being expanded. A larger program of distributing food to needy families is underway. Area redevelopment legislation to help create new industries and employment in depressed areas has just been enacted.

3. To stimulate a higher rate of economic growth, a change in Federal income tax laws has been proposed to provide additional incentives for investment in plant and equipment. Improved educational facilities have likewise been proposed to increase the productivity of our growing population. Investment in natural resources will be expanded to meet increasing needs.

4. In pursuing domestic policies, the United States has recognized the importance of its balance of payments position. It should be emphasized, however, that the Government will not use balance of payments difficulties as a reason for returning to protectionism. Nor do we plan to use the balance of payments problem to lower the priority that we give to the flow of resources from the industrialized countries to the less developed countries. Help from the industrialized countries is more important than ever.

My Government has found it necessary to put into motion certain measures in order to help correct the balance of payments position of the United States. These include a measure which will to a certain extent affect the expenditures of United States tourists. However, I wish to emphasize that the program chosen is one which is designed, first, to avoid protectionist action and, second, to have the least possible adverse impact on the earnings of the less developed countries.

Since the Government has announced this program, there has been a favorable response outside the United States. The outflow of gold has, for the time being, ceased, and some short-term funds are returning to the United States. This is encouraging, but we recognize that we shall have to pay continued careful attention to our foreign payments position.

#### The \$500 Million Fund for Social Progress

I am happy to state that the United States Congress is now giving most earnest consideration to legislation which would make funds available for the Program for Social Progress that was included as a part of the Act of Bogota -- a milestone in the history of the inter-American system. Within a very short time it is hoped that both the Inter-American Development Bank and the International Cooperation Administration will begin operations with these funds.

You will recall that in Section III of the Act of Bogota, reference was made to the establishment of a special inter-American fund for social development to support the efforts of Latin American countries who are themselves

prepared to make institutional improvements and to use their resources efficiently to achieve greater social progress and more balanced economic growth.

Perhaps it would be useful at this time to summarize some of the main features of this new inter-American fund.

\$394 million dollars of this fund would be assigned for administration by the Inter-American Development Bank; \$100 million dollars would be for administration by the International Cooperation Administration; and the remaining \$6 million dollars would be for administration by the Organization of American States.

The Bank would make loans primarily in three broad fields:

1. Land settlement and improved land use;
2. Housing for low-income groups; and
3. Community water supplies and sanitation.

The Bank would also provide technical assistance in these fields.

Loans extended by the Bank will be on flexible terms and may include repayment in whole or in part in national currencies. Repayments to the Fund would be available for relending for similar purposes.

With respect to the funds administered by the Bank, procurement would be either from Latin American sources or from United States sources. It is expected that a substantial portion of the funds would be used to meet local costs and this would afford expanded markets for competitive goods produced in Latin America.

The International Cooperation Administration, for its part, would provide both capital and technical assistance - primarily for education and training programs and for public health. Such assistance would be either on a grant basis or a loan basis as appropriate.

\$6 million dollars would be used to finance on a grant basis (1) field investigations and studies of such problems as land resettlement, organization of credit facilities, tax systems and tax administration; (2) expert assistance to governments in the preparation of sound national development plans and programs; and (3) technical assistance to countries in the preparation of submissions for the annual review meeting of the IA-ECOSOC. This work would be organized under the direction of the Deputy Secretary



General for Economic and Social Affairs of the Organization of American States.

These studies, reviews and preparations of national programs are an integral part of President Kennedy's proposed Alliance for Progress. They are most important means of supporting the efforts of countries who wish to intensify their self-help measures and their institutional improvements in such fields as land use and taxation.

In this connection, it is good to note the general agreement which has been reached by the CEPAL, the Organization of American States, and the Inter-American Development Bank for all feasible cooperation and a pooling of their expert talent to facilitate this work. We believe that, as experience is gained in combining the abilities and efforts of these organizations, specific arrangements for cooperation will not only be strengthened but new methods of cooperation will be found to further accelerate national development and economic and social growth.

The time has now come for countries to submit project proposals to the Inter-American Development Bank and the International Cooperation Administration - according to the kind of project - to obtain assistance from the Inter-American Fund for Social Progress.

Favorable action will be most likely to result from the following types of proposals:

1. Proposals which best fit the pattern of social development in the broad fields which I have mentioned would be covered by the Inter-American Development Bank and the International Cooperation Administration in administering the Fund.
2. Proposals which are related to effective self-help measures.
3. Proposals which come from countries that demonstrate a determination to achieve the objective of the Act of Bogotá, particularly those proposals which are part of a soundly conceived national development program.
4. Proposals in which the applicant is prepared to bear a significant share of the total costs and to provide assurance, where  
/appropriate, of

appropriate, of willingness and ability to assume the continuing costs of operation, as in the case of operating schools.

The purpose of this Fund is to support the high objectives of the Act of Bogotá and particularly those sections which are concerned with social progress. In presenting this program to the United States Congress, it was made clear that - if the program becomes successful - the Congress would be asked to provide additional funds. It was also emphasized that these funds are to be in addition to, and not in substitution for, already existing methods of capital assistance for economic development.

#### Assistance for Economic Development

We all agree that social progress and economic development go hand in hand. To promote economic development, our governments recently have taken some significant steps to intensify inter-American cooperation through a substantial increase in available capital resources. We of the American Republics now have our own inter-American financial institution - the Inter-American Development Bank - which began operations on October 1 of last year. I am confident that under the able direction of its President, Sr. Herrera, the Bank will become a more and more valuable instrument to accelerate Latin American economic growth. We also now have available the new International Development Association, an affiliate of the World Bank, which can provide capital on flexible terms. These are both in addition to increases which have been made in recent years in the resources of the International Monetary Fund and the World Bank.

I should also mention the valuable support to economic development provided by such bodies as the International Finance Corporation, the United Nations Expanded Technical Assistance Program, the United Nations Special Fund, and technical assistance given by the Organization of American States and its agencies as well as technical assistance given by the various specialized agencies of the United Nations.

In addition to supporting these multilateral efforts, my Government anticipates that the flow of development capital provided through its own national institutions will be increased as well prepared applications are received in the spirit of the Alliance for Progress.

/A larger

A larger volume of public capital supplied for soundly-conceived development programs should encourage a greater flow of private investment, both domestic and foreign, which can play an important role in the development process.

We also hope that more capital will become available for Latin American economic development from other industrialized nations. We are encouraged in this hope by the declaration issued in London several weeks ago by the Development Assistance Group. This organization of ten important capital-lending countries called for an expansion in the volume of resources now flowing to developing countries.

### Planning

Where change has been slow and progress has been uneven or inadequate, planning ahead for the best use of scarce resources is of the highest importance. At the risk of being presumptuous in this gathering of planning experts, I should like to stress two points which my Delegation considers exceptionally important to the planning process.

First, in order to achieve a high degree of realism and to make plans which have a prompt practical influence on the course of events, we believe the planning process must be carried on at the highest levels of government. Participation by the various ministries, local government units and by the private sector of the community is essential. Planning must in the final analysis be an integral part of governmental functioning.

Second, among the most challenging problems facing the planners is that of identifying new self-help measures and indicating how such measures can be effectively put into practice. For example, truly practical measures for using resources not previously employed effectively, particularly human resources, should offer great possibilities for lifting whole segments of the population into the growth process.

We earnestly hope that the planning process, and the measures which are taken to carry out plans, will rapidly attain their ultimate and basic objectives in all of the member countries. These are the objectives of raising the levels of living so as to assure every individual an adequate

/supply of

supply of food, a good education, good health, good housing - in brief, the improvement of all his conditions of life as well as his freedom to enjoy the fruits of human progress.

I am confident that the earnest exchange of views to which we are dedicated here will help us reach these high goals.



ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

STATEMENT READ BY MR. C.D. KROON, REPRESENTATIVE OF THE KINGDOM OF  
NETHERLANDS AT THE PLENARY MEETING ON 6 MAY 1961

What is the significance of ECLA for the Kingdom of the Netherlands?

Before replying to this question, I should like to offer you my sincerest greetings on behalf of all the members of the delegation of the Kingdom of the Netherlands, and to congratulate the Chairman, Vice-Chairman and Rapporteurs on their well-merited election to office.

As Antilleans and Surinamese, far away from our little islands set in the Caribbean and from Surinam in the north of the South American continent, we are very happy to find ourselves on the friendly soil of another American country and to enjoy Chile's warm and widely-recognized hospitality.

To know one another is to appreciate one another, and we - the two American countries forming part of the Kingdom of the Netherlands - would like you to know us better. I should therefore now like to indicate, even though only in broad outline, the significance of ECLA for the Kingdom of the Netherlands, that is, for Surinam, Holland and my own native country, the Netherlands Antilles.

To begin with Surinam. It was with the greatest interest that we heard Mr. Raúl Prebisch, our active and efficient Executive Secretary, refer to long-term programming as an imperative necessity if our countries' economic problems are to be effectively solved. For the Ten-Year Plan, put into operation by the Government of Surinam with the financial co-operation of Holland, is an example of the type of programming to which Mr. Prebisch alluded. Within the framework of mutual aid established in the Charter of the Constitution of the new Kingdom of the Netherlands, Surinam and Holland concluded an agreement under the terms of which Surinam has launched a Ten-Year Plan for the economic and social development of the population of Surinam, to be financed as follows: one third by Surinam, another third through a long-term loan at a minimum rate of interest and the remainder

/"without security",

"without security", or, in other words, by a voluntary contribution from Holland to the economic progress of Surinam.

I cannot omit to mention the valuable assistance which the United Nations Special Fund is giving to Surinam in the form of systematic research on its mineral resources. Several years have already gone by since the Government of Surinam began to make aerial maps of the whole of its territory. Shortly afterwards it started the "Grasshopper Operation", which we will describe in a moment, and by means of which it has been possible to carry out a geophysical survey of the country from the air. The "Grasshopper" project, which will cost 8 million dollars, consists in the construction of landing-strips in the interior of the country, which will serve as advance posts for an intensive mineral and geological study. Without these landing-strips it would take more than 40 years to penetrate the jungles of Surinam. Mr. Robert Heurtematte, Commissioner for Technical Assistance of the United Nations, told us in his interesting speech on Friday that the Special Fund projects are based on the financial and practical co-operation of the Government concerned. It should be noted that to the 770,000 dollars placed at the country's disposal by the Special Fund for the project in question, must be added an almost equal sum contributed by Surinam itself.

Lastly, I should like to mention the important BROKOPONDO project which has been initiated in Surinam, and which will mean that by 1965 the country's installed hydro-electric capacity will be one billion kWh greater. This will make it possible to produce 50,000 tons of aluminium annually.

It is hoped that the BROKOPONDO project will exert a favourable influence from many points of view, and that in particular it will provide increased employment opportunities for the steadily growing population. It may also be remarked that studies with a view to the still further expansion of Surinam's installed hydro-electric capacity are in course of completion, so that by 1964, according to estimates, it will be possible to begin the necessary construction works on the River Saramacca. Surinam is looking forward with the greatest interest to the Latin American Electric Power Seminar, of which ECLA is one of the sponsors, and which is to open at Mexico City next July.

/An opportunity

An opportunity will arise in due course for us to supply more detailed information on Surinam's agricultural sector, which plays so preponderant a part in the structure of its economy.

To pass on to the European sector of the Kingdom of the Netherlands, I should like to stress that Holland has invariably given its enthusiastic support to the activities of ECLA. Its six years of activity on the United Nations Economic and Social Council, and the fact that such distinguished economists as Professor Tinbergen have been placed at ECLA's disposal, bear witness to its co-operation.

I should also like to mention that under the so-called "associate experts" programme, three experts belonging to the younger generation have been detailed to various centres or offices connected with ECLA.

It is a basic conviction of the Netherlands Government that the channelling of international aid to under-developed countries through multilateral agencies has many advantages. Holland is therefore one of the chief contributors to the United Nations assistance programmes. A sum of 2.5 million dollars for 1961 places Holland third on the list of contributors to the Special Fund, and its contribution of 1.5 million dollars to the Expanded Programme of Technical Assistance is one of the largest. For 1964 this contribution was increased by over 75,000 dollars on account of the special part played by the Expanded Programme in helping Chile to recover from last year's disaster.

To revert to the extremely interesting speech made by Mr. Raúl Prebisch, Executive Secretary of ECLA, during yesterday's meeting, may I say that I listened to him with great admiration. His remarks indicate that ECLA is progressively transforming itself into an organization which, in combination with the programmes of assistance of the United Nations and the specialized agencies, will provide the practical aid that is so important for the rapid development of the Latin American region. The same trend is apparent in the activities of United Nations Headquarters and of other regional commissions. This is only to be expected, since the United Nations organs are eminently well equipped to give practical assistance. The systematic programming of economic development, described so clearly by the Executive

/Secretary, is

Secretary, is an essential tool for achieving the best results and for avoiding costly errors. Surinam, the Antilles and Holland have all adopted this system of programming. This is why we are so deeply interested in the proposal to establish, with the aid of the Special Fund, a Latin American Institute of Economic Programming. It is to be hoped that this project will be implemented without delay. The three parts of the Netherlands Kingdom would be happy to participate in such an Institute.

And what is the situation in the Netherlands Antilles at present?

Happily, we can report that we are applying the system of long-range programming in the Netherlands Antilles as well. Circumstances and the nature of our problems forced us to search for a way of solving the difficulties that we have been faced with as a result of the population explosion there.

The distinguished representative of Argentina, Mr. Cecilio Morales, speaking a few days ago to the Chilean press, stated that "The continent should promote rapid industrialization". We, in the Netherlands Antilles, despite our scanty natural resources, are also aware of the need to industrialize in order to solve the problem of our population explosion, since demographic growth there is 3.25 per cent yearly.

The educational system is excellent in both the Antilles and Surinam. The percentage of illiteracy is low. I should like to state in this respect that we are fully in agreement with the representative of Chile, who, in his magnificent speech yesterday, stressed the close relationship between education and economic development.

As regards industrialization, I should like to point out that we have taken steps, in both Surinam and the Netherlands Antilles, to ease tax conditions so as to provide more incentive for investment. Our Governments have taken the initiative in creating a suitable climate in the infrastructural sector and are even willing to make new investments in conjunction with private enterprises in order to reduce the risk for those undertakings, particularly during their initial years of operation.

In the islands of Aruba and Curaçao, for instance, the Government has set up a plant for distilling sea water - the biggest in the world -

/which provides



which provides water and electricity for industry - as raw materials - at attractive prices. The construction of these plants has also had social repercussions, since they bring pure fresh water to many dwellings which formerly experienced great difficulty in securing this item of prime necessity.

The Governments of Surinam and the Netherlands Antilles have also taken active steps to join with private capital in building modern hotels for tourists.

A bright spot in our economy up to now has been the development of our tourist industry, an industry which is notable for the amount of labour it can absorb. Thus, directly or indirectly, we have been helping in our own way to solve the problems arising from our population explosion.

But the picture has its gloomy side too. The United States Government recently presented a bill, which is about to be passed by Congress, designed to reduce the duty-free import quota allowed to tourists returning to the United States from 500 to 100 dollars.

Adoption of this measure will have a highly adverse effect not only on the economy of the Netherlands Antilles but also on that of several countries in the Caribbean and Central and South America, especially those that depend to any extent on the tourist industry.

May I say that I fully understand the motive that has prompted the United States Government to put forward this measure. I should, however, like to state most emphatically that the proposed cut in the duty-free tourist quota will eliminate a substantial source of income and therefore one of the foremost means of promoting economic development in the countries concerned. In view of the growing importance of the tourist industry in Latin America as a whole and the Caribbean in particular, I am sure that the distinguished representatives present share my concern. In fact, my delegation intends to present a draft resolution on the subject in conjunction with other delegations.

I have now sketched out in broad outline some aspects of our economic situation. I know that each member State has its own specific problems to be solved. As small countries, however, Surinam and the Netherlands

/Antilles beseech

Antilles beseech your attention and consideration with regard to their difficulties. You may all have confidence in our collaboration and understanding, that is, of the three parts of the Kingdom of the Netherlands - Surinam, Holland and the Netherlands Antilles.

ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

STATEMENT MADE BY MR. IVOR PINK, REPRESENTATIVE OF THE UNITED KINGDOM  
OF GREAT BRITAIN AND NORTHERN IRELAND, AT THE FOURTH  
PLENARY MEETING, HELD ON 6 MAY 1961

I should like to preface my remarks by expressing on behalf of the Government of the United Kingdom our warm appreciation to the Government of Chile for its hospitality in providing the Economic Commission for Latin America - at such short notice - with accommodation and facilities for this meeting in Santiago.

We have studied the papers comprising the background for this item of the agenda with the greatest interest and I should like to say that we welcome the realism shown in the secretariat's study of the problem of inflation. We are also impressed by the awareness that has been shown by the countries of Latin America of their responsibilities, and particularly by their realistic appraisal of the need for agrarian reform and the need to increase the level of domestic saving.

We fully share the wish of the regional members to see sound development policies in Latin America. In particular, we congratulate the countries concerned on their ratification of the Treaty setting up the Latin American Free Trade Area. As Dr. Prebisch pointed out in his brilliant speech this is a first step; we now wait, with confidence, to see it develop as a valuable instrument in stimulating trade within the region, at the same time as maintaining and expanding its trade with the rest of the world.

Much of what Dr. Prebisch and other delegates have said finds an echo in our own experience. For example, it has taken us in the United Kingdom many decades to achieve, largely through a progressive tax system, an equitable distribution of the national income. Similarly, a temporary increase in the number of children of school age has set a problem for our educational system. It is undeniable that only proper training at all

/levels can

levels can make a young and growing population, which might otherwise be a liability, into the asset it should represent.

My Government for long accepted, and confirmed at the British Commonwealth Conference at Montreal in 1958, the thesis that the developed countries should assist the less developed through trade as well as aid. (The distinguished Delegate for Uruguay emphasized this aspect in his stimulating speech.) We have followed this principle ourselves, and we continue to do so. The Commission probably knows that the United Kingdom - once the largest exporter of cotton textiles in the world - now imports more textiles than it exports - the great part from less developed countries with new textile industries. This process has inevitably led, to changes - in the structure of our own industry - and we have accepted the need for them.

We believe that the best contribution the industrial countries can make is to achieve and sustain a sound rate of growth of their economies which, with liberal trade policies, will ensure rising markets for developing countries. Our own policies have been directed towards this end, and the level of our imports has been consistently high. Our imports in 1959 were 22% more than in 1954 and, in 1960, 38% more. In the two years 1959 and 1960 the United Kingdom's total imports from Latin America were double what we exported to the region.

During 1960 we were obliged to check the pressure on our resources which was developing after the rapid expansion in total demand and output which took place in 1959. This year we expect a rise in demand and output although, with our resources already fully employed, we cannot expect a large growth of output immediately.

So far as trade policies are concerned therefore, we have accepted the obligation to help our trading partners to develop their exports to us. As to aid, I should like to quote some figures of assistance from United Kingdom Government funds, as well as those of private investment. Governmental assistance was running at the rate of 80 million pounds a year (that is 225 million dollars) three years ago and rose to 150 million pounds (or 420 million dollars) in 1960. As you know, the greater part of our assistance goes to the countries of the British Commonwealth, especially to those who are acquiring independence.

/In addition,



In addition, the United Kingdom Government plays a leading part in the international organisations operating in this field. The United Kingdom made the second largest subscription to the International Bank for Reconstruction and Development and we are the second largest contributor both to the International Finance Corporation (IFC) and to the International Development Association (IDA). Countries in Latin America have received more than 1,000 million dollars of the 5,000 million dollars lent by the International Bank, whilst the greater part of the IFC's loans has gone to Latin America. Though the IDA has not yet made any loans I have no doubt that Latin America will benefit substantially from its operations. The United Kingdom is also the second largest contributor to the United Nations Special Fund and Expanded Programme of Technical Assistance, which perform a special and valuable role in the provision of technical assistance.

It is clear, therefore, that the United Kingdom gives effective support to these international organisations and we very much hope that co-operative effort among the industrially more advanced nations will mean that total assistance to all countries in need will increase in volume and in effectiveness in the coming years.

So far as private investment is concerned our overall investment in less developed countries amounts to 150 million pounds a year, over 400 million dollars. Here again the greater part of this investment naturally tends to flow to the British Commonwealth. Nevertheless investment in Latin America is of the order of 15 million to 20 million pounds a year (over 50 million dollars) which is by no means an insignificant portion of the whole. Naturally private investors tend to be attracted to those countries where economic conditions are most favourable and where liberal exchange policies are pursued.

We should also bear in mind that there is a continuous flow of credit granted by United Kingdom exporters, who, with the official insurance cover of the Export Credits Guarantee Department, are enabled to provide, on

I hope Mr. Chairman that what I have said will serve to illustrate the considerable effort the United Kingdom is making to provide aid to less developed countries and to increase trade with them. We have contributed considerably in the past to the development of this region and we shall continue, within the limits of our resources, to do all we can to assist in your future development.

ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth session  
Santiago, Chile, May 1961

STATEMENT BY MR. GABRIEL LISETTE, REPRESENTATIVE OF FRANCE,  
AT THE PLENARY MEETING, 6 MAY, 1961

First of all I should like to thank the Chilean Government for the admirable way in which it stepped in and organized at short notice this ninth session of the Economic Commission for Latin America. The French delegation thus has the great pleasure of being the guests of a country whose hospitality, with which we are already familiar - bears witness to the fact that generosity and disinterested zeal, are often found in individuals and peoples whose daily life is an unremitting struggle against the asperities of nature or the problems of social life.

How can one help but reflect at this moment that a mere twelve months after the devastating cataclysm in Chile the steadfast courage of your compatriots and of the Government of this country has already succeeded, by sheer stubborn determination, in effacing the most painful scars left by that terrible disaster.

I have therefore great pleasure in telling you, Sir, that it is a source of immense satisfaction to the French delegation that this session of the Economic Commission for Latin America, working as it is to promote the integration of the Latin American countries and the progress of mankind, should have so distinguished a Chairman as yourself, while at the same time its Vice-Chairmen and Rapporteur are the representatives of Mexico, Brazil and Peru, so that the session symbolizes the solidarity of the Latin American continent as a whole.

The high quality and the soundness of the studies which ECLA has been carrying out during the past twelve years are, of course, well known outside America, and if the validity of the activities of this regional commission had required confirmation, the Latin American Free-Trade Area sponsored by ECLA would have established it.

In this connexion, my delegation would like to express the French Government's deep appreciation of the quite extraordinary enthusiasm and

/the idealistic

the idealistic outlook which distinguish the studies prepared by ECLA, and which are a feature of every great human undertaking.

The annual Economic Survey, which serves as the basis for general discussion, is an excellent document for just that purpose, while at the same time it presents a lucid, precise and clear description of the present economic situation in Latin America.

Among other things, the study of the existing situation throws into sharp relief the persistence of the unfavourable external market trend which for three years has been affecting the trade of the Latin American countries. Despite some degree of recovery at the beginning of 1959 and in the course of 1960, the terms of trade are continuing to deteriorate, the increase in the volume of exports barely sufficing to offset the effects of a fall in prices which is the result at once of overproduction and of the weakness of demand. The consequence, in countries whose economy is largely directed outward, is stagnation of the national income, and with it a serious threat to social tranquility.

This state of affairs is unquestionably due in part to factors on which no influence can be exerted. There can be no doubt, for example, that the development of modern technology introduces changes in the structure of industry whose repercussions are often serious, as in the case of the substitution of synthetic products for certain raw materials.

On the other hand, in some domains a considerable field of action is left open to the imagination and enterprise of leaders; I am thinking of structural reforms, of the diversification of agriculture, of industrialization, points which many speakers have been stressing from the beginning of this session. But the efforts made in these directions by a number of Latin American countries are still too recent and perhaps too isolated one from another to produce really satisfactory results.

Like the rest of the European countries, France realizes more clearly every day that the present time is a turning-point in Latin America's history, and it feels concern for a situation affecting countries to which after all, it is linked by traditional bonds of trust and friendship.

This friendship means a very great deal to France, as the French Chief of State solemnly testified at the Maison de l'Amérique Latine in Paris only a short time ago.

/France cherishes



France cherishes this friendship, and is extremely anxious that no misunderstanding should impair the strength of a solidarity which derives from a common Latin origin.

If France has felt the need for many years, and especially since the Second World War, to devote a large part of its national revenue to the development of the African countries for which it was responsible, and if it has established economic and financial machinery to ensure a systematic outlet for their primary commodities, it is because it has a mission to fulfil, a mission enshrined in the United Nations Charter itself. But the prior claim of this mission has never turned France aside from its responsibilities in other parts of the world, and the French Government is more alert than ever to the demands of an intensified co-operation with Latin America.

In this connexion, I am happy to report on the progress recently made in the fields of trade and investment.

Although the level of trade with the Latin American countries has unhappily not yet reached the 1953 figures, 1960 showed a great improvement over 1959. French purchases increased by 17 per cent and supplies by 12 per cent, while investments expanded by approximately 50 per cent. As a matter of interest, our commitments under the head of credit insurance, which also increased by 50 per cent, constituted in 1960 28 per cent of our total commitments under this heading anywhere.

Likewise in the interests of co-operation, the French Government is now studying the possibility of relaxing the regulations on the financing of exports, while a recent Act makes interim provision for dealing with specific cases.

We recognize that these advances, whatever their scope, are primarily important because of their potentiality, since we are aware of the true magnitude of Latin America's requirements - indeed this is brought out quite clearly in the report submitted by the secretariat for our consideration.

The French Government is well aware that the very limited nature of Latin America's capacity for financing calls not only for the expansion of markets so as to guarantee the vitally necessary export earnings, but for the stabilization of trade needed to prevent the fluctuations which invalidate all forecasts, as well as for increased foreign investment and intensification of technical co-operation; and it is therefore convinced that only a

/concerted policy

concerted policy on the part of all the industrialized countries can provide a thoroughly satisfactory solution to the problem. The French Government has put forward this idea on several occasions, and is happy to state that within the framework of the Advisory Group on Development it has begun to be put into practice. Meanwhile, Latin America cannot afford to make time, any more than any other region of the world where the new man, born of the clash of civilizations, seeks for stability in a world of widening horizons. A solution, even if only a partial one, must therefore be found without delay.

Stabilization of prices at a sufficiently high level is the only solution to the problem of the producer countries. In this respect, France wishes to stress once again the importance it attaches to this method, which is by no means unfamiliar to it, since without waiting for its adoption at the international level, it has been applying it for a long time to its trade with the countries in the franc area, with the beneficial results visible in the economy of the sector.

If, however, no such result can be achieved in the immediate future, an effort should be made to expand markets. In this connexion, the development of industrial production and the raising of living standards in Europe which will result from the efforts now being made towards economic integration, will without doubt bring about an increase in consumption which will benefit all commodity exporting countries and in particular the countries of Latin America.

Whatever the level of prices may be, the regularization of export income is a factor at least as important as the increase in such income. The harmful effects of price fluctuations on the economy of primary commodity-exporting countries have been too often denounced for it to be necessary to recall them here. Furthermore, the value of international stabilization agreements, provided they cover all the importing countries, has already been made abundantly clear. It is for this reason that France has taken an active part in preparing the agreements already concluded on tin, sugar, wheat and coffee, and has also participated in the work of the Commission on International Commodity Trade.

As I have already said, France is fully aware of the need for a considerable increase in foreign investment in Latin America. The French

/Government also

Government also expresses its deep conviction that within the context of world development, investments must be carried out in a spirit of co-operation and solidarity. The French Government considers it vitally important that French investment should never constitute a danger and that, on the contrary, it should provide support for Latin American enterprise.

I was particularly struck during my last visit to Latin America - and I have made specific mention of this to the competent authorities in France - by the very marked desire of those responsible for the destinies of Latin America to involve the whole mass of the population of the continent in the work of development.

At the opening of this session, I listened to some very significant statements about the way in which efforts in Latin America were being directed in regard to economic structures and social action. These statements have made me realize that the French Departments of the Antilles and Guiana share the same concerns as the rest of Latin America, namely the need for diversification of a type agriculture based in the majority of cases on a single crop, land reform for the rehabilitation of the mass of the rural population, and the modernization of methods to improve the productivity of the peasant, the fisherman and the handicraft worker. This process has been set on foot in French Guiana and the French Antilles by a legislative programme and various other measures, for we realize that something must be done swiftly before it is too late.

Indeed, it may well turn out that France's most valuable contribution in the new phase of development of the Latin American countries is not so much its financial contribution to Latin American industrialization - though this is a substantial item - as its wide experience as a modern nation with world-wide influence.

French technical co-operation is making a noteworthy effort to ensure the adoption of new methods and the definition of a fresh approach, and I should like to point out that France has Latin America particularly in mind as regards the organization of training courses for higher administrative officers and technical specialists. I should add that the

/encouragement given

encouragement given by the Latin American Governments in increasing their participation each year is a great inducement to France to persevere in its efforts in this direction.

Apart from this, France has something of value to offer in the complex matter of rural productivity already referred to by a number of speakers. We know, and the agricultural expert who is assisting me at this session knows too, that the problem of rural productivity is not exclusively a question of land reform, modernization or mechanization; it is also to a large extent, in part of the world, a matter of giving an incentive to farmers and enlisting their participation. In a word, it is a sociological equation which has to be solved.

Thus, in the modern world which is threatened by the technology it has itself invented, France considers that the habilitation of the human being through education to help him to apprehend nature and acquire mastery over it, is an investment that will yield returns in the long run. In the French Antilles and French Guiana, compulsory school attendance now covers 95 per cent of the population, and we regard this as giving us a good start when it comes to the practical application of the legislative programme and the Ten-Year Plan.

As this implies, France is prepared to study with special attention any Latin American project whose object is to expedite the training of skills and, even more, the attempt to enlist the participation of the labour force in the economy, with an eye to programming and planning, the usefulness of which has long been demonstrated by ECLA's studies.

It has been said in this room that the economic organization of the Latin American continent on a regional basis is a question of state of mind. We are in full agreement, and that is why we are in favour of methods of organizing economic training as a prerequisite for the development of ideas on economic integration.

In this connexion, I have particular pleasure in welcoming the deposit of the instruments of ratification of the Montevideo Treaty.

We welcome this economic integration project most warmly, for we feel it echoes our own motives of concern and our own experience. We are convinced that it will facilitate the rise of industrialization, for

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which the essential prerequisites are the broadening of markets and some degree of geographical specialization. It will also help to expand intra-Latin American trade and, by the same token, to encourage new and more diversified lines of production.

I wish to avail myself of this opportunity to thank the States members of ECLA, and Mr. Prebisch, for having invited the European Economic Community, of which I have the honour to be the joint spokesman along with Mr. Gianfranchi of the Commission of the Community.

The European Economic Community was formed shortly before your own association. It has already acquired a certain amount of practical experience. The work of internal organization, which is proceeding successfully and at an even more satisfactory rate than its creators foresaw, has not diverted its attention from the external world and particularly from Latin America, to which it is linked by strong bonds of friendship.

In the course of the present session, Mr. Gianfranchi, speaking on behalf of the European Economic Community, will describe to you the results so far achieved and the direction in which it proposes to channel its future development. One assurance I can give you is that we are not losing sight of the problems with which you are concerned, and that we are anxious to establish useful contacts with this part of the world. It is, indeed, important that the creation of large economic units should not lead either to self-sufficiency or to protectionism on a continental scale which would raise undesirable barriers overseas, the goal of our common philosophy being, after all, to make economics serve the interests of mankind.

If there is one thing that my recent journey throughout the States of South America has taught me, it is that words are of little account in relation to the harshness of the facts by which they are beset. But I believe in the power of the word - above all in our time, when information techniques make it possible to reach the masses in the most inaccessible places - so long as the word is at the service of historical truth. The fact is that the Head of the French delegation, as one who comes from

/the Antilles

the Antilles and whose duties formerly led him to study ways and means of palliating the economic - and consequently political - difficulties which have long resulted from structural immobility, has not simply re-echoed traditional sentiments of friendship in the foregoing remarks. His purpose has been to interpret the feeling, indeed the conviction - for, in France as in Latin America, quantitative growth implies qualitative change - the conviction of the most responsible authorities of the Republic of France that the work undertaken by ECLA is helping to safeguard the whole code of western values.

ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

STATEMENT BY MR. ANTONIO LAGO CARBALLO, REPRESENTATIVE OF THE  
INTER-GOVERNMENTAL COMMITTEE FOR EUROPEAN MIGRATION (ICEM),  
AT THE FIFTH PLENARY MEETING, HELD ON 6 MAY 1961

I am very pleased to have received the designation of Mr. Marcus Daly, Director of the ICEM, to attend as an observer the ninth session of the Economic Commission for Latin America.

The interest with which ICEM follows your activities was emphasized by the Deputy Director of the Committee, Mr. Epinat at the eighth session held in Panamá, during which he presented a document concerning "Immigration and the Economic Development of Latin America".

If this Continent has always had a great importance in ICEM's activities, as is proved by the fact that, of the one million one hundred thousand persons transported with the assistance of the Committee, one quarter have come to Latin America, this region has lately gained a priority in interest, an indication of which is the approval by the ICEM Council in its December 1960 meeting of a programme for Latin America which represents a new approach to the economic needs of this region.

Immigration to Latin America must be conditioned to the special circumstances of this region in which an acute shortage of skilled manpower exists side by side with a rapid growth in an unevenly distributed population. In approaching this problem ICEM assumes that, while being given technical assistance for the provision of qualified manpower not available in the country but urgently required for economic development, the governments concerned will themselves evolve patterns of action, including both the vocational adaptation of foreign skilled manpower and the basic training of local manpower resources. However, the training of local workers is not likely to be sufficient in quantity nor timely enough to meet the urgency of the present situation, and hence immigration from abroad will be essential if development is not to be deferred.

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In this situation, ICEM plans to assist the Latin American governments to develop suitable methods of determining the volume and type of skilled manpower not available within the country but essential for the achievement of specific economic development targets. For this reason ICEM will endeavour to make full use of the valuable work being done by other international institutions.

Further, ICEM will endeavour to provide, upon request, experts to advise governments on immigration policy in the light of economic development plans.

In the field of agricultural settlement, ICEM is prepared to make available upon request from a Member Government, an expert to carry out preliminary surveys, to determine the feasibility of specific projects, and, in the case of a positive result, assess the facilities and supplementary technical services required for the elaboration of a detailed project. For the implementation of such a project, it will be up to the Member Government to find the necessary resources, and once the resources are available, the ICEM is ready upon request to assist, in a suitable manner, in the implementation of the project.

Thus the programme in Latin America is based upon technical assistance regarded as a service which - apart from what constitutes its functional activities - ICEM can render to governments, upon request, to enable them to establish as quickly as possible their own national machinery.

As will be understood, the national institutions for immigration which will thus be developed in Latin America, will need to be staffed by qualified personnel, which if not available within the national services concerned, would have to be trained, and to meet this problem, the Director proposes to develop facilities for the training of national officials.

In summing up, ICEM is prepared to continue to give its maximum co-operation to the governments of this Continent, although it is fully aware of the fact that it is up to the respective governments to exert the decisive effort to obtain the necessary resources required to build up the machinery indispensable for an immigration programme designed to expedite the achievement of their economic development objectives.

Mr. Chairman, in conveying the greetings of the Director for ICEM, Mr. Marcus Daly, I wish to express my most sincere wishes for the success of this ninth session of the Economic Commission for Latin America.

ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

STATEMENT BY MR. G.G. SIMPSON, REPRESENTATIVE OF THE UNITED KINGDOM  
OF GREAT BRITAIN AND NORTHERN IRELAND, IN COMMITTEE I,  
ON 8 MAY 1961

My Delegation has read paper 582 with great interest. I hope that you, the other delegates present and the secretariat will forgive me if I do not discuss the paper at length and restrict my brief observations to three points which we either find obscure or with which we may not be in full agreement. Let me say that generally we find the paper an admirable exposition of the problems which face Latin America's economy today.

The necessity for accumulating national savings and the role of international resources in development are well argued. We would agree with the emphasis placed on the need to spread technical knowledge if the necessary acceleration of industrial and economic growth generally is to be attained.

When the paper turns in Chapter II to protection and the terms of trade, we find that the secretariat's basic argument is that protection is justified by the need to encourage local industry as a means of offsetting the tendency for a peripheral, i.e. non-industrial, nation's terms of trade to deteriorate as a result of the relatively inelastic demand for primary products in world markets. While this may have been so at times, my Delegation must point out that such policies in the past have not always helped to offset a deterioration which began in the first place largely out of the control of the countries concerned. We therefore consider that this argument requires much more consideration.

On page 23 we find the idea of restoring what is described as "import flexibility" by concentration on the production of capital goods and encouraging new exports, thus enabling the internal economy to be better insulated from external fluctuations. Lack of far-sighted development policies is suggested as the cause of the present day inability to reduce /imports, which



imports, which are composed of essential capital goods. We agree that the solution of the problem of external vulnerability lies in structural and not ad hoc anti-cyclical measures. However, it should be added that the structural defects involved are not only in the industrial sphere: agricultural and fiscal policies too are frequently fundamentally unsound and appear to require revision if the Latin American balance of payments is to be stable and cyclical problems overcome without disturbing the rhythm of economic development.

It may be thought that these remarks are excessively negative. Their intention is not to be so. Indeed in certain respects we consider that the secretariat's paper is over pessimistic. Thus in the section on the Latin American common market the secretariat writes that integration will involve only the substitution necessary to ensure the essential (I quote) "dynamic balance of external trade with the rest of the world", after which (again I quote) "the traditional concept of reciprocal concessions can gradually be restored". If this means what we think, the secretariat apparently does not envisage any increase in extra-regional trade until dynamic economic balance is achieved. My Delegation believes and hopes that the effect of a larger market and lower costs would enable external trade to be increased before that point is reached.

ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

STATEMENT BY MR. BYRON JOHNSON, REPRESENTATIVE OF THE  
UNITED STATES OF AMERICA, AT THE MEETING  
HELD BY COMMITTEE I ON 9 MAY 1961

On behalf of my country, I wish to express appreciation for the immense amount of work performed by the Secretariat. The papers contain very interesting and often complex theoretical analysis that will prove to be a significant contribution to the literature of development, to the work of national planning agencies, and to international financing agencies such as the U.S. Development Assistance Agency that I serve, and the other international aid agencies.

Many of the problems discussed in the draft papers deserve more extended discussion than we can give them here - I should like to talk about a few.

First, the impact of income distribution on economic development. It would be interesting to see the Pareto distribution curves of the developed countries compared with the less developed countries. I believe the broader distribution in the developed countries could be shown to be a result of broader education, higher productivity arising from more capital, hard work, and better training, from wider sharing of economic output through minimum wages and other legislation promoting social justice, and from strong progressive tax systems that were properly enforced.

The resulting broader market encourages sellers to pursue a high volume, low margin approach, which favors true economic growth.

Broad participation in all forms of savings, and in payment of taxes used to finance public sector capital, results in a very significant contribution to development and growth.

/A second

A second broad problem, of major concern in every country, is the financing of capital formation. It might be helpful to review the many forms by which developed countries achieve their capital formation. The seeds of good sound economic development must be planted now, if they are to bear fruit in the future.

a) Our accounting procedures, with the encouragement of our tax laws, permit depreciation and amortization allowances to be tax free. This share grows with the growth of enterprise. It now provides almost half of our capital funds.

b) Roughly half of business earnings, after taxes are retained and reinvested in the country where they are earned. It is expected that an even larger share of earnings in less developed countries will be reinvested in less developed countries as a result of our tax laws.

In a study I made last winter, as a member of the Banking and Currency Committee of the House of Representatives, I found that much short term capital had been attracted to Central Europe, either by fear of inflation and devaluation in certain countries, or in order to take advantage of the expected revaluation of the German mark. If Latin American earnings are to be kept at home, and reinvested in Latin America, it is imperative that fears of inflation be laid to rest, permanently. The report of the Director General had dealt properly with this question. I would only add further reasons for his own conclusions.

c) Strong banking institutions, wider use of insurance, credit unions, and savings institutions serves both to provide capital in amounts that permit rapid growth and development. These also help stabilize the monetary economy by giving everyone a stake in an orderly economy. Government insurance banks and savings institutions has promoted their use in the U.S.A. Government reinsurance ought to be so economically administered that it accumulates large reserves for public investment.

d) The desperate need for suitable housing requires, to be effective, credit in amounts equal to the need, over periods of time and at interest rates low enough so that persons in every income bracket may be able to afford shelter. Preventing further inflation, developing credit institutions, insuring mortgage loans, and bringing down

/unreasonable terms

unreasonable terms for loans, can contribute mightily to Latin American accomplishments in housing.

Present practices all too frequently appear to favor luxury housing, but do little for the middle class, and even less for the poor.

The most important point to add is that the repayment of housing loans, once these are established in volume, provides a vast supply of new savings each year. People will save if it is to pay for shelter they own.

e) The tax system must be studied, and developed as a form of capital accumulation for public investment. The contribution of sound public investment in education, health, transportation and other public services is of greatest importance to economic growth. Without this investment, there is little incentive to much private investment.

f) I have saved to the end of this point the use of outside or foreign aid, whether loans or grants. As the spokesman for Paul Hoffman noted at the plenary session, the Marshall Plan aid for Europe provided only three percent of its GNP.

Europe saved Europe, Europe rebuilt Europe. The Marshall Plan was a stimulant. It gave them hope and courage. It energized their will to act. But the fruits were largely the result of their own action.

We find much in these papers about the importance of adequate outside aid. We recognize that this is important. But we wish to underline strongly that social reform, including better education, tax reform, and the rest, is most significantly a way to secure better marshalling of a nation's own resources, and a way of putting them to better use.

We have noted with interest the paper on population problems. It would be interesting to see a study that examined the experience of other nations, as an indication of possible future trends. For example, population trends appear to respond to such factors as: the number of years in school; the changing age of marriage; wider employment opportunities; visible social progress which gives parents real hope that their children might actually enjoy a better life and the gradual destruction of barriers preventing advancement up the social ladder.

/In other

In other words, population projections should take into account the probable consequences of education and social reform, as well as economic development. The increasing democratization of the social system may have consequences even upon population trends.

Let me turn now to the contribution of the planning process to the improvements of economic and social conditions for all the people.

Planning ahead, is a continuing and flexible process. We do not expect plans to be rigid suits, or Procrustian beds. Rather planning is organized effort to outline the broad general objectives of a nation, to specify its goals in basic terms, and develop the best steps for accomplishing these goals, focussing attention in fundamental factor influencing the growth process.

Effective planning is more than a statistical or quantitative exercise. It is also a human and qualitative exercise. It sees production and consumption in terms of social justice and human betterment. It is a process based on the aspirations of the people for an adequate supply of decent housing, for full education opportunity, for health protection, for adequate diets, and for the other essentials of life. It also recognizes that the desire of men to be free, and to participate in making the decisions that effect themselves. Thus planning is democratically based. Starting with the people's aspirations, it identifies the steps to be taken to make them into realities. We differentiate between a planned society under a command plan and a planning society depending upon consent, in keeping with the orderly democratic process.

In order for the plan to become an operating reality, as has already been noted by the delegate from Ecuador, the planning process must involve and be closely tied to the highest decision making machinery of government, first the executive, and then the legislative.

There needs to be full participation by all the various ministries by local governments, and by the other sectors of society, business, labor and agriculture, as appropriate.

/Planning is



Planning is done with, not for, people. It is a process of harmonizing numerous views and interests. It must be responsive to the needs and aspirations of the whole country, the rural area, as well as the urban ones. Social planning cannot be done by outside teams of experts, because the plan must finally represent the judgment of the nation itself, or the plan will not be accomplished. Experts can advise, but cannot decide.

Planning must be concerned not only with the development of targets and priorities but also with improvement of the institutional setting to broaden opportunity and to promote initiative, experimentation, and risk taking. There is increasing recognition that planning is not merely a listing of projects for foreign aid supplemented by a catalog of slogans. It seeks, of course, to identify priority projects, particularly in the public sector, and to assess the availability of resources to implement them. The targets which are adopted not only must be feasible; they must also be related to defined periods of time and needed resources must be in sight; institutional and legislative changes essential to successful results must be identified. Selected targets must be consistent with other parts of the national program, and provision must be made for the various supplemental actions, projects or programs required for balanced and orderly progress toward the realization of the goals.

Planning is properly concerned with the maintenance of a firm and healthy base on which the economy can steadily expand. Examples of ills which sap the basic strength of an economy include inflation, capital flight, and continuing depletion of foreign exchange reserves. Sound planning must be alert to avoid or minimize such ills.

The mobilization of financial resources particularly the inducements and incentives needed to increase the proportion of the national income available for investment is a major area of concern. Continuing attention must also be given to the adequacy of government revenues and the optimum balance between public expenditures and the volume of funds available to the private sector. For planning is a way of relating all of a nation's resources, and potential resources, to achievement of its goals.

/There has

There has been a tendency, in some plans in times past to think of planning merely as a device to identify and develop programs that could be financed out of external resources, whether loans or grants.

The Act of Bogota properly places great stress upon self-help measures. To identify these possibilities and to indicate how such measures might most effectively be adopted and fitted into the national program is a significant task for the planning process.

What training programs can do for underutilized manpower, what specific rural reforms can do for better utilization of land and rural manpower, what specific tax reforms, new credit instrumentalities, and improved public health measures can contribute to national development and social justice - these are major possibilities for planners - quite independent of the level of external loans and grants. Moreover, the gains from such self help will assure that the external loans and grants will have far greater effectiveness.

May I note, somewhat parenthetically, that the social reforms called for in the Act of Bogotá, are all a part of our own nation's history and experience. We have supported universal free public education from the outset. We have operated under laws favoring the family-sized, owner-operator, farm. We have supported for more than a century agricultural colleges, and then agricultural extension, county agents, and better productivity for farmers.

We have built a professional and career civil service, strengthened our tax system, and built the kind of housing, health, and community development programs listed in the Act of Bogota. As a result, all parties in the U.S.A. and the people of that country, fully endorse the Act of Bogota, and will support further action in our country upon evidence that the other signatories are proceeding in accordance with the pledges given at Bogota.

Social progress and economic development are not separate and independent efforts. They are mutually reinforcing. Fundamentally, social progress is an added dimension to economic growth - the dimension of a broader distribution of the benefits of growth and genuine participation in the development process by all segments of the population.

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Adequate and sustained social progress can provide a powerful boost to economic growth. Soundly conceived programs for social development will seek to increase opportunity for all the people, to increase their capacity to produce and to earn income and thereby achieve expanding domestic markets. Such programs will speed the transformation of relatively static economies and help them become dynamic economies.

But even as we do economic planning, we recall that man does not live by bread alone - planning should be concerned to create and expand the opportunities for choice, the true freedom of man. Planning must foster social justice as well as economic growth. As it does so, planning will accelerate economic growth at home, it will help raise the level of living as well as the productivity of the community and increase attraction to outside help.

Finally, planning is the way men marry reason to will. The desire to improve in society is common, but only by wise and thoughtful planning, made effective by suitable action can man's great goals be realized. The goal is, in other words, not just a quantitative one to guarantee the security of all our citizens to assure them their economic needs as gauged by barren statistics. The goal must be qualitative; to help our citizens develop their individual abilities and to multiply their productivity through the full exercise of their abilities; participating as free men in the economic, social, and spiritual building of the national life. The goal is not met simply by the reason used in the development of the plan. It is met only by those who will - who have the power and insight, and courage to act constructively.

And I am confident that the democratic nations of this hemisphere will prove that democratic methods can most effectively bring together the immensely varied interests in the populations of each of our countries to plan and carry out unified national efforts to better the economic and social conditions of all the people. More than this, I am confident that we can prove that such improvement can be brought about more rapidly by freely united effort and democratic methods than it can by the all-powerful concentration of authority in the state.

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry, no matter how small, should be carefully documented to ensure the integrity of the financial data. This includes recording dates, amounts, and the nature of the transactions.

The second part of the document outlines the procedures for reconciling the accounts. It states that the accounts should be reconciled at the end of each month to identify any discrepancies. This process involves comparing the internal records with the bank statements and ensuring that they match.

The third part of the document describes the methods for analyzing the financial data. It suggests that the data should be analyzed on a regular basis to identify trends and patterns. This can help in making informed decisions about the future of the organization.

The fourth part of the document discusses the importance of transparency in financial reporting. It states that all financial information should be clearly and honestly reported to the stakeholders. This helps in building trust and ensuring that the organization is operating in a responsible manner.

The fifth part of the document outlines the responsibilities of the financial team. It states that the team is responsible for ensuring that all financial transactions are properly recorded and reported. They also have a duty to provide accurate and timely financial information to the management.

The sixth part of the document discusses the importance of budgeting. It states that a budget should be prepared for each year to guide the organization's financial planning. This helps in allocating resources effectively and ensuring that the organization stays within its financial limits.

The seventh part of the document describes the methods for controlling costs. It suggests that the organization should implement strict controls over its expenses to avoid unnecessary costs. This can be achieved by setting limits on spending and regularly monitoring the actual costs against the budget.

The eighth part of the document discusses the importance of financial forecasting. It states that the organization should use historical data and market trends to forecast its future financial performance. This helps in identifying potential risks and opportunities and making proactive decisions.

The ninth part of the document outlines the procedures for handling financial emergencies. It states that the organization should have a plan in place to deal with unexpected financial challenges. This includes having a reserve fund and a clear process for seeking external assistance if needed.

The tenth part of the document discusses the importance of regular financial reviews. It states that the organization should conduct regular reviews of its financial performance to ensure that it is on track. This helps in identifying areas for improvement and making necessary adjustments.

The eleventh part of the document describes the methods for ensuring the accuracy of financial data. It suggests that the organization should implement robust internal controls and audit procedures to minimize the risk of errors. This includes regular audits and a strong emphasis on data integrity.

The twelfth part of the document discusses the importance of financial communication. It states that the organization should maintain open and honest communication with its stakeholders about its financial performance. This helps in building a strong relationship and ensuring that everyone is on the same page.

The thirteenth part of the document outlines the responsibilities of the board of directors. It states that the board is responsible for overseeing the organization's financial management and ensuring that it is in compliance with all relevant laws and regulations.

The fourteenth part of the document discusses the importance of financial innovation. It states that the organization should embrace new technologies and methods to improve its financial operations. This can help in increasing efficiency and reducing costs.

The fifteenth part of the document describes the methods for managing financial risk. It suggests that the organization should identify and assess its financial risks and implement strategies to mitigate them. This helps in protecting the organization's assets and ensuring its long-term sustainability.

The sixteenth part of the document discusses the importance of financial reporting standards. It states that the organization should adhere to established standards when preparing its financial reports. This ensures that the information is reliable and comparable to other organizations.

The seventeenth part of the document outlines the procedures for handling financial disputes. It states that the organization should have a clear process for resolving any disputes that may arise. This includes mediation and arbitration to ensure a fair and timely resolution.

The eighteenth part of the document discusses the importance of financial planning. It states that the organization should have a comprehensive financial plan that covers all aspects of its operations. This helps in setting clear goals and ensuring that the organization is prepared for the future.

The nineteenth part of the document describes the methods for improving financial performance. It suggests that the organization should regularly evaluate its financial performance and implement strategies to improve it. This can include cost-cutting measures and revenue-generating initiatives.

The twentieth part of the document discusses the importance of financial transparency. It states that the organization should provide clear and accessible information about its financial performance to its stakeholders. This helps in building trust and ensuring that the organization is operating in a responsible manner.

ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

STATEMENT BY MR. RAFAEL VICENS, REPRESENTATIVE OF THE INTERNATIONAL  
CO-OPERATIVE ALLIANCE (ICA)

The International Co-operative Alliance, an organisation admitted to consultative status in Category A. by the Economic and Social Council in 1946, represents to-day Co-operative societies and unions in 47 countries with a total individual membership of 150 million. In Latin America it already has affiliated organisations in Argentina, Brazil, Chile and Colombia.

The Alliance is the only international organisation dedicated wholly and exclusively to the promotion of the Co-operative form of enterprise. It has no kind of political affiliation. Its objects are to propagate Co-operative principles and methods throughout the world and to promote friendly and economic relations between the Co-operative Organisations of all types on the national and international levels.

Since 1954 the International Co-operative Alliance has been implementing its own programme of technical assistance in the field of Co-operation, financed by a special Development Fund. Its action is concentrated entirely in the sphere of education and training and the practical projects already executed include the provision of mobile audio-visual units and other teaching aids, the sending of expert advisers, the organisation of regional seminars, the management of study-tours and on-the-job training for the benefit of Co-operative organisations in the newly developing countries. This activity does not in any way compete or overlap with projects carried out by the United Nations or the Specialised Agencies under their ordinary or expanded programme of technical assistance.

The long-term programme of the International Co-operative Alliance includes the systematic study, as opportunity offers, of the great regions of the world in which the Co-operative Movement is still in its pioneer stages or in need of external assistance in order to accelerate its progress. Its exploration of S.E. Asia in this sense has just been completed with the establishment in New Delhi of a Regional Office and Education Centre serving the whole region.

/An experienced



An experienced Co-operator from Puerto Rico, Mr. Rafael A. Vicens is at present engaged on a tour of Latin America with the same objects in view. It is hoped that he will obtain sufficient data on the situation and prospects of Co-operative development in the countries of South and Central America to enable the Alliance to expand its activity in the region with the active goodwill and encouragement of the respective national governments. The consultations which Mr. Vicens will have had with responsible members of Ministries as well as with Co-operative leaders in the course of his tour will be continued by conferences or other means to be decided by the Authorities of the Alliance after he has presented his report. The change of venue of the Ninth Session of the Commission from Caracas to Santiago may enable Mr. Vicens to act as observer for the Alliance at some of its sittings.

The Long-Term Programme of Technical Assistance for the Promotion of Co-operation adopted by the Congress of the Alliance in October 1960 includes, not only the regional explorations already mentioned, but also research into problems of Co-operative organisation and development in such spheres as agricultural processing and marketing, the distribution of consumers' goods and related economic trends; the promotion of systems of Co-operative education and training at all levels through the establishment of colleges, institutes and education centres and the equipment of national Co-operative Unions e.g., through the provision of the appropriate literature with financial aid from the Alliance; collaboration with the United Nations in the production of films, the selection of experts and the formulation of pilot projects; the promotion and expansion of trade between Co-operative organisations in advanced and developing countries.

The International Co-operative Alliance, through its Secretariat in London is already in touch with Ministries responsible for the supervision and promotion of Co-operation in various countries of South and Central America, as well as with the competent department of the Organisation of American States. Its services are always available to officials and other seeking information and guidance about the different forms and techniques of Co-operative enterprise. It hopes that, through the present mission of Mr. Vicens, it will enjoy closer relations than hitherto with Co-operation in Latin America and find means of rendering effective practical help in its development.

ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

STATEMENT BY MR. ROBERT A. FERRIER, REPRESENTATIVE OF THE KINGDOM  
OF THE NETHERLANDS, IN THE ECONOMIC AND SOCIAL DEVELOPMENT  
COMMITTEE, ON 10 MAY 1961

Yesterday the distinguished delegate of Brazil excused himself for speaking in his own language Portuguese instead of in Spanish, English or French. I, myself, should like to do the same, but I think it would be confusing to the interpreters and many of the delegates to hear a speech in the Dutch language, and therefore I shall continue in English, but please understand that this is not my own language.

The delegation of the Kingdom of the Netherlands has studied the many reports prepared by the secretariat for this session and we fully agree with many of the former speakers that these studies will be very useful and important to the future progress of Latin America.

With regard to the documents now in discussion in this committee I should like to make the following statement with regard to planning and inflation.

The Kingdom of the Netherlands has had some experience in the field of planning. The distinguished delegate of Chile, mentioned the Central Planning Bureau of the Netherlands in The Hague and therefore I think it would be good to tell you some more about this Central Planning Bureau.

The work of the Central Planning Bureau must be viewed against the background of the development of the economic policy, which itself is tied up with the economic situation of the Netherlands.

Prior to 1930 the Netherlands had in main a free economy. During the years of depression which followed 1930 there was much State interference.

/After the

After the liberation in 1945 there was a fairly strictly regulated economy with rationing, import restrictions, price control, etc., unavoidable in view of the acute scarcity of goods and the general disruption in the severely stricken country. During the years subsequent to 1946, however, controls became gradually less rigid.

The current system is almost one of a free economy. The transition from the postwar regulated economy to this mainly free economy has become possible through substantial improvement in the economic and financial situation.

The Central Planning Bureau is an advisory body for the co-ordination of the economic, social and financial policy.

After the second world war the Netherlands government felt the need of an economic planning and research institute which would contribute in an advisory capacity to the co-ordination of the economic, social and financial policy. The Central Planning Bureau began its work on September 15, 1945. This bureau makes recommendations to the government by means of central economic plans, drawn up annually, it draws from time plans for longer periods and it advises on a number of special items either asked for or on its own initiative. The CPB is formally under the Ministry of Economic Affairs who consults with a number of his colleagues. Hence, Parliament can discuss with the Minister any plans and or other documents published by the CPB.

The Central Planning Bureau is divided in three divisions:

- I. for structural problems,
- II. short term macro planning, and
- III. branches of industry.

The Central Planning Bureau has regular co-operation with the Ministries concerned with economic questions, such as Economic Affairs, Financial and Agriculture.

There are a number of boards and committees working close together with the CPB; I mention especially the Social and Economic Council. This is the top advisory organ, which includes representatives of labor, management and independent experts. Professor Tinbergen is one of the independent experts of the Social and Economic Council.

The contact with business has turned out to be essential. In regard to studies and forecasts per branch of industry a new phase has begun as a result of co-operation with industry brought about by the initiative of the four central employers association. This has led to exchanges of

ideas between the Central Planning Bureau and a large number of employers associations on the subject of the world market trends and expected developments into various branches of industry. These exchanges of ideas have proved useful.

International and academic contacts. The members of the managing board and of the staff have many other contacts, e.g. in associations with a scientific, cultural or political nature and when attending national and international congresses.

Members of the managing board and of the staff have frequently done work for international organizations.

The Central Planning Bureau does not participate in the formulation of policy decisions which are the responsibility of the Government. However, the Bureau contributes to the preparation of economic policies on such matters as wages and prices, employment, balance of payments, investments.

On planning in the Netherlands Antilles I mention the existence of the Technical and Economic Council of the Netherlands Antilles, which is the overall planning organ, with an advisory capacity. An Office of Statistics and Plans under the Ministry of Economic Affairs, collects the data and statistics for the Council.

As regards Surinam, since 1952 we have a Central Planning Bureau. This CPB was established as a separate institution and is since 1958 under the Ministry of Development.

As the Chairman of my Delegation mentioned in his address, Surinam has a ten year development programme, covering various sectors. The CPB prepares an annual budget, which covers all the sectors, this budget is presented to the Parliament by the Ministry of Development. Projects not approved by Parliament, cannot be carried out. The CPB of Surinam is not only co-ordinator and advisor in the formulation of the development projects, but is also charged with administrative control on the execution after approval by Parliament.

My Delegation also wishes to state that it has studied with much interest document E/CN.12/582 on Economic Development, Planning and International Co-operation.

/While not

While not necessarily subscribing to every detailed observation in this report, we find it a well-balanced summary. One of the central points emerging from this study appears to be: how far should import substitution and protection of new industries go if such industries produce at a higher price than that of the imported product of the same quality. Experience teaches that in this there can easily be a point of no return, namely when inefficient industry is maintained for non-economic reasons, to the detriment of the economy as a whole. One of the great advantages of the Latin American common market and of the Free-Trade Zone, will be precisely that more rational planning in the establishment of new industries under conditions of reasonable competition will be possible. Thus the pitfalls of uneconomical monopolistic industries can be avoided.

Since the report touches on the problems of raw materials, I may perhaps recall that the Government of the Netherlands favours a positive international policy towards solving the problems involved in the instability of commodity prices. International commodity agreements of which several exist, are an important means for helping to solve that price instability.

Finally, Mr. Chairman, a few words on the problem of inflation. We have studied with great interest the brilliant analysis of Dr. Prebisch on "Economic Development or Monetary Stability: the False Dilemma", and the interesting report on "Inflation and Growth: a summary of experience in Latin America". I think the time has passed that monetary policy is defended as the exclusive weapon against inflation. On this there appears to be no dilemma anymore. The Western European experience has made it quite clear that fiscal measures and a number of other instruments are necessary to obtain favorable results. In less developed countries, optimum use of resources has become the primary goal. This optimum use will, the report shows, not happen under conditions of run-away inflation. Nor can it happen under conditions of stagnation. Each country can and must find that particular blend of policies which yields maximum growth, and such a blend will necessarily include elements of monetary policy.

/Monetary policy



Monetary policy will then often not be a question of a certain total volume of credit, but rather a judiciously exercised control on the direction of credit. Such a selective credit policy, combined with a fiscal policy geared to the country's needs and possibilities and with the necessary government and private initiatives towards new economic activities will often give good results also in terms of prevention of inflation. I have mentioned here the initiation of economic activities, that is of production, because in the last instance more and better production will be indispensable to prevent inflation in a country whose resources are not fully used.



ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

STATEMENT BY MR. WILLIAM DIAMOND, REPRESENTATIVE OF THE  
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT  
AT THE PLENARY MEETING ON 12 MAY 1961

My object in asking the privilege of addressing you was to comment on the discussion of economic programming. However, I received news last night which I believe will interest the delegates assembled here. I should like to share that news with them before proceeding to my original statement.

As you know, Mr. President, a new and important international institution was established last fall. The International Development Association, an affiliate of the World Bank created by members of that Bank, now has 42 members and initial subscriptions equivalent to \$863 million. Its object is to assist countries which, for reasons beyond their control, are not able to achieve a satisfactory rate of economic development on the basis of their own resources and conventional external financing. The charter under which IDA operates does not specify the terms under which it will provide finance; it prescribes only that those terms shall be flexible and shall bear less heavily on the balance of payments of underdeveloped countries than do conventional loans.

IDA is specifically designed to finance projects which contribute most to the development of the country concerned, whether or not they are directly productive. IDA is now investigating such projects, and applying to them the same standards of preparation and execution as the World Bank does, in countries throughout the underdeveloped world, including some represented here. Those projects are not only of the type of World Bank finances, such as road development, port facilities and irrigation works, but a much broader range, such as industrial estates, municipal improvements and technical training programs.

/Yesterday, Mr.

Yesterday, Mr. President, the Board of Executive Directors of IDA approved its first development credit, thus marking the beginning of active financing operations of this new affiliate of the World Bank. This morning the contract will be signed which makes available a credit of nine million dollars to the Republic of Honduras to assist in carrying out an important program of highway development and maintenance.

Since this credit to Honduras is the first extended by IDA, you will be interested in its terms. Those terms, while not necessarily indicative of the general pattern of future IDA credits, are strikingly different from the terms on which development funds have hitherto been made available. The credit to Honduras is for a term of 50 years. It is free of interest. Repayments, which will be in foreign exchange, will begin after a 10-year period of grace, in September 1971. Thereafter, 1 per cent of the principal will be repayable annually for 10 years and 3 per cent will be repayable for the final 30 years. An annual service charge of three quarters of one percent on the amounts withdrawn and outstanding will be made to meet IDA's administrative costs.

I believe, Mr. President, that the project being financed by IDA's first development credit will also be of interest to the delegates. Aside from its important contribution to the development of agricultural production in Honduras and of its highway system, it will tie in with a highway linking Guatemala and El Salvador to Honduras, thereby contributing to the economic integration of these three countries.

Finally, I understand from my friends in the Inter-American Development Bank that they are also providing finance to cover an additional part of the cost of the same project; and I believe they will say something of this later. It is gratifying indeed that IDA's first development credit should be adjoint operation with the Inter-American Bank.

Mr. President, I should now like to return to my original subject.

The World Bank is keenly interested in the discussions, and in the plans being made, with respect to the improvement and intensification of economic programming in Latin America. For 15 years, the Bank has stressed the importance of a vigorous development policy in its member countries, and the need for a development program as a major instrument of that policy;

/and it

and it has offered assistance in preparing and executing national programs. Five weeks ago, at Rio de Janeiro, the Vice-President of the World Bank said to the assembled Governors of the Inter-American Development Bank that "a sensible and thoroughly-considered program for economic development will be an indispensable tool for any country which is seeking to share in the progress of the next decade. Quite aside from the guidance that you yourselves will derive from such programs, they will be of immeasurable assistance to those of us outside - like the Inter-American Bank and the World Bank - in our efforts to assist you. We need perspective in planning our lending operations and in making our individual investment decisions .... When you can present a program that commends itself as reasonable, we will be able to tell you what part of it we are ready to finance and help you get the rest". The Vice President then repeated our standing offer to place the Bank's resources and experience at the disposal of its members for the preparation of such programs.

Mr. President, programming and planning take place at many levels and in many institutions. They call for work and decisions, not only by the Government in the personality of the Cabinet, but also by individual ministries and by the host of autonomous and semi-autonomous agencies which have the responsibility for carrying out public activities. And within all these institutions, many departments and many individuals are involved. The planning task in which these individuals and institutions are engaged calls for such varied activities as the choice of a dam-site or the choice between a thermal and a hydro-plant, the engineering of a highway, the determination of the structure of a tax reform, the creation of an institution to finance industry, the administration of an agricultural credit program. And it requires a variety of skills, including those of the economist, the engineer and the administrator, as well as those of responsible political leadership, on which the big decisions must ultimately depend.

Too often, in discussing the need for programming, we refer primarily to the results that emerge from the top political decisions - the major targets of investment and production and the policies designed to induce the maximum effort to achieve them. But these larger plans and decisions cannot be made in isolation from the myriad of smaller and more detailed ones.

/The targets



The targets and the gross magnitudes of a program must be backed up by detailed plans and projects - if that program is to be effective. Neither a government nor an international financial institution can finance a program in the abstract, nor can it finance a project in a void - if the funds are to be well used. Thus, to the plea for more effective macro-planning - and to the World Bank's continuing offer to help in this task - I now add a similar plea and offer for micro-planning.

The World Bank's own experience - early in our history - led us to the conclusion that our rate of lending could be substantially increased if there were more effective planning at all levels in our under-developed member countries. It also led us to the conclusion that we must provide technical help for that planning. It was for a Latin American country - Colombia - that the Bank mounted its first general survey mission to assess development potentialities and to recommend the framework for a comprehensive development program. It was in Latin American countries that the Bank first stationed resident representatives to provide continuing advice on development policy. It was to Latin America that the Bank first sent missions to assist governments in preparing regional and sectoral programs. And, of course, a substantial amount of assistance in planning is implicit in the process of discussing and negotiating a particular investment, and occurs in the course of our close, day-to-day relationships with the institutions that borrow from us.

The variety of our assistance in planning is illustrated by some of the non-banking tasks in which we are today engaged in Latin America. Here in Chile we will, within 3 weeks, begin an appraisal of the Government's new 10-year development program. In Colombia we are making a survey of all transportation facilities and preparing a program for their development. In Peru we are preparing a highway investment program. In Peru, too, one of our staff is helping the Government work out a land settlement project. We are about to publish a survey of the Venezuelan economy and a program for its development. As Executing Agent of the United Nations Special Fund, we are directing the formulation of a comprehensive long-term transportation plan for Argentina. Also as Agent of the Special Fund we are directing a survey of the hydraulic resources of Guatemala, and a study of siltation

/problems in

problems in British Guiana. Finally, for a year we have been urging the Governments of Central America to join forces in sponsoring a study of their telecommunications systems, with a view to planning and establishing an integrated system of telecommunications - a development which would be an important factor in the economic integration of the Central American republics.

Of course the primary object of all these studies is to assist our member countries in their own development planning. But we hope and expect that, from them all, will emerge projects which we will be able to finance.

We have never considered that direct Bank help in planning - in the many ways I have already illustrated - is sufficient. The preparation of people to do this job for themselves - though a slower task - is in the long-run more important. To this end we have established several training programs. The most important, carried out by the Economic Development Institute, is devoted to improving the quality of economic planning and management in our member countries; it has attracted high-level staff from such varied ministries as finance, health, public works and agriculture, and from central banks, development corporations and planning commissions.

There is no specific authorization in the Articles of Agreement of the World Bank for the provision of such services as I have mentioned. The fact is, nevertheless, that we are now spending at the rate of about a million dollars a year to provide services to our members not immediately related to lending. A quarter of this total goes for the Economic Development Institute and other training programs; another quarter goes for general survey missions; and the remainder is spread over a broad range of advisory and technical activities.

I have described the scope of our technical assistance and its cost, only to illustrate the fact that the effective execution of the normal responsibilities of an international financial institution calls for something more than simply lending. I have done so in order to emphasize that the external capital your governments can attract and effectively use will depend on your own plans at all levels (from comprehensive programs to specific projects), on the capacity of your own institutions to make these plans and carry them out, and on the training of skilled engineers, economists, administrators and managers to do the work. A national will to develop

must be backed up by an effective planning apparatus based on a technically skilled staff.

In this context, I should like to express our continued readiness to discuss with the Latin American governments ways and means by which we can be of more assistance to them in comprehensive programming, in project preparation and in training. Apart from the general usefulness of such assistance for the quality of economic planning and management in Latin America, I believe it will have an important impact on the operations of the World Bank and of other lending institutions. Our experience has shown that a very long time usually elapses between the initial concept of an investment project and the completion of the engineering, financial and economic analyses which have to support that concept before it becomes suitable for government investment or Bank lending. What we need is two things: (a) identification as early as possible of investment opportunities which we might help realize and (b) acceleration of the detailed preparation of projects submitted for financing. Over the long run, these problems can be satisfactorily solved only by increasing the number of people in your own countries qualified for investment programming and project analysis. However, I am convinced that much can be done even in the short run with an improvement in internal organization and with better coordination of activities of international agencies engaged in technical assistance activities.

Finally, I should like to say that we follow with great interest the general research and training activities of ECLA; its publications and its training courses have made an important contribution to the increasing store of knowledge on the economics of growth. We have a special interest in the assistance ECLA has provided in overall programming and project analysis, and in the plans to intensify such assistance. The World Bank has more or less parallel plans to increase the volume of its own activities in the same field. However, the task ahead is very great. Any effort is a welcome one, which promises, in a practical and efficient way, to help broaden the scope and increase the depth of the programming process - not as an end in itself, but to give direction to the difficult decisions, the hard work and the tremendous investments necessary to speed up the economic growth of Latin America.

ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

STATEMENT BY MR. CHEDDIE JAGAN, REPRESENTATIVE  
OF BRITISH GUIANA, AT THE PLENARY  
MEETING ON 6 MAY 1961

First of all I would like to express our gratitude for being accepted as an associate member of this commission last year, in spite of the fact that our application was submitted at the very last moment. I am more than grateful, particularly after what we have seen this afternoon with respect to the application of British Honduras. I hope that when I am here again or someone standing in my place in the next occasion that, either, in conformity with the name of this commission that I will be speaking Spanish or that by that time we will have changed the name to something else and not call it Latin America only.

On this question of current economic trends, I speak with some hesitation as this is the first time that I am here and also because I cannot claim to know all about the economies of Latin America and the problems which confront these separate republics, of the economic, social and cultural obstacles which must be surmounted before the state of self-sustaining economic growth, which we all desire, can be attained.

Many of the problems which I have heard mentioned by previous speakers are not however unknown in my country. It seems to me, generally speaking, that the problems of underdevelopment have all the same familiar aspect, whether we are living in Asia, in Africa, in the Caribbean, or in Latin America. There is the same dependence on primary products, the same unstable world markets for such products, the same balance of payment difficulties, the same exploitation of irreplaceable natural resources by foreign interest, the same imbalances between agricultural and industrial production, the same lapse of financial resources, the same poverty and maldistribution of income, and the same inability to accelerate the momentum of economic growth in the face of rapidly growing population.

/These are

These are the symptoms and effects of underdevelopment. A mere recital of these symptoms and effects of underdevelopment, in my view, is not enough. If we are to break out of the vicious circle of poverty, it is necessary for us to recognize the causes and, indeed, to prescribe the cures. It is good to hear that planning now is no longer in the category of taboo subjects, and that even the great country, United States of America, is now seriously talking in terms of economic planning, in spite of criticism of some who say that planning is incompatible with its free-enterprise economic philosophy.

There is need, as we all admit, for rational economic planning. We cannot afford to leave development to the vagaries of chance. Planning is required to maximize returns from limited resources and for the exercise of the most judicious choice between different alternatives.

Should we invest in agriculture, or in industry? Must it be heavy industry, or light industry? How much must we put for social overhead expenditures as compared with economic development? These are all questions which the technical planning experts must determine quickly and without preconceived ideological prejudices. Some experts who have gone into the problem of economic under-development have come to the conclusion that no under-developed country can become genuinely independent unless its government is able and is willing to interfere, drastically, first, in its own internal economic life and, secondly, with the so-called free flow of international trade.

For us, who have been living in a colony, to drastically interfere with our own internal economic life implies, first, the achievement of political independence. We see in the papers which are circulated, a resolution passed in the United Nations General Assembly requesting that all colonial territories must be freed. I do hope that our neighbours in Latin America will take up the steps, in spite of the declaration of the United Kingdom, to see that British colonial territories achieve independence in the shortest time possible; indeed, immediately.

If we are to solve the social iltmus and the many problems that beset us, then we must strive for economic emancipation also.

/Today, we



Today, we are faced with many difficulties. We have to consider proper assessment of the resources and the mobilization of those resources. We have to see that the limited resources that we have are not wastefully consumed but conspicuous consumption in some cases. In other cases, by wasteful expenditure in ostentatious buildings, in some instances; in other cases, by overstaffed services, by large police forces and so on. We need aid, if we are to solve some of these problems, particularly in the short-term period. We need aid which is going to be given without strings, because if aid is given with strings attached, with conditions as to how we must spend the sums of money granted, then we will find that in the long run that instead of this aid really assisting us, that it is in effect putting us in deeper and deeper waters.

In our country, today, we find that we are faced with serious problems, in spite of the fact that we have tremendous resources, both, natural and manpower. We have a serious unemployment problem. The last ILO's, International Labor Organization survey disclosed eighteen per cent unemployed and nine per cent under-employed, with a prognosis that unless development pace were to keep step with the very rapid increase in population, with the very rapid strides needed in health standards, that by 1965 our unemployment situation will be increased by three times. Instead of having thirty thousand unemployed, or eighteen per cent of the labor force, we will have ninety thousand unemployed by 1965. This is the prospect which is certainly alarming to us.

We find also that in a country which is occupied only to the extent of four per cent of its territory, there is large land resources, that there is a severe land hunger. Recently we have just finished a new land settlement scheme embracing an area of 27 thousand acres. The land was to be distributed on the basis of only seventeen and a half acres to each family. Even this is insufficient taking into consideration the low net income per acre and also the fact that mechanization has strided very rapidly in our country. In spite of this fact of having only seventeen and a half acres for each family, we found that we could not satisfy all those who demanded land in our country. Only fourteen hundred persons could be settled in this area, but over six thousand persons applied - six thousand families.

/This is

This is the tragedy of a country like British Guiana. People want to farm, land in abundance in the country; yet, for lack of resources, for lack of money, people go about hungry, people do not have enough to cultivate.

When our last development program was drafted a year ago, we were told that it must be limited only to 110 million dollars. I speak now in our currency, British West Indies currency, which is equivalent to fifty cents United States dollars - in United States currency. For five years our program is limited to 110 million dollars, when it is admitted on all sides, by all the experts who examine our situation, that far more money is necessary.

I am not thinking of grandiose schemes for industrialization; I am thinking of the basic things, such as roads, communications, drainage and irrigation schemes, land settlement schemes, industry and agriculture.

We were told that we cannot have a bigger development program because we cannot afford it; we would not be able to pay for it. Why can't we pay for it? The projection was based on six per cent interest, at six per cent per annum over the next fifteen to twenty years. Clearly, poor under-developed countries, like British Guiana, cannot afford to break out of this situation, if it has to pay as much as six per cent interest, seven per cent interest, and other higher rates which are charged at the moment. International agencies will have to look at this problem very closely to see what can be done. We are glad to see now that agencies such as International Development Association, have been set up to permit easier term loans to be made, but unfortunately, we are told that the funds available to this organization are very limited. We are glad to see that the United States Government is making substantial sums available, some of which also will be made on fairly easy terms. In this respect we are certainly at a disadvantage because, being a colony, we cannot participate in the Inter-American Bank. Let us hope that before the next Commission meeting that we will be independent and that we will also be a member of the Inter-American Bank.

I would like, however, at this stage, to refer to what Mr. de Seynes said in his speech about the concentration in the agricultural sector.

We all realize that for one reason or another, it is difficult to embark on large scale schemes of industrialization immediately. First of all, many of us do not have the feasibility surveys made. We have not got proper assessment made of our natural resources. There is a reluctance, on the part of investors, to invest. We see over the last few years that there is a shift towards the developed countries of Europe, or North-American investments, and even before this period that more money was spent in manufacturing in the developed countries than in areas such as Latin America. In these countries whatever foreign investment came was devoted principally to the field of extraction of minerals, in the extractive industries. This has not, in many cases, resulted in all round development. It is to correct this imbalance that we are now discussing some of these important papers which have been presented to us.

But what do we find when we go abroad seeking assistance? First of all, we are told that enough money is not available, even to do the basic infrastructure development. If we mention industrialization, we are told that that must be left completely to the private sector. We see, from the statements and figures which are produced, that in the past private investment, foreign investments, are coming only in certain restricted sector of industrialization - the extractive industries. We see recently - as I pointed out - a tendency for capital to move out from the under-developed areas to go rather into the developed areas. We are therefore faced with a very serious situation. Mr. Prebisch, in his remarks, referred to the strengthening of native capital - native capital playing a greater role in the industrialization of our countries. But even here sometimes we question whether native capital alone has either the experience or the will to move ahead as rapidly as some of us feel the move should be if we are to solve the economic ills facing us not only today but which seem to be growing and looming larger.

Motivation of private enterprise is certainly one of profit, but not all schemes can be considered an undertaking on the basis of profits. Some of us are of the view that many industrial projects have to be started even though they may not, by themselves, be profitable, but considering them in the constellation of development with other industries, will lead to the

/economic improvement

economic improvement of our countries. But, unfortunately, when we talk in these terms, in these terms, we are told that capital will not be forthcoming for this sort of development.

And I think that we have to give therefore serious consideration. The last speaker, Honorable Delegate from Brazil, referred to the same point. What role must the public sector play? Other countries, in Asia and Africa, are now increasingly giving serious attention to this problem. It is no use only talking about land reform, about removing certain impediments in the way. This is not enough. We must also look at the picture more comprehensively. If I may refer to some figures pertaining to Latin America. First of all, from statements made by high officials, by policy makers it does appear that it is not the intention of the developed countries, the metropolitan countries, to industrialize these backward, underdeveloped countries. I do not want to tire you with reciting some of these statements. But what is more alarming is the fact that when foreign capital, private investments, have flowed into these areas, it has also over a long term period, resulted in a greater outflow of capitals. I am told that for the decade 1946 - 1954 a total amount of seven billion dollars were made in profits in Latin America by foreign investors. In this same period, two billion of new capital came into the area. Profits reinvested amounted to one and a half billion, leaving a net outflow of 3 and a half billion dollars. In the period 1955 to 1957, the inflow of capital amounted to 3,470 million dollars; the outflow was three billion, while profits or interest amounted to 3,550 million, thus leaving a net outflow of eighty million dollars. This is in the field of private investment.

On the government level, I am informed that for the period 1947 to 1956 loans made to Latin American governments amounted to 2,760 million dollars. Repayment of capital and interest on loans made amounted to practically more than two thirds - to 1,829 million dollars. For the year 1956 Latin America was in the predicament of having to borrow a total of 450 million dollars and having to pay back in principal and interest precisely the same amount. This, fellow delegates, is also principally responsible for the under-development of our territories. We must be concerned about these facts because, unless we face up to them, we will

/be making

be making the same mistakes in the future. There is no point in borrowing money, first of all, borrow little money, small amounts of money, which cannot solve anything. We must have large sums of money. And, if we are to solve these problems, provision should be made that the periods of repayment must be long, the rates of interest must be low.

But, far more important, we must see to it that this money is spent wisely and well, because if we do not do so, then we will be in the predicament, as we have seen from these figures, of perpetually borrowing money and perpetually paying back interest on capital without ever getting out of the rut of forever going out, outside unhappy hands, begging for money.

I see this problem facing me, or facing my government, in a very acute way. Agriculture is a very costly enterprise in my country. On the one hand, we are subject to the sea, to the salt water coming from the sea. And, on the back, from the floods which come from heavy rains. To get ourselves over those and those of land, our 83 thousand square miles of land in the hands of the farms, requires large sums of investment on drainage and irrigation projects. We are not fortunate as some countries where farmers can go and establish their homestead. If we are to settle a few farmers, on a few acres, we will have to solve the problem for a large area, because the flood problem unites the whole country. Recently we have decided to embark on a new drainage and irrigation project. When the financial experts looked at this, considering how much money had been put in, considering what will come out of it, they said: "no, we must not embark on it". What are we to do? Shall we sit and wait until private enterprise develops industries, whether from outside or from inside? We cannot afford to wait. Private enterprise is not interested in development of agriculture, in drainage and irrigation schemes, in building roads. Where are we to get the money for enhancing, for enlarging our development plan, which everyone admits is necessary? Where are we to get the money for financing agricultural schemes which we are advised we must concentrate on? We do not want charity only. We want to put our economy on a sound footing and, therefore, I return to this question of aid.

Those who are in a position today of offering assistance, must not judge us by their own philosophy or by what was good for them. Private

/enterprise may



enterprise may have been very wonderful for the development of the United States of America, or for Japan, or for Germany, but we are living today under different conditions. It is no use talking to us about equality, because we know we may be equals in the sense of having one vote, but we are very much unequal in the matter of trading and in the matter of having the commanding position to talk as equals. We, therefore, have to develop a balanced agriculture and industry. We have to take an active interest in the public sector to develop industries, because it is only from the profit of those that under-developed countries, like mine, can find the way out, can find the money to put for those more profitable things, for the drainage and irrigation of land schemes, for the agriculture which we all admit is necessary for industrialization to give a base for raising social standards, education, health services, and so forth.

Whether this sort of aid will be forthcoming is another question. But I throw out the suggestion that it must be done in this direction. Otherwise, we will not get out of the rut. There was a recent example in my country, which perhaps I should refer to just to show what has happened there. Thirty years ago came an electrical company from Canada, invested half a million dollars. Not one penny more. In the course of the last thirty years seven million dollars have flown out in profits, out of British Guiana. We have just taken over the company, on credit, on credit terms. In the course of the next five years, when we are to finish paying them, we will have to pay them another seven million dollars. All of this coming from an original investment of half a million dollars. Indeed, before taking over, we asked our consultants to tell us what is the prognosis, what is likely to be the outturn of taking over this company. We were told that after putting in all that is necessary, after going in for expensive rural electrification toward the whole country, that at the end of twenty years, the company will make a net profit of sixty million dollars. Well, if this company were allowed to remain as it was and we were content in merely drawing taxation, a normal taxation, we would have got 45 per cent of this, but the rest would have flown out of the country.

/It is

It is for us to decide whether the basic industries in our countries - in which sector we find the highest profits, because the monopoly controls. It is for us to decide whether this sector, whether the high command of the economy should be put in the public hands of the people, so that the resources from those can be used for the development of all those things which private enterprise finds unprofitable and does not want to indulge in or embark upon.

Mr. President, I realize that I have tread on a very controversial subject, but we must face facts. I realize that aid, that money, is limited and this is why, I for one, have always given support to the cause of world peace and disarmament, because I feel the quicker there is some sanity brought to world affairs in this respect, the quicker all these millions which are now going towards armaments are saved and put in fruitful economic development, the better for all concerned.

I therefore recommend to my fellow delegates that we take an active interest in this question of peace and disarmament, because I feel that in this way it may be possible to divert a great deal of millions of the money which is being wasted today and which can go towards alleviating the sufferings of our people.

I would like to say just a few words on trade. Enough has been said, a great deal has been said, on the question of the drop in prices of basic products which are produced in this areas. It is necessary for us to see that there is some stability in the marketing of primary products which are produced in the under-developed countries of the world. Indeed, we have seen over the course of the last few years that steps were taken not only by the underdeveloped countries, but also by the developed ones, to stabilize these prices and to take some steps to find markets for these goods. The developed countries are increasingly realizing that it is not in their long term interest to buy cheap and sell dear. Unfortunately for us, we have to deal with people who have become in many cases large, who have concentrated themselves in the monopolies, the result of which has been that while our prices are dropping, their prices are increasing. We are glad to say that in the United States of America and in the United Kingdom that there have been serious inquiries about monopoly tendencies in the

fixation of prices for many, many, articles, ranging all the way from drugs to electricity, and so on. Unfortunately, we have dealt with these monopolies as individuals, as weak nations, as poor countries. I am glad to say that within this region trade associations are developing and I will suggest that our country be included in the survey so that there can be some integration also of the colonial territories in this hemisphere and the sister republics.

Mr. Chairman, in concluding I would like to say that the gap in living standards today is very high between the rich countries and the poor. Ten years ago we were told that one fifth of the world's people living in the rich countries, in the industrialized countries, earned more than two thirds of the world's income, and that we living in the under-developed countries made up more than two thirds of the world's population, but we earned only one sixth of the world's income. This wide gap in living standards was reflected in individual incomes ranging from one thousand dollars for the richest countries to 50 dollars, sixty dollars, for the poor ones. Instead of the gap narrowing over the last decade, we now find that the gap is widening. Certainly this is not in the interest either of the rich, developed countries, or the poor. Because, if this situation continues, there will be explosions everywhere. I say that explosions are not in the interest of anyone because poor people die in the process. I feel that it is a moral obligation on the part of the rich to come to the assistance of the under-developed countries. We hear a lot of talk today about how much this country is doing and how much that one is doing. But let us not forget that many of these rich countries have become rich as the result of the exploitation of the poor ones. Let us not forget that and, in their own interest, they should come to the assistance of the poor ones. We cannot continue in the old game where the rich will live at the expense of the poor and get richer. Statistics have shown us that in the case of my own metropolitan country, the United Kingdom, United Nations economists have pointed out that an original investment of stock and foreign assets in 1825 of one hundred million pounds aggregated to four thousand million pounds by 1913, as a result of reinvestment of profits and interest. And what is said about the United Kingdom can be said of the United States

/of America

of America and other places who have more recently have come into the scene: France, Germany.

I say that this sort of situation cannot continue. If we are to live like brothers, if the purpose of the United Nations Charter is to be served, if we are to have one world, and not be divided into two worlds, one of the rich and one of the poor, if we are not to have explosions, then I say that the rich countries must come forward and assist us, not with handouts and doles, but giving us money, sound advice, experts who are not on their terms, who will be prepared to look at the situation objectively, combining theory with practice - some theory - so that we can get out of the rut. And, in doing so, solve the economic problems of our countries.

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## ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

STATEMENT BY MR. PAUL TREMBLAY, REPRESENTATIVE OF CANADA,  
AT THE PLENARY MEETING HELD ON 12 MAY 1961

Speaking on behalf of the Canadian observer group, I should like to say how much we have appreciated the opportunity to follow at first-hand the interesting - and significant - deliberations which have been taking place in the plenary sessions and committee meetings of this Conference. We are particularly grateful to the secretariat and member delegations for their helpfulness in providing us with copious background information and frank answers to our questions. On this point, I am sure I am merely expressing a sense of appreciation shared by all the observers who have been present at this Conference.

The Government and people of Canada are keenly interested in the development and economic integration activities now getting underway in Latin America and sympathize deeply with the determination of its people, expressed through governments and international agencies such as this Commission, to advance their social and economic wellbeing. As an American nation itself, Canada naturally has a special and neighbourly interest in Hemispheric developments, and more particularly, in the proceeding and decisions of meetings such as the present one. These matters are of direct concern to us both because of their implications and because we have much to learn from the Latin American experience.

Though not a member of the Economic Commission for Latin America, we do feel a sense of association with the work being done here and our tangible expression of this association has been effected through the United Nations Organization and its Specialized Agencies. In this respect, Canada has always attached great importance to the role of technical assistance in national economic development programmes and, indeed, has long considered it imperative that cooperation through United Nations channels, be intensified. The Prime Minister of Canada at the Pledging Conference

/of the

of the United Nations 15th General Assembly on the Special Fund pledged that Canada would not only maintain the level of her contributions, but would make significant increases. This has been carried out and Canada's contribution to the United Nations in these two categories now totals \$23 million.

Moreover, Canadian technicians and training facilities in fields in which Canada has special experience have been made available to Latin America through these U.N. programmes. Canada has also taken a particular interest in the problem of mobilizing for development purposes the world's resources of technical knowledge. In this connection, the idea of establishing a standby emergency group of technical co-operation experts by means of the maintenance of rosters, a sort of "experts' bank", was put forward by Prime Minister Diefenbaker before the General Assembly last fall and endorsed unanimously.

Mr. Chairman, we have been impressed at the weight given in discussions here to the necessity not only for technical cooperation, but for multi-lateral cooperation and coordination in all forms both within Latin America and between these regions and countries outside. In this respect, my Government has for some time been following, with increasing interest, the development of the Latin America Free Trade Association, the Central American Common Market and the preliminary steps being taken towards economic integration of the whole region. It is recognized that these measures are essential growth elements and that their aim, by providing a wider economic stage, is to accelerate the rate of development in each country. At the same time, we have been gratified to note, not only in the relevant formal treaties, but in the views expressed by delegates here, the expectation that economic integration will lead to expansion rather than the restriction of trade with the rest of the world.

This for Canada has, of course, a special significance since the requirements of our economy have always demanded the widest possible extension of multilateral trade. The livelihood of Canadians depends in large measure on the importation of goods which, either cannot be produced in Canada, or can only be produced at uneconomical cost, or because of the continental nature of our economy, cannot be transported from producing to

/consuming centres

consuming centres of the country as cheaply as they can be obtained from abroad. As a result, Canada is one of the world's largest importers - both on an absolute and on a per capita basis. Many of the products so required are being or could be supplied to Canada by Latin-American countries and the rapid growth of our population ensures the expansion of this market in the future.

To import we must of course export, in which respect there are perhaps fields in which Canada possesses a natural advantage and which complement Latin-American resources. It is to be hoped that two-way trade will be permitted to expand in a mutually advantageous manner. In this regard and with respect to the Montevideo Treaty, we are pleased to see in Document E/CN.12/567, "The Latin-American Movement towards Multilateral Economic Integration" and to hear that full appreciation is given to the effects of the Treaty on ~~agreements not in force~~ with third countries and of problems of trade ~~generally between the~~ Free Trade Area and other countries or groups of countries. I wish to assure member-delegates and the Secretariat of my Government's willingness to discuss in a constructive manner, any trade problems or points of difference with governments or the regional organs being created, either direct or in the forum of the General Agreement on Tariffs and Trade, to which Canada is a signatory.

Once again Mr. Chairman, may I express to member-delegates our appreciation for this opportunity to follow their deliberation. We have gained a great deal from our participation.



ADMISSION OF BRITISH HONDURAS AS AN ASSOCIATE MEMBER OF THE COMMISSION

Draft resolution submitted by the delegation of the United Kingdom  
of Great Britain and Northern Ireland

The Economic Commission for Latin America,

Considering the application of British Honduras for admission as an associate member of the Commission, presented by the delegation of the United Kingdom of Great Britain and Northern Ireland,

Taking into account the secretariat document informing the member Governments of the Commission of this request (E/ON.12/581),

Decides:

1. To welcome the application submitted by the United Kingdom;
2. To admit British Honduras as an associate member of the Commission, in accordance with paragraph 3 (a) of its terms of reference.





AMENDMENTS TO THE PROPOSED BY THE WORKING GROUP CONSISTING  
OF BRAZIL, CHILE, EL SALVADOR AND VENEZUELA TO THE DRAFT  
RESOLUTION SUBMITTED BY THE UNITED KINGDOM

A Working Group composed of the representatives of Brazil, Chile, El Salvador and Venezuela held a meeting and decided, on behalf of the four countries, to propose the following amendments to the draft resolution submitted by the United Kingdom delegation.

1. In the first paragraph of the preamble, to add the words "or Belize" after "British Honduras".

2. To add a third paragraph to the preamble reading as follows:  
follows:

. "Considering that the Government of Guatemala has declared that it sponsors the admission of British Honduras or Belize, whose destiny is linked to that of the American continent and especially of Central America,"

3. In paragraph 1 of the operative part, to add the words "of British Honduras or Belize" after the words "the application".

4. In paragraph 2 of the operative part, to add the words "or Belize" after the words "British Honduras".



ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

FISCAL POLICY

Draft resolution submitted by the delegation of Chile

The Economic Commission for Latin America,

Taking note with satisfaction of the preparatory work carried out by the secretariat, the Organization of American States and the Inter-American Development Bank, in co-operation with the Harvard University Law School International Programme in Taxation, with regard to proposals for a long-range programme for studying the bases for a reform of tax systems with a view to using them as instruments of fiscal and economic policy,

Considering the need of the Latin American States for resources where-with to undertake, as a matter of urgency, intensive capital formation in the basic sectors of the economy,

Bearing in mind that the tax system may be a valuable instrument of co-operation in a policy designed to promote the more equitable distribution of income and to facilitate the financing of economic development programmes,

Considering that such a system may be conducive to a more efficient use of the land, such as will increase its productivity,

Decides:

1. To request Governments to give their support to the studies which are being developed by the sponsoring agencies in connexion with the tax reform and fiscal policy programme, and, in particular, to collaborate to the fullest extent possible with the experts who will be appointed to carry out the work of study and research on the tax systems in force in the Latin American countries;

/2. To request

2. To request the secretariat that the above-mentioned tax programme make express provision for the need to improve tax administration and yields, as well as to study the bases for a tax system which will mitigate the external vulnerability and inelasticity of these systems, and will serve as an instrument of policy which may promote, in combination with others, the improvement of income distribution and land use, and, in short, may constitute a valuable adjunct to economic development programmes;

3. To request Governments that they facilitate the attendance of national experts at the two conferences which are being organized under the above-mentioned programme, one to be held in October 1961 on tax administration, and the other in April 1962 on fiscal policy.



ECONOMIC COMMISSION FOR LATIN AMERICA

GENERAL BUSINESS COMMITTEE

Ninth Session  
Santiago, Chile, May 1961

ESTABLISHMENT OF AN ECLA OFFICE IN BOGOTA

Draft resolution submitted by the delegations of Colombia,  
Ecuador and Venezuela

The Economic Commission for Latin America,

Considering that the establishment of an Office of the Economic Commission for Latin America in Bogotá would constitute a decentralization measure that would facilitate the execution of the Commission's projects relating especially to Colombia, Ecuador and Venezuela,

Bearing in mind that the Government of Colombia has offered to provide, without charge to the Commission, the necessary premises for the operation of the said Office, and has declared its willingness to grant the appropriate privileges and immunities to the Office and to the international staff thereof,

Decides to recommend to the Secretary-General of the United Nations that an ECLA Office be established in Bogotá, with the aim of facilitating the conduct of the studies and other activities undertaken by the Commission especially in connexion with Colombia, Ecuador and Venezuela.



ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

AGRICULTURE COMMITTEE  
AGRICULTURAL POLICY

Draft resolution submitted by Bolivia, Ecuador and Venezuela

The Economic Commission for Latin America,

Bearing in mind that the documents presented by the ECLA secretariat and FAO to the ninth session of the Commission include the following: "An agricultural policy to expedite the economic development of Latin America" (E/CN.12/592) and "The role of agriculture in Latin American common market and free-trade area arrangements" (E/CN.12/511),

Considering that in recent years the rate of growth of the Latin American economy has followed a downward trend, partly as a result of the inadequate development of agriculture, which is fundamentally attributable to shortcomings in the prevailing land tenure systems and other features of agrarian structure;

Recalling the resolutions on land reform adopted by the Fifth Inter-American Conference on Agriculture of the Organization of American States, the Sixth Regional Conference for Latin America of the Food and Agriculture Organization of the United Nations and the OAS Special Committee to study the formulation of new measures for economic co-operation;

Taking into account the resolutions on land reform and agricultural development adopted at previous sessions of the Commission, and also by the United Nations General Assembly and Economic and Social Council;

Considering that the regional integration of the agricultural sector raises special problems, the analysis of which must be based on different criteria from those applied in other sectors, and the solution of which entails the co-ordination of production policies,

/Decides:

Decides:

1. To take note with satisfaction of the documents presented by the ECLA secretariat and by FAO, and to recommend to Governments that in formulating their respective agrarian policies they bear in mind the conclusions and recommendations of the studies in question, especially those bearing on the need to expedite the process of transforming agrarian structures;

2. To recommend to the ECLA secretariat and to FAO that the study on the problem of agricultural economy and land reform in Latin America which it has been agreed to carry out in collaboration with the OAS at the latter's suggestion, should lay down criteria which will assist Governments in adopting measures both of national policy and of joint action at the regional level with a view to overcoming the institutional obstacles to economic development presented by existing agrarian structures, and promoting the rapid growth of the agricultural sector in the light of the requirements of the economy as a whole;

3. To request the ECLA secretariat and FAO to give special priority to the study of the problems connected with the regional integration of agriculture, and on the basis of their findings, to hold meetings of government officials for the purpose of formulating, at the technical level, specific proposals for multilateral action, and undertaking such other activities as will enable Governments to adopt decisions of economic policy in this field.

ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session

Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

EXTENSION AND IMPROVEMENT OF EDUCATION

Draft resolution submitted by Chile

The Economic Commission for Latin America,

Considering that both the average level and the guiding principles of general education and vocational training in Latin America to a great extent hamper rather than assist the economic and social development programmes and aspirations of the countries of the region,

Considering that the funds allocated to the financing of national educational systems constitute a supremely valuable investment from the standpoint both of the individual and of society, and that they are quite inadequate to meet Latin America's educational needs,

Bearing in mind that in formulating economic and social development programmes, as well as those relating to educational development, it is essential to take into account the reciprocal interaction of these two factors, which necessitates the establishment of a permanent link between the agencies that assume the responsibility of programming action in these fields,

Recalling resolution 176 (AC.45) of the Committee of the Whole, relating to UNESCO's proposal for the convening of an inter-American conference on education and economic and social development,

Notes with satisfaction that the said conference will be jointly sponsored by UNESCO, ECLA and OAS, with the co-operation of the ILO, FAO, WHO and UNICEF, and of various Latin American universities and research centres, and will be held at Santiago from 4 to 16 December 1961;

Recommends:

1. That at the meetings in question the complex problems connected with the relation between economic and social development and the structure

/and basic



and basic principles of educational systems be thoroughly studied, as also the integration of educational and national development programmes;

2. That the Governments of Latin America increase their efforts to promote the extension and qualitative improvement of general education and vocational training, by means of integrated education programmes closely linked with those relating to economic and social development, as advocated in UNESCO's Major Project on the Extension and Improvement of Primary Education in Latin America, and that they bear in mind the requirements of the next few years in respect of numbers of professional and technical workers, their fields of specialization and their educational levels;

3. That budgets for education be increased sufficiently to permit the achievement of the foregoing aims, and that international credit agencies, such as the Inter-American Development Bank and others, grant loans adequate to cover the financing of educational projects, particularly the building of school premises;

4. That national economic and educational programming agencies adopt measures designed to establish the closest possible collaboration between them, for the common good of the studies, programmes and objectives which they plan to develop or attain;

5. That UNESCO and ECLA establish, in conjunction with the other international agencies, systematic and permanent collaboration procedures, both at the regional level and in respect of the activities they carry out in individual countries through their technical assistance missions;

6. That the projected Latin American economic programming institute include special courses on educational programming.

ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session

Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

EXTENSION AND IMPROVEMENT OF EDUCATION

Draft resolution submitted by Chile

The Economic Commission for Latin America

Considering that both the average level and the guiding principles of general education and vocational training in Latin America are often limiting factors in relation to economic and social development programmes and aspirations of the countries of the region,

Considering that the funds allocated to the financing of national educational systems constitute a supremely valuable investment from the standpoint both of the individual and of society, and that they are at present quite inadequate to meet Latin America's educational needs,

Bearing in mind that in formulating economic and social development programmes, as well as those relating to educational development, it is essential to take into account the reciprocal interaction of these two factors, which necessitates the establishment of a permanent link between the agencies that assume the responsibility of programming action in these fields,

Recalling resolution 176 (AC.45) of the Committee of the Whole, relating to UNESCO's proposal for the convening of an inter-American conference on education and economic and social development,

Notes with satisfaction that the said conference will be jointly sponsored by UNESCO, ECLA and OAS, with the co-operation of the ILO, FAO, WHO and UNICEF, and of various Latin American universities and research centres, and will be held at Santiago from 4 to 16 December 1961;

Recommends:

1. That at the meetings in question the complex problems connected with the relation between economic and social development and the structure

/and basic

and basic principles of educational systems be thoroughly studies, as also the integration of educational and national development programmes;

2. That the Governments of Latin America increase their efforts to promote the extension and qualitative improvement of general education and vocational training, by means of integrated education programmes closely linked with those relating to economic and social development, as advocated in UNESCO's Major Project on the Extension and Improvement of Primary Education in Latin America, and that they bear in mind the requirements of the next few years in respect of numbers of professional and technical workers, their fields of specialization and their educational levels;

3. That budgets for education be increased sufficiently to permit the achievement of the foregoing aims, and that international credit agencies give sympathetic consideration as appropriate, to requests for assistance in financing of educational projects, particularly the building of school premises;

4. That national economic and educational programming agencies adopt measures designed to establish the closest possible collaboration between them, for the common good of the studies, programmes and objectives which they plan to develop or attain;

5. That UNESCO and ECLA establish, in conjunction with the other international agencies, systematic and permanent collaboration procedures, both at the regional level and in respect of the activities they carry out in individual countries through their technical assistance missions;

6. That the projected Latin American economic programming institute give appropriate attention to educational programming.

ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

DEVELOPMENT OF INFORMATION MEDIA IN LATIN AMERICA

Draft resolution submitted by Ecuador

The Economic Commission for Latin America,

Considering that Latin America, in order to attain its economic growth objectives in a relatively straightforward manner and satisfy those aspirations of its peoples whose fulfilment can no longer be deferred, will need the understanding and support of the population for national and regional development programmes;

Considering that in order both to obtain this understanding and support and to extend and guarantee to the people of Latin America - particularly the rural population - the full enjoyment of the right to information, it is urgently necessary to undertake co-ordinated action with a view to facilitating the satisfactory development of the press, broadcasting, television and cinematography and at the same time permitting the intensification, expansion and improvement of programmes for the vocational and technical training of personnel working in such information media;

Bearing in mind that information media can give vigorous impetus to efforts and programmes designed to provide both technical training and general education, and thus efficaciously help to expedite the economic and social development of the peoples;

Considering that in its resolution 150 (VIII) the Commission has already emphasized the need for the Latin American countries to intensify their educational and training programmes,

Decides:

1. To commend the activities which UNESCO has been undertaking, at the request of the United Nations General Assembly and Economic and Social Council on behalf of the development of information media, and which are

/reviewed in

reviewed in the general UNESCO report on Development of information media in under-developed countries (E/3437 and Add.1);

2. To endorse the conclusions and recommendations contained in the said report, especially those put forward by the Meeting of Experts on the Development of Information Media in Latin America, held under the auspices of UNESCO at Santiago, Chile, from 1 to 13 February 1961;

3. To call attention to the resolutions on information adopted by the Commission on Human Rights (E/CN.4/L.585) and the Economic and Social Council (819 A (XXXV)), and particularly to the fact that the latter invites "the Technical Assistance Board of the United Nations, the United Nations Special Fund, the specialized agencies concerned, the regional economic commissions and other public and private agencies and institutions to assist, as appropriate, less developed countries in the development and strengthening of national information media in these countries";

4. To recommend to Governments that in their economic and social development programmes they give due priority to projects, programmes and agencies for the purpose of expanding and improving information media.



ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

DEVELOPMENT OF INFORMATION MEDIA IN LATIN AMERICA

Addendum proposed by the delegation of Argentina to the  
draft resolution submitted by the delegation of Ecuador

At the end of the draft resolution the following new paragraph should be added:

"5. To recommend to Governments, likewise, that the above-mentioned programmes include measures designed to promote the wider and more efficient dissemination of accurate information on Latin America in the other countries of the world, with the help of the United Nations public information services and the facilities of other international and regional specialized agencies."

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ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

REGIONAL SEMINARS AND TECHNICAL MEETINGS ON PROGRAMMING

Draft resolution submitted by Bolivia, Chile, Colombia,  
Ecuador, Mexico and Venezuela

The Economic Commission for Latin America,

Having examined the document on international co-operation for an economic development policy in Latin America (E/CN.12/582), and the document on the experience of the Advisory Groups and the practical problems of economic development (E/CN.12/584),

Considering the Latin American countries' need to exchange ideas on practical methods of planning economic and social development policy and to learn what progress has been achieved and what experience acquired by the various countries in these respects, not only as regards the formulation of programmes but also in matters relating to their implementation and supervision,

Taking into account how useful it would be for Governments to consider mechanisms for the formulation and execution of public budgets, so that these may become, where appropriate, efficacious instruments for putting Government investment projects into practical effect,

Bearing in mind the necessity for the analysis and exchange of experience in respect of the organization of governmental administrative and technical agencies, so that the measures of economic and social policy which are formulated may be applied within a cohesive framework of overall policy, and it may be possible to evaluate on a continuous basis economic conditions and the efficacy of the measures designed to achieve the proposed objectives,

/Decides:

Decides:

1. To take note with satisfaction of document E/CN.12/582, on international co-operation for an economic development policy in Latin America, and of document E/CN.12/584, on the experience of the Advisory Groups and the practical problems of economic development;
2. To recommend to the secretariat that it organize, at the earliest opportunity, jointly with the Organization of American States and in collaboration with the Technical Assistance Programme, regional seminars and technical meetings to discuss the methodological and practical problems of programming;
3. To recommend that such seminars and technical meetings be attended primarily by representatives of national programming and budget offices or other agencies doing similar work or carrying out basic analyses for programming purposes, and by qualified experts;
4. To recommend that at these meetings priority be given to the study of the following topics;
  - (a) Mechanisms for the formulation and execution of public budgets, with a view to converting them, where appropriate, into effective and direct instruments for the implementation of development programmes;
  - (b) Administrative and technical organization for the formulation and execution of programmes;
  - (c) Methods of formulating overall, regional and sectoral long- and medium-term programmes;
  - (d) Programming of public expenditure and, in particular, of public investment and the provision of social services.

ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

PROGRAMMING METHODS AND EXPERIENCE

Draft resolution submitted by Bolivia, Chile, Colombia, Ecuador, Mexico  
and Venezuela

The Economic Commission for Latin America,

Having examined the secretariat document (E/CN.12/584) which contains a progress report on the work of the Advisory Groups and deals with practical problems of economic development programming,

Considering how useful it would be for member Governments to receive information on the experience of countries as regards the application of methods of programming economic and social development and with respect to administrative machinery for the formulation and implementation of programmes, as well as for the preparation of measures of socio-economic policy,

Decides:

1. To take note with satisfaction of document E/CN.12/584, presented by the secretariat, on the experience of the Advisory Groups and the practical problems of economic development,

2. To request the secretariat to amplify this document in order to provide information (a) on methods of formulating and applying overall, regional and sectoral programmes, mainly for agricultural, industrial and transport activities, and on experience therein; and (b) on the various institutional, administrative and technical systems currently employed in formulating and implementing programmes and in preparing measures of economic and social policy.





ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session

Santiago, Chile, May 1961

AGRICULTURE COMMITTEE

AGRICULTURE AND BALANCED ECONOMIC DEVELOPMENT

Draft resolution submitted by Chile

The Economic Commission for Latin America,

Considering that the adverse effect on over-all economic development of the lack of balance between the development of agriculture and that of other sectors of the economy is recognized, and that in the Economic Survey of Latin America for 1949 the ECLA secretariat mentions the negative repercussions on economic development produced by the slow rate of development of industry, owing to its deterrent effects on the growth of demand for goods produced by other sectors and on that of the productivity of labour,

Bearing in mind that the objectives of agricultural development include the fuller utilization of resources, the expansion of domestic production of foodstuffs and agricultural raw materials, an increase in productivity, and the adoption of measures to bring about a real improvement in rural living conditions,

Realizing that the attainment of these economic development objectives in respect of agriculture may be hindered, inter alia, by inefficiency and high operating costs in certain activities connected with the marketing of agricultural commodities and by the equally high costs of some types of industrial production, which give rise to internal price structures unfavourable to the agricultural sector, from the standpoint either of the items which farmers must purchase if they are to intensify their production or of the direct consumer goods which the rural population needs on a large scale in order to improve its levels of living,

Considering that in certain cases such consequences derive from the application of policies to encourage development which have not been devised in the context of a balanced economic development policy,

/Recommends:

Recommends:

That the secretariat supplement its previous analyses of the negative effects of unbalanced development in the various economic sectors by investigating the effects on agricultural activity resulting from uneconomic processes in other sectors or from the application of policies which lower the income of the rural sector or have not been devised in the context of a balanced economic development policy.

ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

GENERAL BUSINESS COMMITTEE

MEMORANDUM FROM THE PAN AMERICAN FEDERATION OF ARCHITECTS' ASSOCIATIONS

Note by the secretariat

The secretariat has pleasure in presenting to the Committee the attached memorandum from the Pan American Federation of Architects' Associations, recognized by the Economic and Social Council of the United Nations under category "B". The memorandum includes a request for the Commission's support with a view to urgent steps to establish a Latin American market for building materials to be used in housing projects of social importance.





- 5 -

MEMORANDUM SUBMITTED TO THE NINTH SESSION OF ECLA BY THE STUDY  
COMMISSION OF THE PAN AMERICAN FEDERATION OF ARCHITECTS'  
ASSOCIATIONS, ON THE PRESSING NEED TO BEGIN STUDIES  
IN RELATION TO REGIONAL TRADE IN BUILDING  
MATERIALS FOR HOUSING PROJECTS OF  
SOCIAL IMPORTANCE

1. For forty years our Federation, which comprises all the Architects' Associations from the United States to the south of the continent, has been concerned with the social problems relating to the housing of our peoples.

2. This Commission, which is responsible for studying financing possibilities and promoting increased productivity to solve the problem of the homeless, makes a special appeal to the ECLA Trade Committee with a view to expediting the task of finding some means of increasing productivity and enhancing the resources at present allocated to housing.

3. According to a document issued by the General Secretariat of the Organization of American States (CECE/II-7), the annual housing deficit in Latin America amounts to 1.2 million units.

4. Important though they are, the measures individually adopted by Governments to remedy this situation have not sufficed to reduce this huge deficit.

5. If the best possible results are to be obtained from the "Operation Pan America" and the future "Alliance for Progress", an essential pre-requisite is an improvement in housing conditions.

6. Since 1953 our Federation has been active in seeking among official circles in our "regional system" a co-operative formula for trade in building materials to which modular co-ordination has previously been applied and for which taxes and customs duties would be waived. This would reduce costs enormously and enable international capital to be channelled towards the financing of this type of production for housing projects of social importance.

7. The Tenth Pan American Congress of Architects held recently at Buenos Aires unanimously adopted the following resolution in connexion with these efforts:

"That there

"That there is a pressing need for exhaustive efforts to secure the implementation of the decisions adopted at its Buenos Aires session in May 1959 by the Committee of the 21, whose resolution XXVIII (paragraph 2) suggests to the Inter-American Economic and Social Council (IA-ECOSOC) that it give special priority to the studies relating to restrictions on trade in building materials contemplated in resolution XXXVI of the Tenth Inter-American Conference at Caracas (March 1954); in resolution XVIII of the First Technical Meeting on Housing and Planning (Bogota, November 1956); and in recommendation 19 of the Inter-American Committee of Presidential Representatives (Washington, May 1957), the aim of which is to promote, by means of special facilities, a broad regional market for standardized building materials to be used in minimum housing projects of social importance".

8. We have noted with satisfaction that on page 3 of the document Housing and building materials industry: Central American Integration Programme published in 1960, the United Nations makes a generous reference to the foregoing ideas on financing and on trade in building materials and lists the various supporting resolutions indicated in the preceding paragraph.

9. These ideas, which we have been advocating for the past eight years have been put into practice for the last three years in Europe by the European productivity agency, a body coming under the Organization for European Economic Co-operation. The unofficial opinion of senior personnel of the Agency is expressed in their replies to a questionnaire, in which they state that in their view it is necessary to bring the Latin American regional market for building materials into operation without waiting until negotiations for the establishment of the future overall regional market are completed. In conclusion, they declare that modular co-ordination in respect of building materials and reductions in taxes and customs tariffs, are absolutely vital.

10. In view of all these considerations, and because of the pressing social need to solve the terrible problem of living accommodation for the region's human capital, it is clear that the preparatory period of seven years spent in formal negotiations and the obtaining of official approval must now be definitely brought to an end, and that an appeal must be made to ECLA, which has effectively co-operated in so many schemes of benefit to our region, to give its invaluable assistance through its committees, so that the necessary studies may be carried out, and urgent

/steps taken

steps taken to establish a broad Latin American market for building materials to be used in housing projects of social importance.

11. Unless action on these lines is speedily taken, we believe that the inter-American financial resources allocated in present circumstances to the construction of housing or the financing of factories producing building materials will serve only to maintain an unsatisfactory level of productivity; and a co-operative and rational solution will be farther off than ever.

12. Needless to say, this Commission places itself at ECLA's service as regards any form of collaboration required in relation to these objectives.

HERNAN LARRAIN ERRAZURIZ

President of the Study Commission of the  
Pan American Federation of Architects' Associations  
Address: Calle Presidente Alfaro No. 1413, Santiago

Santiago, Chile, 9 May 1961



ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

ESTABLISHMENT OF AN ECONOMIC DEVELOPMENT INSTITUTE

Draft resolution submitted by Brazil, Chile, Colombia, Ecuador,  
El Salvador, Mexico and Venezuela

The Economic Commission for Latin America,

Considering the importance and urgency of economic development programming in Latin America for fostering and securing the accelerated economic development of the region,

Considering the need for economic development training and advisory assistance on a much larger scale than has been done in the past in the region in supporting these programming activities,

Considering that an economical and expeditious way of meeting this need is to expand the already existing ECLA activities in training, research and in advisory capacity,

Being aware that, in spite of the increased contributions of United Nations technical assistance programmes, the resources at the secretariat's disposal for carrying out economic development training and advisory activities are not adequate to meet all the requests received,

Considering that the United Nations Special Fund lends its assistance to programming, training, and other pre-investment activities like those referred to above,

Appreciating the specific interest expressed at this session of the Commission by the Managing Director of the United Nations Special Fund in economic development programming and planning,

Appreciating further the Managing Director's readiness to recommend to the Governing Council of the Special Fund that it approve a special allocation of funds to permit preparatory work for a draft request for the establishment of an economic development institute in Latin America,

/Noting



Noting that the Governments of Chile, Colombia and Venezuela have submitted a request to the Special Fund for the establishment of such an institute, and that other Governments intend to do likewise,

Recommends that the current programming activities in training research and advisory capacity of ECLA be expanded to the extent necessary and that for this purpose an ECLA economic programming institute with individual personality be established,

Recommends that such institute should aim at building up a permanent personnel of development programming experts and also establish close contact with the programming agencies of the Governments of the region for a continuous process of training, exchange of experience and improvement of programming techniques;

Decides to request the Executive Secretary of ECLA to give any assistance, as requested, to the Managing Director of the Special Fund and to the Governments concerned for working out detailed procedures necessary for the establishment of the Institute;

Expresses the hope that the Managing Director of the Special Fund and the Governing Council of the Special Fund will give early and favourable consideration to the requests made by the Latin American Governments for financial support for this Institute;

Expresses the hope that the Inter-American Development Bank will afford adequate support to the aforesaid Institute;

Requests the Executive Secretary of ECLA to consult with the Managing Director of the Special Fund in making arrangements with other international and regional organizations for the functioning of the Institute;

Draw the attention of Governments of Latin America upon the desirability to support the work of the Institute by placing at its disposal those human and material resources required locally to ensure maximum efficiency in its work in individual countries;

Trusts that the Institute established initially with the support of the United Nations Special Fund will eventually become an institute carried and maintained by the Governments of Latin America.

ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

ESTABLISHMENT OF AN ECONOMIC DEVELOPMENT INSTITUTE

Draft resolution submitted by Argentina, Brazil, Chile, Colombia, Ecuador  
El Salvador, Kingdom of the Netherlands, Mexico and Venezuela

The Economic Commission for Latin America,

Considering the importance and urgency of economic development programming in Latin America for fostering and securing the accelerated economic development of the region,

Considering the need for economic development training and advisory assistance in Latin America on a much larger scale than in the past to support these programming activities,

Considering that an economical and expeditious way of meeting this need is to expand the already existing ECLA activities in the fields of training, research and advisory assistance,

Being aware that, in spite of the increased contributions of United Nations technical assistance programmes, the resources at the secretariat's disposal for carrying out economic development training and advisory activities are not adequate to meet all the requests received,

Considering that the United Nations Special Fund lends its assistance to programming, training, and other pre-investment activities like those referred to above,

Appreciating the specific interest expressed at this session of the Commission by the Managing Director of the United Nations Special Fund in economic development programming and planning,

Appreciating further the Managing Director's readiness to recommend to the Governing Council of the Special Fund that it approve a special allocation of funds to permit preparatory work for a draft request for the establishment of an economic development institute in Latin America,

/Noting

Noting that the Governments of Chile, Colombia and Venezuela have submitted a request to the Special Fund for the establishment of such an institute, and that other Governments intend to do likewise,

Decides:

1. To recommend that ECLA's current training and advisory activities in the field of programming be expanded to the extent necessary, and that to this end the Executive Secretary of ECLA, in consultation with the Managing Director of the Special Fund, prepare the organization of the establishment of an autonomous economic development programming institute, under the auspices of ECLA, and so organized that it will be empowered to receive and administer funds from sources other than the Latin American Governments and the United Nations Special Fund;

2. To recommend that the said institute should aim at building up a permanent team of development programming experts and at establishing close liaison with the programming institutions of the Latin American Governments, in order to maintain a continuous process of training, exchange of experience and improvement of programming techniques;

3. To request the Executive Secretary of ECLA to give such assistance as may be requested by the Managing Director of the Special Fund and the Governments concerned dealing with all the procedures necessary for the establishment of the institute;

4. To express the hope that the Managing Director and the Governing Council of the Special Fund will give prompt and favourable consideration to the applications formulated by the Latin American Governments for financial support for this institute;

5. To request the Executive Secretary of ECLA to consult with the Managing Director of the Special Fund on the arrangements that might be made with other international and regional organizations for the functioning of the institute;

6. To draw the attention of the Latin American Governments to the desirability of supporting the work of the institute by placing at its

/disposal the

disposal the local human and material resources required to ensure the maximum efficiency of its activities in the various countries;

7. To declare that it is confident that the institute established under the auspices of ECLA with the support of the United Nations Special Fund will in time become an agency directed and maintained by the Latin American Governments.





ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

AGRICULTURE COMMITTEE

SUPERVISED CREDIT

Draft resolution submitted by Chile

The Economic Commission for Latin America,

Considering that one of the characteristics common to the Latin American agricultural sector is the existence of a large number of minifundia whose owners have extremely low levels of living,

Bearing in mind that the supervised credit and rural community development programmes launched in various countries have given proof of their efficacy as a means of raising the level of living of small-scale farmers at a relatively rapid rate,

Recommends that the ECLA secretariat and FAO carry out studies in the various Latin American countries on the amount of investment required for supervised credit and rural community development programmes so as to benefit smallholders by raising their levels of living in conformity with predetermined targets.

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ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

STATISTICS

Draft resolution submitted by Brazil, El Salvador and Peru

The Economic Commission for Latin America,

Considering that each forward step in economic development requires improved and more accurate measures of the progress achieved and that the increasing tempo of development requires more current data for the day-to-day and year-to-year planning of economic and social programmes,

Taking into account the report of the Seminar on National Accounts, held at Rio de Janeiro in June 1959, and the progress made in the preparation of national accounts in recent years and the fundamental place these accounts have in economic and social planning,

Considering the urgent need for better information on the social aspects of economic development and the possibilities of designing sample household surveys on the base of censuses now being conducted,

Decides:

1. To recommend that each country carry out a technical evaluation of the basic statistical data now being collected and compiled and the methods utilized in estimating national accounts when important sectors of the economy are not adequately measured, and evaluate the principal economic aggregates such as national income, consumption and investment, taking into account the uses being made of them and the accuracy and promptness required for these uses;

2. To request the secretariat, in co-operation with the Statistical Office of the United Nations and the Inter-American Statistical Institute, to participate with the countries in reviewing their existing sets of national accounts, and to organize teams of statistical advisers who would, at the request of Governments, assist the government services in formulating national statistical programmes and in developing effective coordination among agencies collecting and using statistical data;

/3. To

3. To express its satisfaction with the results achieved at the Seminar on Industrial Statistics, held at Santiago from 10 to 28 October 1960 and sponsored jointly by the Statistical Office of the United Nations, the United Nations Bureau of Technical Assistance Operations, the Inter-American Statistical Institute and the Economic Commission for Latin America;

4. To recommend to the United Nations Bureau of Technical Assistance Operations that further seminars be held for groups of countries so as to deal with special problems of industrial statistics relevant to the countries concerned, and to request it to co-operate in the holding of further seminars in other statistical fields;

5. To recommend that each country study the desirability and possibility of introducing into its statistical system periodical sample surveys of households, whereby it would be possible to collect current information on economic and social conditions primarily centered in households;

6. To request the secretariat, in co-operation with the Statistical Office of the United Nations and the Inter-American Statistical Institute, to provide the technical assistance required for developing such a programme.

ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

AGRICULTURE COMMITTEE

ROLE OF AGRICULTURE IN REGIONAL ECONOMIC INTEGRATION

Draft resolution submitted by Chile and Uruguay

The Economic Commission for Latin America,

Considering that, if the economic development of Latin America is to proceed steadily and on sound lines, one requisite is the economic integration of the Latin American countries, in which agricultural production must necessarily play a very important role,

Bearing in mind that in view of the provisions of the Montevideo Treaty it is desirable that agrarian policies be co-ordinated with a view to regional integration,

Recommends that the ECLA secretariat, as the agency advising the Latin American Free-Trade Association, undertake research on the following topics:

1. Changes which may take place in the structure of agricultural production in the Latin American countries, in face of competition from other countries or groups of countries;

2. Trends in consumption of both agricultural commodities and industrial goods;

3. Possibilities for agricultural specialization, the degree of competition that may develop and the stability of buyer markets;

4. Production costs for the staple agricultural commodities produced in the various countries of the Area;

5. Recommends likewise that, in so far as the said studies relate to the agricultural production problems of countries participating in multilateral economic integration agreements, they be carried out in close co-operation with the relevant organs of the aforesaid agreements.



1. Review of the  
2. Life, 1912-1913

3. Summary

4. Conclusion

5. References

6. Appendix

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ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

POPULATION PROBLEMS

Draft resolution submitted by El Salvador and Guatemala

The Economic Commission for Latin America,

Considering that the factors relating to population change, structure, redistribution and characteristics have frequent and complex repercussions on economic and social development, and that demographic studies make a substantial contribution to the body of information required for formulating economic and social development programmes,

Expressing its satisfaction at the work carried out by the Population Commission and the Secretariat in the field of demography, and at the co-operation established between the ECLA secretariat and the Latin American Demographic Research and Training Centre in respect of studies and assistance to Governments in that field,

Decides:

1. To recommend that the regional demographic programme of the United Nations be intensified, if possible with the help of supplementary sources, so as to cater effectively for the needs of demographic research with a view to the preparation of economic and social development programmes in Latin America;

2. To request the secretariat:

(a) To pursue and intensify, in co-operation with the Latin American Demographic Research and Training Centre, a programme of studies and assistance to Governments, giving priority to the most advantageous use of the findings of the new population censuses in the formulation of economic and social development policies, and promoting the preparation of population case studies;

(b) That in such a programme, until detailed tabulations of the new censuses are to hand, a substantial part of the resources available be provisionally allocated to the study of the establishment of concepts

/and methods

and methods of analysis, especially in relation to the redistribution of the population among cities, towns and rural areas, internal migration, size and characteristics of the labour force, and its possible trends;

(c) That at future sessions of this Commission, reports on the progress made and on achievements in the field of economic and social policy be submitted to it for consideration.

ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

POPULATION PROBLEMS

Draft resolution submitted by El Salvador and Guatemala

The Economic Commission for Latin America,

Considering that the factors relating to population change, structure, redistribution and characteristics have frequent and complex repercussions on economic and social development, and that demographic studies make a substantial contribution to the body of information required for formulating economic and social development programmes,

Expressing its satisfaction at the work carried out by the Population Commission and the Secretariat in the field of demography, and at the co-operation established between the ECLA secretariat and the Latin American Demographic Research and Training Centre in respect of studies and assistance to Governments in that field,

Decides:

1. To recommend that the regional demographic programme of the United Nations be intensified, if possible with the help of supplementary sources, so as to cater effectively for the needs of demographic research with a view to the preparation of economic and social development programmes in Latin America;

2. To request the secretariat:

(a) To pursue and intensify, in co-operation with the Latin American Demographic Research and Training Centre, a programme of studies and assistance to Governments, giving priority to the most advantageous use of the findings of the new population censuses in the formulation of economic and social development policies, and promoting the preparation of population case studies;

(b) That in such a programme, until detailed tabulations of the new censuses are to hand, a substantial part of the resources available be provisionally allocated to the study of the establishment of concepts

/and methods

and methods of analysis, especially in relation to the distribution of the population among cities, towns and rural areas, internal migration, size and characteristics of the labour force, and its possible trends;

(c) That, at future sessions of this Commission, reports on the progress made and on demographic research of importance for economic and social policy be submitted to it for consideration.



ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

GENERAL BUSINESS COMMITTEE

RELATIONS WITH INTER-AMERICAN AGENCIES

Draft resolution submitted by the delegations of El Salvador,  
Guatemala, Honduras and Nicaragua

The Economic Commission for Latin America,

Considering the desirability of the Commission's maintaining satisfactory co-ordination and co-operation with the representative inter-American agencies in the economic and social field, in the interests of smoothly integrated action to promote Latin America's economic development,

Bearing in mind that the Montevideo Treaty and the General Treaty on Central American Economic Integration have recently been signed and the Inter-American Development Bank and the Central American Bank for Economic Integration created,

Decides:

1. To maintain close liaison with the Organization of Central American States, the Latin American Development Association, the Inter-American Development Bank, the secretariat of the General Treaty on Central American Economic Integration and the Central American Bank for Economic Integration;
2. To request the Executive Secretary to adopt the necessary measures for co-ordinating the activities of the secretariat with those of the above-mentioned agencies.



ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

GENERAL BUSINESS COMMITTEE

In the draft resolution on relations with inter-American agencies, submitted by the delegations of El Salvador, Guatemala, Honduras and Nicaragua, the following corrections should be made:

In paragraph 1 of the operative part, "Latin American Development Association" should read "Latin American Free-Trade Association".



ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

REGIONAL INTEGRATION

Draft resolution submitted by Chile and Colombia

The Economic Commission for Latin America

Considering the progress achieved in various countries in the process of programming the development of their economies,

Bearing in mind that it is desirable for the Governments signatories of the Montevideo Treaty - as well as for those intending to accede to it - to co-ordinate the economic targets incorporated in programmes so as to make them compatible with the aims of regional integration,

Decides:

1. To recommend to the ECLA secretariat that it study, when the Governments referred to so request, the degree of compatibility of the targets established by individual countries - set forth in their programmes or in other expressions of the economic policy they propose to pursue - with the common desire, already formalized, to create a free-trade area;

2. To request the secretariat to advise the Governments of the States members of the Latin American Free-Trade Association, whenever it is asked to do so, on the co-ordination of their national development programmes within the framework of a regional integration programme.





ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

GENERAL BUSINESS COMMITTEE

CO-OPERATION WITH THE ORGANIZATION OF AMERICAN STATES AND THE  
INTER-AMERICAN DEVELOPMENT BANK

Draft resolution submitted by Chile, Colombia, Ecuador,  
El Salvador and Peru

The Economic Commission for Latin America,

Takes note with satisfaction of the creation of an Ad Hoc Co-operation Committee constituted by the Executive Secretary of the Economic Commission for Latin America, the Director-General of the Organization of American States and the President of the Inter-American Development Bank;

Recognizes that, while the three organizations maintain their independence and freedom of action, the working arrangements of the agreement as set forth in document E/CN.12/601 provide a suitable basis for intensifying the co-operative efforts of these organizations to assist Governments in accelerating their economic and social development;

Endorses the agreement on the understanding that this is a flexible arrangement which may be modified in the light of experience;

Recommends to the ECLA secretariat that it suggest to the Committee in question that, in its work of co-operation and co-ordination, it should maintain close contact with the specialized agencies of the United Nations which operate in Latin America and should ensure the co-ordination of the latter's activities with those of the organizations and agencies forming the Committee, in so far as the resemblance or connexion between their respective programmes makes this advisable, establishing such mechanisms or arrangements as it may deem appropriate, in accordance with the working relations existing between them.



ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

ACTIVITIES OF THE CENTRAL AMERICAN ECONOMIC  
CO-OPERATION COMMITTEE

Draft resolution submitted by Mexico and Venezuela

The Economic Commission for Latin America,

Cognizant of the report of the Central American Co-operation Committee (document E/CN.12/552), covering the period September 1959 to December 1960, and the Note by the secretariat on the Central American Economic Integration Programme (document E/CN.12/586), of which it takes note with satisfaction,

Considering that, in December 1960, the Governments of El Salvador, Guatemala, Honduras and Nicaragua signed the General Treaty on Central American Economic Integration, the Protocol to the Central American Agreement on the Equalization of Import Duties and Charges, and the Agreement constituting the Central American Bank for Economic Integration,

Decides:

1. To congratulate the Committee on its encouragement of the activities relating to Central American economic integration, and the Governments of El Salvador, Guatemala, Honduras and Nicaragua on the signature of the aforesaid agreements;

2. To express the hope that, in due course, the Government of Costa Rica will decide to accede to membership in the common market;

3. To express its gratitude to the secretariat, the Bureau of Technical Assistance Operations of the United Nations, the Food and Agriculture Organization of the United Nations and the International Labour Organization for the assistance they have afforded, and to request them to continue co-operating to the fullest possible extent with the Central American Economic Co-operation Committee.



ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

DECENTRALIZATION OF POWER

Draft resolution submitted by Peru

The Economic Commission for Latin America,

Considering that one of the factors retarding the integrated and simultaneous economic development of the region is the uneven geographical distribution of economic activities within each individual country,

Bearing in mind that this concentration of economic activities usually results from the centralization of the organs and machinery of political power in one or few towns, so that the rest are deprived of suitable means of developing autonomously,

Decides to recommend to the appropriate agencies of ECLA and of the Bureau of Technical Assistance Operations that they study the favourable repercussions on the harmonious development of the countries of the region which would result from decentralization of the machinery of political power and of its organs for the provision of incentives or for administrative control.





ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session

Santiago, Chile, May 1961

GENERAL BUSINESS COMMITTEE

DECENTRALIZATION OF THE ECONOMIC AND SOCIAL ACTIVITIES OF  
THE UNITED NATIONS AND STRENGTHENING OF THE  
REGIONAL ECONOMIC COMMISSIONS

Draft resolution submitted by Argentina, Brazil, Colombia,  
Ecuador, El Salvador, Mexico, Nicaragua and Venezuela

The Economic Commission for Latin America,  
Bearing in mind:

(a) That the United Nations General Assembly adopted, at its fifteenth session, resolution 1518 (XV) recommending that steps be taken to decentralize United Nations activities in economic and social affairs and make increased use of the economic and social commissions,

(b) That the Economic and Social Council adopted resolution 793 (XXX) on the decentralization of activities and operations and the advantage of drawing, as fully as possible, on the services of the regional economic commissions, especially in the planning and execution of programmes for advancing regional development in the economic and social fields,

(c) That the Secretary-General of the United Nations has submitted to the Commission, for consideration at its present session, document E/CN.12/564, in which the views of member Governments are requested on the measures which would be conducive to strengthening the regional economic commissions and increasing their participation in operational programmes,

(d) That the Executive Secretary of the Commission has presented for consideration at the present session document E/CN.12/599 which sets forth an overall plan and, at the same time, specific initial measures for decentralizing the programmes for advancing regional economic development,

Considering:

(a) That on numerous occasions the member Governments have pointed out the advantages that would accrue from utilizing the services of the

/Commission as

Commission as actively as possible and from proceeding to decentralize the technical assistance programmes of the United Nations<sup>1/</sup>,

(b) That the financial resources available for the technical assistance programmes are insufficient to cover all the projects in which the member Governments are interested, and that a periodic selection should therefore be made of the projects likely to be most beneficial for economic development and that they should be carried out as efficiently as possible by means of a continuous evaluation of results,

(c) That the knowledge and experience of the ECLA secretariat should be drawn upon as fully as possible in both the formulation and development of the projects,

(d) That the ECLA secretariat should be given the requisite staff to enable it to provide such services with all necessary efficiency,

Decides:

1. To take note with satisfaction of General Assembly resolution 1518 (XV) and Economic and Social Council resolution 793 (XXX), of the relevant document presented by the Secretary-General (E/CN.12/564) and of the report submitted by the Executive Secretary (E/CN.12/599);

2. To express its gratitude to the General Assembly and to the Economic and Social Council for the measures which they have adopted to decentralize United Nations economic and social activities and to strengthen the regional economic commissions;

3. To concur in the opinion of the Secretary-General that, in order to intensify the participation of ECLA in United Nations operational activities it might be necessary to increase its staff resources as appropriate (E/CN.12/564, paragraph 5 A); and

4. To recommend to the Secretary-General that he proceed to carry out the projected decentralization and take steps to secure from the competent bodies of the United Nations the necessary resources for creating an operational technical assistance unit within the Commission, and to assign to it the specialized staff required to prepare and continue developing the technical assistance projects on the lines proposed by the Executive Secretary (see document E/CN.12/599).

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<sup>1/</sup> See ECLA resolution of 20 June 1950 (E/CN.12/192), reiterated in resolutions 12 (IV), 39 (AC.16), 85 (VI), 110 (AC.34), 125 (VII) and 144 (AC.40).

ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

SOCIAL ASPECTS OF DEVELOPMENT

Draft resolution submitted by Mexico

The Economic Commission for Latin America,

Whereas it is now a generally-accepted principle that the social development of our countries should be promoted alongside their economic development,

Whereas this implies, on the one hand, the existence of specific factors of strategic value for economic development which must be taken into account in any attempt at programming, and, on the other, that every possible endeavour should be made to foster integrated socio-economic development in which the objectives of social policy are smoothly co-ordinated,

Whereas, despite the general recognition of these needs, basic empirical research has not yet been carried out, and that there is a shortage of properly qualified specialists in the theory and techniques of social programming,

Takes note with satisfaction of the secretariat's efforts in this connexion, pursuant to resolutions 82(VI) and 124(VII), and regards as a highly efficacious measure the joint convening, by the ECLA secretariat, the United Nations Educational, Scientific and Cultural Organization, the Bureau of Social Affairs and the Bureau of Technical Assistance Operations, of the Working Group on the Social Aspects of Economic Development in Latin America, which met at Mexico from 12 to 21 December 1960,

Requests the secretariat:

1. To continue activities of this type by convening working groups on social aspects of economic development at the regional level, and to arrange at the earliest possible opportunity, with the co-operation of UNESCO, the

/Bureau of

Bureau of Social Affairs of the United Nations, and other bodies, a second meeting of experts of the same nature, based, where appropriate, on the research recommended in the report of the Mexico meeting;

2. To co-operate in the organization of meetings of this same type at the national level;

3. To study the problem of training social programming experts and to put forward suggestions for its solution.

ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session

Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

ECONOMIC DEVELOPMENT OF BELIZE

Draft resolution submitted by El Salvador, Guatemala, Honduras and Nicaragua

The Economic Commission for Latin America,

Whereas, by virtue of resolution 181 (IX) of the present ninth session of the Commission, Belize was admitted as an associate member of the Commission,

Taking into account the fact that, because of its geographical situation and economic activity, Belize is destined to become part of the Central American economic Unit, this view having being fully supported and confirmed by the delegation of Belize,

Recommends:

1. That the secretariat should take the foregoing reasons into consideration in order to relate the economic studies on Belize to the economic structure of Latin America;
2. That the Government of Belize and of the Central American countries make the necessary arrangements for Belize to join the Central American Economic Co-operation Committee in due course.





ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

ECONOMIC DEVELOPMENT OF BELIZE

Draft resolution submitted by El Salvador, Guatemala, Honduras and  
Nicaragua

The Economic Commission for Latin America,

Whereas, by virtue of resolution 181 (IX) of the present ninth session of the Commission, Belize has been accepted as an associate member,

Taking into account, the fact that, because of its geographical situation and economic activity, Belize is destined to become part of the Central American economic unit, this view having been fully supported and confirmed by the delegation of Belize,

Recommends:

1. That the secretariat should take the foregoing reasons into consideration in order to relate the economic studies on Belize to the Central American economic structure;

2. That the Governments of Belize and the Central American countries consider the possible repercussions of closer economic association between them with a view to Belize joining the Central American Economic Co-operation Committee in due course.



ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session

Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

TRAINING OF LABOUR IN ECONOMIC AND SOCIAL DEVELOPMENT PROBLEMS

Draft resolution submitted by Uruguay

The Economic Commission for Latin America,

Recognizing the need for labour forces to participate in the work of economic and social programming,

Recognizing the need to intensify dissemination of methods of analysis and evaluation of economic and social development problems,

Recommends:

1. To the secretariat that it consider how to prepare labour training and discussion courses on economic and social development problems which could be given in the various countries concurrently with the intensive courses that are being organized with the co-operation of the Technical Assistance Programme;

2. To Governments that they ensure that labour forces are represented on their delegations to regional seminars on overall economic and social programming which deal with topics of direct interest to Latin American workers.



ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

MEETINGS OF INDUSTRIALISTS

Draft resolution submitted by Brazil, Colombia, Mexico and Peru

The Economic Commission for Latin America,

Considering it to be essential for the harmonious industrial development of the region that entrepreneurs in certain important branches of industry should be informed of the development programmes and existing production capacity of other countries,

Bearing in mind that the principal benefits of economic integration will be obtained if the specialization of production is effected in such a way that trade among the countries concerned enlarges their markets and obviates the fragmentation and anti-economic duplication of installed capacity,

Decides:

1. To request the secretariat to arrange meetings of entrepreneurs in specific branches of industry and representatives of official institutions responsible for promoting the development of the lines of manufacture concerned, so that they may exchange views on the development of the said industries, and so far as possible co-ordinate their programmes and policies with the aim of preventing duplication of certain industrial installations that entail large-scale production, and pooling their efforts in respect of the training of technical experts and skilled workers, patents, technological research and other matters germane to the development targets established;
2. To request that priority be given to the meeting on the motor vehicle industry, in view of the progress made by this activity both in programming and in practical achievements.





ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

CONSUMER GOODS INDUSTRIES

Draft resolution submitted by Brazil, Chile and Peru

The Economic Commission for Latin America,

Considering that on various occasions, and particularly in resolution 10 (IV), the Commission expressed its interest in studies connected with consumer goods industries, including the textile industry which occupies a prominent place in that group,

Considering that a thorough knowledge of the characteristics of these industries in the various countries of the region acquires particular importance when related to regional problems of economic integration,

Takes note with satisfaction of the fact that the secretariat has embarked on new studies on the textile industry in some countries of the region in response to requests made by institutions in those countries;

Recommends to the secretariat that it extend such studies to other countries of the region which have expressed interest in the matter and also to other industries in the group of consumer goods industries;

Requests the United Nations Bureau of Technical Assistance Operations to collaborate in this project by providing experts in these branches of industry who have previously taken part in missions in individual countries of the region.



ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

PAPER AND PULP INDUSTRIES

Draft resolution submitted by Argentina, Brazil, Colombia,  
Kingdom of the Netherlands and Peru

The Economic Commission for Latin America,

Considering the work accomplished by the ECLA/FAO/BTAC Pulp and Paper Advisory Group in studying the prospects of developing the pulp and paper industries in Latin America,

Considering the usefulness of such studies, not only for the countries directly concerned, but also as background information essential for the adoption of a regional approach to the development of those industries,

Considering the need for pursuing such studies not only as regards bringing them up to date in the countries where this is necessary but also in respect of supplementing them with an analysis of other fundamental aspects of the development of the industries in question, such as the training of personnel, technological research for the more efficient adaptation of conventional processes to the special characteristics of Latin American raw materials, and the international financing of new plants.

Considering the desirability of directing the activities of the above-mentioned Advisory Group towards the provision of assistance to Governments, whenever requested, in the preparation of specific development programmes for industries in the sector or in formulating applications for international technical and financial assistance in the preparation of such programmes from such organizations as the United Nations Special Fund,

Decides:

1. To recommend to Governments that they continue to utilize the services of the Group;

2. To request the secretariat to take the necessary steps to enable the Group to continue its useful activities in Latin America;

3. To request that the Bureau of Technical Assistance Operations and the Food and Agriculture Organization continue to co-operate with the secretariat in constituting the Group;

4. To recommend to the secretariat that the future activities of the Group be primarily concerned with providing assistance to Governments, which so request, in the preparation of specific programmes for the development of the pulp and paper industries in their countries and in clarifying the problems of training and technological and financial research to which the implementation of such programmes may give rise.

ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session

Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

COMPARATIVE PRICES AND THE PURCHASING POWER OF CURRENCIES

Draft resolution submitted by Colombia, Mexico and Peru

The Economic Commission for Latin America,

Taking into account the preliminary study on comparative prices and the purchasing power of currencies (E/CN.12/589) submitted by the secretariat,

Recognizing that a proper comparative calculation of real prices, costs, wages and incomes is of fundamental importance for the countries of Latin America in connexion with the analysis of economic development and the formulation of national and regional development programmes,

Considering that, given the present inadequate operation of the market in Latin America, the prices of the factors of production in many cases do not reflect the relative scarcity or abundance of such factors, and that this tends to introduce distortions into the evaluation of development projects from the standpoint of national economies,

Decides:

1. To recommend to the secretariat that it amplify the aforementioned study to cover all the countries of Latin America; that it collaborate to the full with other international bodies in comparing data from the Latin American countries with information from other parts of the world; that it broaden the study to include relationships between price, wage and personal income levels; and that it analyse the causes underlying the difference in the price structure of each country;

/2. To recommend



2. To recommend to the secretariat that it collaborate to the fullest possible extent with countries that so request in determining the book prices which are required for the evaluation of investment projects from the point of view of the economy as a whole;

3. To recommend to Governments that their competent authorities collaborate to the full with the secretariat by providing it with the information it requires for carrying out the aforementioned studies.

ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

CAPITAL GOODS INDUSTRIES

Draft resolution submitted by Argentina, Brazil, Colombia and Peru

The Economic Commission for Latin America,

Considering that there is a tendency among the countries of the region to develop their industry along more balanced lines by assigning a more important role to the local processing of their raw materials, fuels and intermediate products, and that this trend is generating a steadily-increasing demand for basic production equipment,

Considering that in the more highly industrialized countries of Latin America the metal transforming industries, and especially heavy industry, have already developed sufficiently to embark on the manufacture of such equipment,

Considering that the production of capital goods would bring incalculable benefits in its train, both for individual countries and for the region as a whole, inasmuch as it would permit, on the one hand, a substantial saving of foreign exchange and, on the other, - since by its very nature - it lends itself to co-ordination of resources, the more efficient utilization of the production capacity of metal transforming enterprises,

Considering that the studies which ECLA is initiating in this field reveal that, despite the existence of favourable conditions for this type of industry, its development is lagging behind because of factors unconnected with the techniques and production capacity of enterprises,

Considering that the analysis of the aforesaid factors shows that the want of adequate provision for the medium- and large-term financing of sales of these capital goods constitutes the principal limitation to the expansion of industry,

/Considering that

Considering that the national agencies do not have sufficient resources to meet these requirements, but that they offer a basis for the establishment of a financing mechanism and the channelling of supplementary resources from abroad,

Taking note with satisfaction of the studies which ECIA is carrying out in this field,

Decides:

1. To recommend to the Inter-American Development Bank, to the International Bank for Reconstruction and Development, and to the other international financing agencies that they take resolute steps to solve the problem of medium- and long-term credit by supplementing the activities of national institutions in respect of the financing of both domestic sales and exports of the goods referred to;

2. To request the secretariat to continue the studies it is carrying out in relation to the manufacture of capital goods, and to collaborate with national agencies in the preparation of specific projects for presentation to the appropriate international financing institutions, with a view to guiding the action they may take in order to attain the above-mentioned objectives through the combination of national and international resources.

ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

CAPITAL GOODS INDUSTRIES

Amendment proposed by Mexico to the draft resolution submitted by  
Argentina, Brazil, Colombia and Peru

That the following opening paragraph be added to the operative part:

"1. To recommend to the Latin American Governments that, through the credit policies of their central banks vis-a-vis the operations of the private banking system, and likewise, where appropriate, through their foreign trade banks, they give their support to the medium- and long-term financing of exports of the capital goods produced in their own countries;".



ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

CAPITAL GOODS INDUSTRIES

Amendment proposed by Ecuador to the draft resolution submitted by  
Argentina, Brazil, Colombia and Peru

That the following paragraph be substituted for paragraph 1 of the operative part in the original draft:

"2. To recommend to the Governments members of ECLA that they instruct their representatives to international financing agencies, in the first place, to request these bodies to study the problem of medium- and long-term credit for the purpose of financing the sale of capital goods produced in Latin America, and the ways in which they might help to supplement the activities of national credit institutions in that field; and, in the second place, to take resolute action with a view to implementing the recommendations arising out of the said study."





ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE  
TECHNOLOGICAL RESEARCH

Draft resolution submitted by Mexico

The Economic Commission for Latin America,

Considering the disparity between Latin America's current capacity to undertake technological research and the requirements implicit in industrial development,

Bearing in mind that this disparity constitutes an obstacle to such development at the present stage of Latin American industrialization,

Conscious that the similarity of resources and problems among the countries of the region has begun to lead to the establishment of common targets for technological research, and will conduce to duplication of effort in the absence of specialization and a division of responsibilities among existing research institutes,

Convinced that technological research comes within the purview of the promotional activities of international bodies such as ECLA, the Bureau of Technical Assistance Operations, the United Nations Special Fund, the specialized agencies and the Inter-American Development Bank,

Reaffirming the interest that it has itself expressed in technological research in resolutions 13 (IV) and 53 (V),

Requests the secretariat:

1. To proceed with its studies on Latin American requirements as regards technological research, with particular attention to the formulation of a regional programme of priorities and the determination of ways and means of expanding existing institutions or setting up new ones;

2. To collaborate to the extent that its terms of reference permit, with member States in the preparation of their own programmes for the development of technological research, and in the formulation of applications to international organizations for technical and financial assistance;

/3. To

3. To convene a board of directors of technological research institutes, with a view to promoting the formulation of co-ordinated programmes and the specialization of activities;

Suggests that the United Nations Special Fund and other relevant organizations should give attention first and foremost to applications for assistance connected with the foregoing objectives.

ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

SOCIAL PROBLEMS IN LATIN AMERICA

Draft resolution submitted by Brazil, Chile, Colombia, Ecuador and Mexico

The Economic Commission for Latin America,

Realizing the need to pay due attention to social problems in order to formulate measures of economic and social policy designed to raise the levels of living of the Latin American peoples,

Being concerned about the urgent need to improve the social situation in the Latin American countries,

Considering that a better knowledge of the main factors determining the social situation would be useful in formulating satisfactory economic and social development plans as well as the various programmes of social policy,

Decides to recommend to the secretariat that it undertake within the shortest possible time, in collaboration with the national and international organizations competent in the social field, a study to ascertain and analyze the principal social factors in Latin America that should be taken into account for an effective policy of economic and social development.



ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

AMENDMENTS PROPOSED BY THE DELEGATION OF THE UNITED KINGDOM  
TO THE DRAFT RESOLUTION ENTITLED "ECONOMIC DEVELOPMENT  
OF BELIZE" (Conference Room Paper No. 26/Rev.1)

The delegation of the United Kingdom proposes the following modifications to the draft resolution presented in Conference Room Paper No. 26/Rev.1:

1. That, since the territory in question is internationally known as British Honduras, that name be used throughout the resolution;
2. That the second paragraph of the preamble should read:  
"Taking into account the geographical situation of British Honduras";
3. That paragraph 2 of the operative part should read: "That the secretariat study the possible repercussions of closer co-operation between British Honduras and the other Central American countries".





ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

REPERCUSSIONS OF SCIENTIFIC PROGRESS ON THE ECONOMIC AND SOCIAL  
DEVELOPMENT OF LATIN AMERICA

Draft resolution submitted by Peru

The Economic Commission for Latin America,

Considering that the rapid advances achieved in the field of scientific research are constantly creating synthetic substitutes for the natural raw materials which have hitherto constituted the basis of the Latin American economies,

Appreciating the progress made in connexion with the peaceful uses of atomic energy, the aim of which is to transform the existing systems of production, conversion and distribution of energy, to which sector the Latin American countries devote a very large proportion of their resources,

Bearing in mind that the increasing application of automation in contemporary life is creating a new situation as regards the numbers and training of personnel employed, giving rise to temporary unemployment, or manpower shifts towards services, or the absorption of the younger population groups by the extension of their period of education,

In view of the need to co-ordinate Latin American economic integration efforts with similar efforts being made in the European and African countries, creating common markets which are bound to affect one another and whose repercussions may be felt by the economy of our countries,

Decides to recommend to the ECLA secretariat that, with the co-operation of FAO, ILO, BTAO, UNESCO and the Atomic Energy Commission, it carry out research, on a continuing basis in so far as its resources permit, on the future repercussions of scientific progress, the development of atomic energy, automation and the integration of other areas on the economic and social development of Latin America.



ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

LATIN AMERICAN MARKET FOR CONSTRUCTION MATERIALS

Draft resolution submitted by Chile and Colombia

The Economic Commission for Latin America,

Considering that the important measures taken individually by the Governments to reduce the annual deficit of one million two hundred thousand dwellings in Latin America have not succeeded in changing this situation,

Considering that one of the main obstacles to the more efficient use of the necessary resources is the lack of a Latin American common market for construction materials for housing of benefit to the communities,

Considering that it is essential to take joint action to deal with this serious social situation without delay,

Cognizant of the document submitted by the Pan American Federation of Architects' Associations,

Decides:

1. That, in the programme of studies on the common market which is being carried out by ECLA, consideration should be given to preparing a project for setting up a Latin American market for construction materials, in order to solve the serious problems of housing of benefit to the community which besets the Latin American peoples;

2. To accept the collaboration of the Pan American Federation of Architects' Association in these studies.



ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

TEACHING OF ECONOMICS IN LATIN AMERICA

Draft resolution submitted by Brazil and Ecuador

The Economic Commission for Latin America,

Considering that the countries of Latin America are interested in carrying out economic development policies on the basis of programming techniques and that for this purpose they will require specialized personnel,

Takes note with satisfaction of the action taken jointly by the United Nations Educational, Scientific and Cultural Organization (UNESCO), the secretariat of ECLA and the Organization of American States to sponsor a mission of economists to study the teaching of economics in the relevant faculties of Latin American universities, and of the report submitted by that mission (E/CN.12/546/Rev.1),

Expresses its gratitude for the valuable help given to the Joint UNESCO/ECLA/OAS Mission, by the rectors of universities, deans of faculties, principals of schools of economics and educational authorities of the various countries of Latin America,

Recommends:

1. To the Governments members of the Commission that they provide the universities of Latin America with the facilities they need in their efforts to improve the teaching of economics, and that they should give effect to the recommendations contained in the report of the Joint UNESCO/ECLA/OAS Mission;

2. To the universities, and particularly to the faculties of economics, that they continue the efforts begun at the Second Latin American Meeting of Deans of Faculties of Economics, held at Rosario, Argentina, in October 1960, to improve curricula and teaching materials by introducing courses in the analysis and evaluation of economic development problems and programming;



3. To international organizations, particularly UNESCO, ECLA and OAS, that they increase to the greatest possible extent their aid to universities which so request in the following ways recommended by the Joint UNESCO/ECLA/OAS Mission:

- (a) By granting fellowships to teaching staff to enable them to complete their studies in national or foreign universities or international institutes of learning;
- (b) By helping to provide full-time teaching staff;
- (c) By encouraging the preparation of high-quality texts on economics that are closely related to the present economic and social development problems of Latin America;
- (d) By helping university libraries to enlarge their collections of books and texts on economics.

ECONOMIC AND SOCIAL COMMISSION

Ninth Session

Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

WATER RESOURCES

Draft resolution submitted by Argentina, Chile, Ecuador and Venezuela

The Economic Commission for Latin America.

Considering the progress made in the study of water resources in the Latin American countries with the assistance of the ECLA/BTAO/WHO missions, such as the study on Venezuela (L/CN.12/593) submitted to the present session, and the requests pending in this connexion,

Bearing in mind that the secretariat has been unable to comply with resolution 131 (VII) on the utilization of the waters of rivers and lakes forming international hydrographic basins owing to lack of funds and of adequate technical staff,

Having regard to resolutions 166 (VIII) on the continuation and amplification of the studies on water resources and 164 (VIII) on the planning and utilization of hydroelectric resources,

Decides:

1. To reaffirm the need to continue with the studies on the integrated rational and co-ordinated utilization of hydroelectric resources in the Latin American countries;
2. To request the Bureau of Technical Assistance Operations to continue co-operating in the water resources programme;
3. To reaffirm the urgent need to promote the study of water resources and the training of experts specializing in this field, either as a separate activity or as part of the other work of the Commission connected with vocational training and research on the basic problems of economic development;
3. To suggest that the secretariat, as a special activity or by any other means deemed appropriate and in consultation with the component national bodies, proceed at the earliest opportunity to prepare methods

/for the

for the collection, processing and interpretation of the basic data required for the study and development of the water resources common to several countries in the region, and to encourage the adoption and application of such methods in those countries.

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

STUDY AND INTEGRAL PLANNING OF HUMAN RESOURCES IN THE ECONOMY

Draft resolution submitted by Chile, Ecuador and Venezuela

The Economic Commission for Latin America,

Considering that the human factor is the central problem and the true object of any type of economic policy aimed at the continuous improvement of the community's level of living,

Bearing in mind that in all theoretical and practical measures related to economic planning and the execution of plans, a realistic and objective evaluation of human resources is indispensable,

Taking account of the chief ways in which the human factor is involved in economic development, and of the need to make proper plans for the solution of the problems involved,

Noting that the basic characteristics of the human factor, which are closely interrelated and require joint analysis and planning, are the following - taken in their logical order: (a) population movements, which are the basis of current labour supply and an essential item of information for future forecasting; (b) the structure of employment and the process of absorption of labour into the economic environment, which must keep pace with the rate of population growth; (c) the supply of skilled labour at all levels and in all sectors of the economy, as a basis for the organization of productive employment; (d) a sufficiently high general level of education to provide a basis for this general culture of the people within the modern economic system and for vocational training to the extent and at the levels required; (e) labour productivity in all sectors of the economy and in all occupations, a matter calling for careful study, since its increase must be considered as an important aim of economic and social development; (f) a level of remuneration in the various occupations which is related to the level of productivity, thus bringing about a redistribution of income

calculated to provide the utmost incentive in all sectors and at all occupational levels and at the same time to ensure the rapid growth of demand for goods and services of all kinds without prejudice to the process of investment, which will depend more and more on efforts by all sections of the community rather than on the interests of small social and economic groups,

Recommends resolution 149 (VIII) of the Economic Commission for Latin America on skilled labour;

Recommends to the secretariat that, in collaboration with the appropriate international bodies, it carry out studies on analysis and integral planning in the field of human resources, including a comprehensive approach to all the basic points set forth in the preambular paragraphs of this resolution, and designed to provide all Governments using economic development programming systems with the best methods and the necessary technical assistance in this field.

ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session

Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE

REGIONAL INTEGRATION

Draft resolution submitted by Mexico

The Economic Commission for Latin America,

Considering the progress achieved by various countries in the process of programming the development of their economies,

Bearing in mind that it is desirable for the States parties to the Montevideo Treaty and the General Treaty on Central American Economic Integration to co-ordinate the industrialization projects embodied in their development programmes or policies with the new economic situations created by the existence of those instruments of regional integration,

Decides to recommend to the States parties to the Montevideo Treaty and the General Treaty on Central American Economic Integration that, in preparing and implementing their economic development programmes and policies, they take into account the altered situation in respect of the size of markets, competitive conditions and regional integration opportunities created by the existence of the said Treaties.





ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE  
EXPERTS ON LABOUR QUESTIONS

Draft resolution submitted by Venezuela

The Economic Commission for Latin America,

Considering that the organized labour can make a valuable contribution to the study of the social problems of development, as well as to supporting the national programmes deriving from the relevant recommendations,

Decides to recommend to the ECLA secretariat that it invite experts on labour questions connected with the labour movement to the seminars or meetings for the study of social problems of development.



ECONOMIC COMMISSION FOR LATIN AMERICA

Ninth Session  
Santiago, Chile, May 1961

PLACE AND DATE OF THE TENTH SESSION

The Economic Commission for Latin America,

Bearing in mind paragraph 15 of its terms of reference and rules 1 and 2 of its rules of procedure,

Considering the invitation issued by the Government of the Republic of Argentina to hold the tenth session of the Commission at the city of Buenos Aires,

Decides:

1. To express its gratitude to the Government of the Republic of Argentina for this generous invitation;
2. To hold its tenth session in the City of Buenos Aires, in April 1963 or in the following month should that prove necessary after the Executive Secretary of the Commission has consulted with the Secretary-General of the United Nations and the Government of the Republic of Argentina.

2008-09-02 16:10:00