

UNITED NATIONS
ECONOMIC
AND
SOCIAL COUNCIL



GENERAL
E/CN.12/AC.21/SR.3
16 April 1953

ORIGINAL: ENGLISH

ECONOMIC COMMISSION FOR LATIN AMERICA
Fifth Session
Rio de Janeiro, Brazil

COMMITTEE IV (Agriculture)

SUMMARY RECORD OF THE THIRD MEETING

Held at Rio de Janeiro on Thursday, 16 April 1953 at 10.40 a.m.

CONTENTS:

Agricultural development programmes in the Latin American countries: Economic Survey for Latin America, 1951-52 (E/CN.12/291 Rev.1 pages 226-297). (concluded)

Agricultural Credit seminar in Central America - Report prepared by FAO, ECLA and the Government of Guatemala (E/CN.12/305).

/PRESENT:

PRESENT:

Chairman:	Mr. RICARDO CRESPO ORDOÑEZ	Ecuador
Rapporteur:	Mr. RAFAEL GLOMER	El Salvador
Members:	Mr. BILLARD	Argentina
	Mr. MACHADO	Brazil
	Mr. BERTENS	Chile
	Mr. CARRIDO	Dominican Republic
	Mr. DE TINGUY DU POUET	France
	Mr. NORIEGA MORALES	Guatemala
	Mr. RIGAUD	Haiti
	Mr. ALVARADO TROCHEZ	Honduras
	Mr. ROBLES	Mexico
	Mr. RADHAKISHUN	Netherlands
	Mr. McCULLOUGH	Panama
	Mrs. WYLIE	United States of America
	Mr. WEISS	Uruguay
	Mr. CASAS BRICEÑO	Venezuela

Also present:

Representative of a specialized agency:

Mr. MARRAMA	Food and Agriculture Organization (FAO)
-------------	--

Secretariat:

Mr. AQUINO	Secretary of the Committee
Mr. FURTADO	

AGRICULTURAL DEVELOPMENT PROGRAMMES IN THE LATIN AMERICAN COUNTRIES:

Economic Survey of Latin America (E/CN.12/291/Rev.1) pages 226-297

(concluded)

Mr. GARRIDO (Dominican Republic) described the economic geography of his country in detail, and pointed out that the Economic Survey did not specifically mention irrigation, food imports and rice production in the Dominican Republic. That was misleading, as the use of irrigation had opened up hitherto arid areas, whereas his country was growing all its own rice and occasionally had an exportable surplus.

Mr. FURTADO (Secretariat) called attention to the chapter on the role of agriculture in an integrated programme of economic development in document E/CN.12/292.

The study emphasized that development plans could not be formulated for any economic activity in isolation, and that was particularly true in the case of agriculture because of the low income-elasticity of demand for agricultural products. For that reason agriculture played a passive role in economic growth. If, for example, production of foodstuffs should suddenly increase while the incomes of other economic sectors remained stable, the market for those goods would probably suffer from a glut. On the other hand, even where demand was growing, the supply of agricultural produce had in practice not responded in the absence of special incentives and facilities.

The study analysed the position of agriculture in overall economic development by means of projections of probable external and internal demand for its products on the basis of a series of income-elasticity

/coefficients together

coefficients together with projections of disposable consumer income. On the supply side, many factors such as available resources and the possibility of increasing yields and cultivated area were taken into consideration.

Mr. TECHEDO (Brazil) pointed out that Mr. Furtado's statement referred to document E/CN.12/292, which, though an important document, was not on the Committee's agenda; he suggested that in future any document dealing with agricultural aspects of a problem should be placed before the Committee.

Mr. RADHAKRISHNAN (Netherlands) described the economic geography of Surinam, and the incentives being provided for agricultural development. Any advice or assistance from ECLA to foster that development would be welcomed.

Mr. WEISS (Uruguay) said that although he recognized the importance of industry in economic growth, he thought that ECLA should not underestimate the dynamic effects of some types of agricultural production.

AGRICULTURAL CREDIT SEMINAR IN CENTRAL AMERICA:

Report prepared by FAO, ECLA and the Government of Guatemala (E/CN.12/300)

Mr. NORIEGA NORIEGA (Guatemala) gave a brief résumé of the events leading up to the agricultural credit seminar held in Guatemala from 15 September to 15 October, under the joint auspices of ECLA and FAO. He then summarized the various points on the agenda of that seminar, laying stress on the high technical standing of the participants and the quality of the studies prepared. There had been a most thorough

examination of the agricultural credit position, and although specific reference had been made to credit in Central America, other Latin American countries had participated, and many of the findings were applicable to areas where similar conditions prevailed.

The CHILMAN, speaking as representative of Ecuador, gave a brief description of the agricultural credit position in his country and of the good results achieved through credits to small-holders.

Mr. MARRAMA (Food and Agriculture Organisation) said that the success of the agricultural credit seminar was a tribute to the co-operation between ICLA and F.A.O., which had been perfect with regard to administrative arrangements, preparation of basic documents, selection of experts and so forth. He also praised the work done by the Government of Guatemala and the Guatemalan officials, in particular Mr. Forriega Morales.

Mr. BILLARD (Argentina) commended the report on the seminar; it constituted a valuable addition to the Latin American bibliography on agricultural credit.

Mr. MACHADO (Brazil) reiterated his Government's interest in the question of agricultural credit, and suggested that the next step should be a long-range study of the general principles involved; together with an extension of the study to other parts of Latin America. A very important question related to the volume and sources of capital available for agricultural credit. Continued co-operation between all interested organizations and governments was essential.

Mr. CASAS BRICENO (Venezuela), Mr. RIGAUD (Haiti) and Mr. WEISS (Uruguay) all expressed satisfaction with the results achieved by the

/seminar, and

seminar, and urged the extension of the work to other areas, linking the question of agricultural credit to that of land reform.

Mr. ROBLES (Mexico) while commending the work done, said there appeared to be one important omission in the material studied by the seminar. There was no chapter on internal credit facilities, or the channelling of internal resources towards agricultural credit agencies. There was a shortage of such resources in many countries, particularly because agricultural credit involved long-term loans at low interest rates. The Secretariat should keep that question in mind for future studies. His own country had some considerable experience in the matter.

Mr. MARRAMA (Food and Agriculture Organization) was gratified to find that there was such complete agreement between delegates on the need to continue the work on agricultural credit. His organization was particularly interested in the matter, as agricultural credit formed an integral part of land reform. He announced the forthcoming seminar on the subject of land reform, to be held in São Paulo under FAO auspices, and stressed the need for the attendance of qualified experts at that seminar.

The meeting rose at 12.50 p.m.