



ECONOMIC COMMISSION FOR LATIN AMERICA

Sixth Session

Bogotá, Colombia

COMMITTEE IV (Economic Problems of Agriculture)
PROVISIONAL SUMMARY RECORD OF THE FOURTH MEETING

Held at Bogota on Wednesday,
7 September 1955, at 4.10 p.m.

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The situation of agricultural surpluses and the activities of FAO
(continued)

PRESENT:

<u>Chairman:</u>	Mr. VILDOSOLA	Chile
<u>Rapporteur:</u>	Mr. VARELA	Panama
<u>Members:</u>	Mr. MELERO	Argentina
	Mr. BUENO	Brazil
	Mr. LARA BORGERO	Colombia
	Mr. MARTIN	Cuba
	Mr. SCHATAN	Chile
	Mr. SALGADO	Ecuador
	Mr. HUEZO SELVA	El Salvador
	Mr. LOVERIDGE	United States of America
	Mr. BULLE	France
	Mr. JEAN-MICHEL	Haiti
	Mr. MOLINA	Honduras

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/ Mr. BELLO

Mr. BELLO	Mexico
Mr. BOJORGE	Nicaragua
Mr. McCULLOUGH	Panama
Mr. BAKULA PATIÑO	Perú
Mr. WEST	United Kingdom of Great Britain and Northern Ireland
Mr. BROTOS	Uruguay
Mr. DELGADO-ROVATI	Venezuela

Also present:

Representative of a specialized agency:

Mr. DOERMA	Food and Agriculture Organization
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Representative of an inter-governmental agency:

Mr. PILVIN	Inter-American Economic and Social Council
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Secretariat :

Mr. SWANSON	Deputy Director
Mr. TRIVELLY	ECLA Secretary of the Committee
Mr. SAGO	FAO Secretary of the Committee

/THE SITUATION

THE SITUATION OF AGRICULTURAL SURPLUSES AND THE ACTIVITIES OF FAO
(continued)

Mr. LARA BORRERO (Colombia) said that the problem of surpluses was closely connected with that of communications, for one of the reasons why people were starving in one part of the world while foodstuffs piled up in another was that there was a lack of means to transport the food from the one to the other. The problem could of course, be solved locally by the reduction of the areas planted, but that would be a dangerous course and might soon give rise to gross deficits. Moreover, modern economic and social thinking would not permit of such a solution. In any case, if all people in, say, Latin America were adequately fed, there would be no surplus problem because all supplies would be absorbed; the average calory intake at present was only 70 per cent of the optimum level.

It might well appear that the execution of the Malthusian threat had been deferred indefinitely, for the technical means for increasing food production to any level were now available. But in the Far East, and notably India and China, death from starvation was still common. That was due in part to the excessive rate of population growth there, for in spite of all deterrents such as famine and disease, populations continued to double every thirty to thirty-five years, and although the average length of life in those countries was still short by comparison with other parts of the world, the measures being taken by governments would soon lengthen the span and those populations would consequently / increase still

increase still further. The situation was aggravated, furthermore, by the existence of religious taboos, such that though diets were very deficient in proteins and fats, no use was made of the large herds of cattle in India by the Hindu elements of the population. The Moslem peoples, however, had used cattle for nutritional purposes; they had in fact succeeded in breeding strains of cattle such as the Sa-hiwall and the Red-Sindhi which could produce milk in tropical conditions.

That was an example which might well be followed by the Latin American countries. Brazil had indeed already taken the initiative in that respect and had now bred one hundred head of Red-Sindhi cattle. That achievement was of vital importance for Colombia where milk intake was extremely deficient, the average consumption per day being 120 grammes instead of the desirable 800 grammes.

Those were a few of the considerations which the Commission should bear in mind in approaching the problem of surpluses, and its counterpart, that of deficits, and it should frame its recommendations accordingly.

The CHAIRMAN undertook to transmit the Colombia representative's comments to the Executive Secretary of the Economic Commission for Latin America.

Mr. BULLE (France) wondered whether there really was a problem of surpluses for all nations taken together. The representatives of Argentina and FAO had already alluded to the paradox of unmarketable stocks of commodities in some countries and shortages of the same commodities elsewhere.

/ In general,

In general, agricultural production in Latin America during 1953-54 had increased at approximately the same rate as the population although it was still far below the pre-war level per capita, which had already been too low to satisfy the normal need of human beings.

Some commodities, such as sugar, wheat, cotton and perhaps even coffee, on the export of which the economic life of Latin American countries depend, were surplus in the world market, and exports per capita were declining. Moreover, agricultural exports were becoming less and less diversified; the four commodities he had mentioned now accounted for 68 per cent of all Latin American agricultural exports.

He did not think that Latin America was faced with a problem of overproduction in spite of the fears concerning the future trend of prices of those commodities that were surplus in other regions of the world.

As the Chilean and Uruguayan delegations had proposed in Committee III, one solution would be to promote the development of exchanges among Latin American countries of commodities that, on balance, were still in short supply. Moreover, the domestic market of each Latin American country should expand rapidly in view of the growth in population, which had averaged 2.3 per cent annually since 1950.

/ Another solution

Another solution for Latin America might be to avoid the accumulation of surpluses by reducing agricultural production. That was a very dangerous policy, however, and was to be recommended only where exporting and importing countries agreed on the practice, as in the case of sugar. On the whole, countries should be guided by the principles adopted at the last FAO conference, which had called for the selective expansion of agricultural production and the promotion by Governments of the production of deficit foodstuffs with a view to raising the standard of living of their populations.

FAO's studies showed that per capita consumption was on the increase and there could be no doubt that sooner or later surpluses would be absorbed. Latin American countries should try to find additional markets for their products and his delegation had noted with interest that some of them had systematically sounded out the markets of Eastern Europe, which for some months had been absorbing relative by large quantities of such products as sugar and meat.

FAO had worked out principles of surplus disposal which had been accepted by Governments interested in the orderly liquidation of surpluses and the problem would be studied in detail at the FAO Conference to be held next November. He associated himself with the FAO representative's suggestion that more Latin American countries should participate in FAO's Consultative Sub-Committee on Surplus Disposal.

Mr. BUENO (Brazil) supported by Mr. SCHATAN (Chile) proposed that a working party should be formed to combine the Chilean and Brazilian draft resolutions (Conference Room Papers No.10 and No.11) into a single draft.

/ the CHAIRMAN

The CHAIRMAN suggested that the two representatives should consult informally and prepare a joint draft resolution.

Mr. JEAN-MICHEL (Haiti) felt that the Committee should recommend that special attention should be given in any study of Latin American agricultural activity to the effect of population pressure on the productivity of manpower.

Mr. SCHATAN (Chile) suggested that the Haitian representative participate in the preparation of the joint draft resolution.

The meeting rose at 5.5 p.m.