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ECONOMIC COMMISSION FOR LATIN AMERICA
Sixth Session
Bogotá, Colombia

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

Held at Bogotá on Saturday
10 September 1955, at 10.25 a.m.

CONTENTS: National production and trade policies and
situation of various products (item 3 of the
agenda) (Continued).
Programming and agricultural development (item
4 of the agenda) (resumed).

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/ PRESENT:

PRESENT:

<u>Chairman:</u>	Mr. VILDOSOLA	Chile
<u>Rapporteur:</u>	Mr. McCULLOUGH	Panama
<u>Members:</u>	Mr. BASCIALLI	(
	Mr. MELERO	(Argentina
	Mr. BUENO	(Brazil
	Mr. CAÑON	(Colombia
	Mr. PALACIO DEL VALLE	(
	Mr. MARTIN	Cuba
	Mr. SCHATAN	Chile
	Mr. RODRIGUEZ MORALES	Ecuador
	Mr. CALE	United States of America
	Mr. BULLE	France
	Mr. JEAN-MICHEL	Haiti
	Mr. MOLINA	Honduras
	Mr. BELLO	Mexico
	Mr. BOJORGE	Nicaragua
	Mr. WEST	United Kingdom of Great Britain and Northern Ireland
	Mr. BROTOS	Uruguay
	Mr. DELGADO-ROVATI	Venezuela

/ Also present:

Also present:

Representative of a specialized agency:

Mr. ORTIZ

Food and Agriculture
Organization

Representative of an inter-governmental agency:

Mr. PILVIN

Inter-American
Economic and Social
Council

Secretariat:

Mr. TRIVELLI

ECLA Secretary of
the Committee

Mr. SACO

FAO Secretary of
the Committee

/ NATIONAL

NATIONAL PRODUCTION AND TRADE POLICIES AND SITUATION OF
VARIOUS PRODUCTS (item 3 of the agenda) (Continued)
Coffee

The CHAIRMAN invited the Committee to consider the joint draft resolution on studies concerning coffee problems (Conference Room Paper No. 26/Rev.1).

The joint draft resolution was unanimously adopted

PROGRAMMING AND AGRICULTURAL DEVELOPMENT (item 4 of the agenda)
(resumed)

Selectivity in Agriculture

Mr. BASCIALLI (Argentina), speaking at the invitation of the Chairman, said that all delegations were agreed on the general sentiments of the draft resolution on selectivity in agriculture (E/CN.12/AC.30/1.) Argentina could not, however, give its unqualified support to the proposal as it stood. In order to avoid raising a dissentient voice in the plenary meeting, his delegation wondered whether the Brazilian delegation, as author of the draft, and the rest of the Committee would agree to inserting in the fourth considerandum immediately after the words "agricultural investment" the following phrase which would meet his delegation's point of view; "the ecological conditions of each country and other factors".

Mr. BUENO (Brazil) said that the Argentine amendment did not affect the substance of the resolution or the balance of emphasis and he saw no objection to its incorporation.

/ After discussion,

After discussion,

the Argentine amendment was unanimously adopted.

The draft resolution, thus amended, was unanimously adopted.

Programming

Mr. BHOTOS (Uruguay) observed that programming policy for agricultural production must necessarily vary with the circumstances in each country.

The following data regarding Uruguay might be of interest in that connexion. Uruguay had an area of 186,000 sq.km., all of which was utilizable. It produced about 800,000 tons of wheat, 80,000 tons of flax, 60,000 tons of rice, and 100,000 tons of winter cereals. It had 8 million head of cattle and 27 million sheep. Uruguay was a typically agricultural country lacking in fuels and with only a scanty output of mineral products. Proper industrialization naturally constituted an absolute necessity if excess manpower due to natural growth and the mechanization of agriculture was to be absorbed.

His country had succeeded in doubling its wheat and rice crops in seven years, partly by extending the cultivated area and partly by raising yields, thanks to the highest degree of mechanization of agricultural work in Latin America, and the use of improved technique and selected seed. The stage of increasing crop production might, hence, be regarded as completed.

A plan for improving livestock production, reducing costs
/ and perfecting

and perfecting marketing practices based on the report of a joint mission of FAO and International Bank experts, was being applied by a Special Commission. Pilot projects were being carried out on a limited number of properties to increase livestock herds, mainly by improving their health and obtaining a higher yield from grazing land. The report had made no mention of the excellent quality of the livestock but had laid stress on improving feedstuffs and eradicating diseases and parasites.

The most important item was the improvement of grazing land, since almost all livestock was permanently reared on natural pasture, which had not been compensated for the resultant loss of fertility. Uruguayan soils, being predominantly acid, were good for grasses but bad for pulses - an essential item in animal nutrition. A campaign was therefore in progress to sow 100 thousand hectares of pasture land with pulses and should be completed in 1956. The result should be a higher density of livestock, an increased yield of wool per sheep and a shorter preparation cycle for cattle.

Marketing of agricultural production was to be modified.

Meat exports had fallen in recent years owing partly to the increased home consumption resulting from higher incomes and partly to low world prices. Government policy was endeavoring to modify the diet of the Uruguayan population, the biggest consumers of beef in the world, by introducing substitutes for meat and a 20 per cent proportion of mutton and lamb in general consumption. This should release 255,000 head of cattle for export.

/ Wool might

Wool might be sold, to a limited extent next season. by public auction, instead of entirely by direct negotiation between seller and buyer. Although the new system would be voluntary, its undoubted advantages should make it popular in time.

Public opinion was closely following the new policies.

Thus Uruguay might be said to be applying selective expansion, rationalization of consumption and the latest techniques for raising unit yields.

Draft resolution on technique of programming (Conference Room Paper 19).

Mr. CALE (United States of America) suggested certain minor drafting changes.

It was so agreed.

Mr. TRIVELLI, ECLA Secretary of the Committee, suggested replacing the words "the study of a technique of agricultural programming" by the following: "a study on the technique of agricultural programming as an integral part of the study on the technique of programming being conducted by the Commission". The logical step would then be for the proposal to be referred to Committee II.

It was so agreed.

Mr. JEAN-MICHEL (Haiti), referring to the last sentence of the draft resolution, pointed out that Statistical, Economic and Social Research Centres already existed in many Latin

/ American countries

American countries. He proposed adding the following to the end of the draft resolution: "and that such centres establish a continuing exchange of statistical information for the countries of the region through the medium of the Commission".

It was so agreed.

After discussion of a point of procedure raised by the Argentinan delegation, it was agreed to defer voting on the amended draft resolution until the end of the meeting.

Mr. S. CO, FAO Secretary of the Committee, drew attention to item 4 of the Committee's agenda, which, he said, had been included in order to discover what the trends of future production in Latin American countries should be in the light of the factors mentioned.

In view of the problem of agricultural surpluses in existence since 1953, it was essential for countries to review their programmes with a view to overcoming the problem as far as possible. One way was by promoting an increase in consumption, which might be achieved by any of three different courses; raising the purchasing power of the population, lowering costs through higher productivity or improving distribution. The question of increasing consumption was an extremely important one and a natural corollary to the selective expansion of production, all the more so as nutritional levels were not satisfactory either on the average or among certain sections of the population of Latin America.

/ On the

On the possibility of better co-ordination of regional activity, some delegations had made interesting suggestions. One important question in that connexion was whether the trend towards self-sufficiency in production was a desirable one. Theoretically, there could be two positions on the matter, one advocating that each country should endeavour to produce everything it needed, the other that the world should be divided into highly-specialized zones each producing what was best suited to local conditions.

He fully appreciated the Argentine delegation's point that expansion should be in accordance with local ecological conditions. However, absolute regional specialization was clearly not possible because political and strategic as well as economic considerations must be taken into account. On the other hand, some Governments had been driven to a policy of self-sufficiency by their balance of payments difficulties. Such a policy, however, had certain disadvantages. It had, for instance, an extremely depressing effect on inter-regional and world trade, while within the countries concerned it could lead to high-cost production, thereby running contrary to the policy of promoting a steadily higher level of mass consumption. Consequently a happy medium should be found between the two extremes. FAO would welcome guidance from the Committee regarding the lines along which the future policy of expansion should proceed in Latin America in order to solve the problems faced by that area's agricultural economy.

/ Mr. SCHATAN

Mr. SCHATAN (Chile) said that the problem raised by the FAO representative was already in part catered for, e.g. in regard to stockbreeding, a most important factor in diversification of production. He agreed that self-sufficiency was undesirable, and in the long run incompatible with the development of inter-Latin American trade. But some countries were at present forced to resort to a policy of self-sufficiency in certain sectors of their economy in order to cope with balance of payments difficulties.

Mr. BROTOS (Uruguay) also agreed that excessive self-sufficiency and specialization policies were equally undesirable, and that the middle road advocated by the Secretariat was best. But in Latin America, social considerations and the exigencies of economies in the course of development frequently made it necessary to depart from ideal principles. With regard to specialization, ecological conditions were the overriding principle; but it must be applied all around. What was needed was specialization applied in a liberal, elastic manner.

Mr. DELGADO ROVATI (Venezuela) outlined his country's policy in regard to self-sufficiency and specialization. The Venezuelan Government had set up a planning organization, and the essential aim was to make the best use of the resources available. Substantial advances had been made towards self-sufficiency in the growth of a number of crops, though only coffee and cacao were exported. At the same time, the need for a wider regional policy and for co-operation among the

/ countries within

countries within the region was recognized. He described some of the means used to improve production and bring down prices - the formation of farm colonies where the small-holder joined forces with others for their mutual benefit; the improvement of stock-breeding through the study of better pasturage, ample water supplies and similar measures.

Venezuela was not pursuing a policy of self-sufficiency at all costs, but rather endeavouring to make the most efficient use of such of its agricultural resources as had potentialities which would stand comparison with those of other countries.

Mr. SCHATAN (Chile) felt that in view of the general concern for the regional co-ordination of national plans, it might be well if a resolution could be drafted recommending Governments in their planning to bear in mind the need for such co-ordination.

It was agreed that a draft should be produced by the representatives of Chile, Argentina, Uruguay, Haiti, and Mexico, for discussion as the opening item at the next meeting. Agricultural research and extension services.

Mr. PALACIO DEL VALLE (Colombia) said that given the national wealth of the soil and abundant manpower, what the Latin America needed was capital and technical assistance, applied in a scientific manner adapted to the peculiarities of the region.

He described some of the main fields of agricultural research phytogeny and its value in producing new varieties with a high yield and greater resistance; phyto-pathology; the physical and

/ chemical study

chemical study of soils and their conservation; and plant genetics. On the economic side, there was production technique, marketing, prices, the important item of the farm, land-use, agricultural credits and statistics. The study of land-use would necessitate the division of countries into zones of similar ecology and economy, and the preparation of agricultural maps and charts which would facilitate planning and save expense.

By such means, higher yields of cotton, wheat, maize, potatoes and other crops were being obtained in most of the Latin American countries.

Agricultural extension, the bridge between the scientist and the farmer, implied the education of the latter and his family; which in turn meant higher productivity, a higher standard of living for the farmer, better food and better health. But in Latin America the necessary technicians were scarce and attempted too much, and they might achieve more by concentrating on more limited objectives. An efficient extension program should include demonstrations of methods and results; visits to farms, training of specially skilled leaders; exhibitions; and bulletins. Extension programmes had already added vast acreage to Latin America's land resources.

A point of great importance for the Latin American countries was interchange of technical personnel.

Agricultural programming.

The CHAIRMAN put to the vote the resolution on agricultural programming (Conference Room Paper No. 19) submitted by the

/delegation of

delegation of Ecuador, with amendments by the Secretariat and the delegation of Haiti.

The resolution was adopted unanimously
Industrialization of agricultural products.

The CHAIRMAN invited the Committee to consider the Ecuadorean draft resolution (Conference Room Paper No. 28) referred to it by Committee V.

Mr. RODRIGUEZ MORALEZ (Ecuador) explained for the benefit of the representative of Uruguay that the operative section referred essentially to the preliminary processing of agricultural products, but might include finishing in certain cases. The text was purposely somewhat loosely worded so as to allow the Secretariat plenty of latitude.

Mr. CALE (United States of America) suggested that the vote on the resolution be postponed till the next meeting. It was so decided.

Other business.

Mr. PALACIO DEL VALLE (Colombia) said that in view of the recent advances made in various countries, he would like to withdraw the delegation's draft resolution on crop insurance (Conference Room Paper No. 6)

The meeting rose at 12:40 p.m.