

UNITED NATIONS
ECONOMIC
AND
SOCIAL COUNCIL



GENERAL
E/CN.12/SR.73 (VIII)
16 May 1959
ORIGINAL: ENGLISH

ECONOMIC COMMISSION FOR LATIN AMERICA
Eighth Session
Panama City, Panama

SUMMARY RECORD OF THE SEVENTY-THIRD MEETING

Held at Panama City on Friday, 15 May 1959, at 4.5 p.m.

CONTENTS:

General debate: current
economic trends and prospects

PRESENT:

<u>Chairman:</u>	Mr. ELETA	(Panama)
<u>Rapporteur:</u>	Mr. MARTY	(Chile)
<u>Members:</u>	Mr. MUSICH	Argentina
	Mr. HAUS SOLIZ	Bolivia
	Mr. GARRIDO TORRES	Brazil
	Mr. VALDIVIESO	Chile
	Mr. MANNABERGES	Colombia
	Mr. MOREIRA BATRES	Costa Rica
	Mr. BOTI	Cuba
	Mr. GINEBRA	Dominican Republic
	Mr. ICAZA	Ecuador
	Mr. MORALES RODRIGUEZ	El Salvador
	Mr. GEORGES-PICOT	France
	Mr. RODRIGUEZ GENIS	Guatemala
	Mr. ORDOÑEZ	Honduras
	Mr. GARCIA REYNOSO	Mexico
	Mr. de CASTRO	Netherlands
	Mr. CASTILLO	Nicaragua
	Mr. CRUZ URRUTIA	Panama
	Mr. CHAMORRO	Paraguay
	Mr. CERRO CEBRIAN	Peru
		United Kingdom of Great Britain and Northern Ireland
	Mr. BRAIN	
	Mr. RANDALL	United States of Ameri

Mr. PONS	Uruguay
Mr. MAYOBRE	Venezuela

ALSO PRESENT:Observers from States Members
of the United Nations not
Members of the Commission

Count BORCHGRAVE D'ALTENA	Belgium
Mr. HOKES	Czechoslovakia
Mr. HOLLAI	Hungary
Mr. MAJOLI	Italy
Mr. NINOMIYA	Japan
Mr. JELEN	Poland
Mr. SANCHEZ BELLA	Spain
Mr. BAZIKIN	Union of Soviet Socialist Republics
Mr. OSMAN	United Arab Republic

Observer from a State not a
Member of the United Nations,
attending in a consultative
capacity:

Mr. ENGELS	Federal Republic of Germany
------------	-----------------------------

Representatives of
specialized agencies:

Mr. AQUINO	Food and Agriculture Organization
Mr. PERRY	International Bank for Reconstruction and Development
Mr. del CANTO	International Monetary Fund
Mr. SCHROEDER	World Meteorological Organization
Mr. PENNA	United Nations Educational, Scientific and Cultural Organization

/Representative

Representative of the
International Atomic Energy
Agency:

Mr. GALAGAN

Representatives of inter-
governmental organizations:

Mr. de GERMAIN

European Coal
and Steel Community

Mr. FANIEL

European Economic
Community

Mr. ROYER

General Agreement on
Tariffs and Trade

Mr. GLOWER VALDIVIESO

Inter-American
Economic and Social
Council

Mr. EPINAT

Inter-Governmental
Committee for
European Migration

Mrs. de KYBAL

Organization of
American States

Representative of a non-
governmental organization:

Mr. MORENO GRASSI

World Federation of
Trade Unions

Secretariat:

Mr. HEURTEMATTE

Commissioner for
Technical Assistance

Mr. SWENSON

Deputy Director,
Economic Commission
for Latin America

Mr. MALINOWSKI

Director, Regional
Commissions Section

Mr. SANTA CRUZ

Secretary of the
Commission

/GENERAL DEBATE:

GENERAL DEBATE: CURRENT ECONOMIC TRENDS AND PROSPECTS

Mr. GARCIA REYNOSO (Mexico) made a statement.^{1/}

Mr. ICAZA (Ecuador) made a statement.^{2/}

Mr. MAYOBRE (Venezuela) made a statement.^{3/}

Mr. BOTI (Cuba) took the chair.

Mr. GEORGES-PICOT (France) made a statement.^{4/}

Mr. FANIEL (European Economic Community) made a statement.^{5/}

Mr. de GERMAIN (European Coal and Steel Community) made a statement.^{6/}

Mr. ROYER (General Agreement on Tariffs and Trade) said that although it was realized that the expansion of world trade was not an end in itself, but merely a means of securing the rational utilization of resources and a

1/ The full text of this statement has been circulated as Information Document No. 13

2/ The full text of this statement has been circulated as Information Document No. 14

3/ The full text of this statement has been circulated as Information Document No. 15

4/ The full text of this statement has been circulated as Information Document No. 11

5/ The full text of this statement has been circulated as Information Document No. 12

6/ The full text of this statement has been circulated as Information Document No. 17

general improvement in living conditions, GATT had always been primarily concerned with the removal of artificial and protectionist barriers. Recently, however, it had come to the conclusion that the policies applied thus far were not in themselves sufficient to satisfy the economic development needs of all countries. It had consequently undertaken thorough analysis of trade patterns, and had concluded that - however justified might be the contention that the nineteenth century international division of labour was now obsolete - the unrestricted diversification of production in all countries could have only adverse effects.

The years since the Second World War had, somewhat surprisingly, witnessed two concurrent phenomena: the industrialization of many underdeveloped countries and the growth of agricultural production in several industrial countries. As a result of the latter development, the demand for primary commodities in some of the traditional export markets had fallen substantially. In order to make sure that the findings of its secretariat were not erroneous, GATT had invited four independent experts to make a study of that problem; and the resulting report had confirmed its fears. It had accordingly decided to take certain urgent measures: firstly, to call a tariff conference in September 1960, with the object of securing further reductions in customs duties; secondly, to study in detail the agricultural policies of all countries and to seek some means of reducing the burden which the agricultural expansion of highly developed nations tended to impose on others; and thirdly, to

/attempt to

attempt to persuade some of the economically advanced countries, especially in Western Europe, that they could play a constructive part by reducing fiscal charges on some products hitherto wrongly regarded as luxuries and by liberalizing their policy with regard to the importation of certain manufactures from countries undergoing industrialization.

The realization of that programme would be difficult, for Governments and private interests alike were often reluctant to accept changes in established practices. But unless the necessary adjustments were made in the existing pattern of world trade, each country would attempt to diversify its production to a point where all would suffer.

Lastly, he expressed the hope that the difficult problem of stabilizing the prices of primary commodities would be solved by timely action. Latin America could only benefit from such action.

The meeting rose at 7.40 p.m.