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ECONOMIC COMMISSION FOR LATIN AMERICA
Fifth Session
Rio de Janeiro, Brazil
9 April 1953

SUMMARY RECORD OF THE FORTY-THIRD MEETING

Held at Rio de Janeiro on Thursday, 9 April 1953, at 4 p.m.

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PRESENT:

Chairman: Mr. MARTINEZ BAEZ Mexico

later: Mr. EUVALDO LODI Brazil

Rapporteur: Mr. GIORDANO BRUNO ECCHER Uruguay

Members: Mr. COOKE Argentina

Mr. ALCAZAR Bolivia

Mr. LAFER Brazil

/Mr. Botero Isaza

Mr. BOTERO ISAZA	Colombia
Mr. DOBLES SANCHEZ	Costa Rica
Mr. LANDA	Cuba
Mr. MARTONES	Chile
Mr. CRESPO ORDÓÑEZ	Ecuador
Mr. GLOMER V.	El Salvador
Mr. BOHAN	United States of America
Mr. DE TINGUY DU PONT	France
Mr. NORIEGA MORALES	Guatemala
Mr. RIGAUD	Haiti
Mr. ALVARADO TROCHEZ	Honduras
Mr. AMADOR	Mexico
Mr. CANTARERO	Nicaragua
Mr. JONG BAW	Netherlands
Mr. Mc CULLOUGH	Panama
Mr. URBIETA FLEITAS	Paraguay
Mr. BARRETO	Peru
Sir GEOFFREY THOMPSON	United Kingdom
Mr. GARRIDO	Dominican Republic
Mr. CASAS BELCEÑO	Venezuela

/also present:

Also present:Representatives of specialized agencies:

Mr. SILBERER) Mr. MONTEIRO)	International Labour Organisation
Mr. FERREIRA	World Health Organisation
Mr. DEL CANTO) Mr. ROBICHEK)	International Monetary Fund
Mr. MARRAMA	Food and Agriculture Organisation
Mr. FORCART	United Nations Educational, Scientific and Cultural Organization
Mr. RODRIGUES DE SOUSA	World Meteorological Organization

Representatives of non-governmental organizations:

<u>Category A:</u> Mr. STEBELSKI	International Chamber of Commerce
Mr. FABIO LUZ FILHO	International Co-operative Alliance
<u>Category B:</u> Mr. JOSE DE CARVALHO	Brazilian Committee of the World Power Conference
<u>Secretariat:</u> Mr. KINGSTON	Inter-American Statistical Institute
Mr. PREBISCH	Executive Secretary
Mr. SWENSON	Assistant Director
Mr. SANTA-CRUZ	Secretary to the Conference

/Address by President

ADDRESS BY PRESIDENT OF BRAZIL

His Excellency Mr. Getulio VARGAS, President of the Republic of Brazil, welcomed the representatives to the fifth session of the Commission.

The Economic Commission for Latin America was a living example of the new spirit of international organization, with the objective of helping to lay the foundations of an organized international community. Since its inception in 1948, the Commission had gone from strength to strength as an instrument for bringing about greater co-operation among the Latin-American States with a view to accelerating their rate of economic development. The economic studies which it had prepared were proving of the utmost value to Governments in the framing of their policies and the original methods advocated for tackling the complex basic problems of the continent were designed to ensure the achievement of objectives within the bounds of potentialities.

The Brazilian Government appreciated in particular the Commission's efforts to formulate theory of economic development as a basis for Latin American economic policies and the measures recommended were of great practical significance. Furthermore, its value, as an impartial consultative body was becoming ever more widely recognized, and it was doing fine work in the field of technical assistance. The Commission's excellent work towards

/international co-operation

international co-operation should be continued, in keeping with the original plan and with no change in its structure or organization.

The broad agenda awaiting consideration by the Commission contained many items of outstanding interest to all Latin-American Governments and reflected matters of constant concern to the Brazilian Government. Brazilian policy on land reform, for example, was being determined in the light of international studies and research, and the encouragement of basic industries, expansion of the food industry, increase of exports, financing of electric power, transport and storage enterprises, mechanization of agriculture and the re-equipment of ports were other salient features in the work programme of the Brazilian Government. ECLA could make a considerable contribution towards the success of that economic development policy.

The Brazilian Government, honoured to act as host to the Commission, hoped that the proceedings of the fifth session would be crowned with complete success.

OPENING OF SESSION

Mr. MARTINEZ BAEZ, (Mexico), (Chairman of the Fourth Session of ECLA), expressed the hope that much would be achieved by the Conference which was being opened under the excellent auspices of the work done since ECLA's Fourth Session.

The representatives of the governments and organizations interested in the development of the Latin American economy were meeting in a country which provided a valuable example of the co-ordination of a vigorous industrial programme with the continuation of the traditional agricultural economy. Mexico was also an example of a similar attempt to co-ordinate co-ordinate agricultural and industrial development. His Government's financial and industrial policy was in complete accordance with the principles, aims and methods of private industry.

He quoted from the inaugural address delivered by Mr. Ruiz Cortines, the head of the Mexican Government, in December, 1952, emphasizing the necessity for an increase in and an equitable distribution of the national wealth. Like all countries in the process of economic development, Mexico had found itself short of investment capital and had been compelled to adopt a compromise solution, channelling its resources to the most essential fields of economic activity. It had also attempted to strike a balance between agriculture and industry, to prevent the movement of manpower away from the land and into industry, and to strengthen the national economy by co-ordinated fiscal and monetary policies. That economic programme was in keeping with the resolutions and recommendations adopted by ECLA.

The standard of living of each country depended on its economy; and peace and welfare could not be ensured by atomic bombs or military victories but only by increased productivity and improved distribution.

His delegation was sure that the Conference would achieve excellent theoretical and practical results.

Mr. MARTONES (Chile), speaking on behalf of all delegations, thanked the Government of Brazil for acting as host to the Commission.

Commenting on the development of ECLA's work, he said that the studies produced since the Commission's inauguration in 1948 had been of great value, and thanked the Secretariat for the results it had achieved.

The Foreign Minister of Chile had expressed President Ibanez' desire to seek the co-operation of all other under-developed countries and particularly of those in the Latin-American hemisphere. In accordance with that policy, efforts had been made to negotiate agreements with Bolivia, Peru and Argentina, and the commercial treaties signed with many Latin American countries emphasized Chile's desire for fraternal collaboration. The visits recently paid to Chile by the Foreign Minister of Bolivia and the President of Argentina had been merely the initial step in the promotion of such co-operation.

/In accordance

In accordance with his country's traditional policy of friendly co-operation, it should be possible to extend trade first between the seven southern countries of Latin America and subsequently throughout the whole continent. The first step in that policy would be the expansion of commercial relations with Argentina.

He hoped that ECLA's fifth session would be a success.

Mr. BLOUGH (Principal Director, United Nations Department of Economic Affairs) conveyed the Secretary-General's good wishes and those of the Assistant Secretary-General for the Departments of Economic and Social Affairs for the success of the Commission's fifth session. He wished to express their deep appreciation to the President, the Government and the people of Brazil for the hospitality extended to the Commission.

Although now in its eighth year, the United Nations was still at the threshold of its work. There were great opportunities ahead in attempting to meet existing world problems. In its efforts to promote the great objectives laid down in the Charter, the United Nations brought together for common purposes not a few great Powers or the nations of a single region, but sixty nations from all parts of the world. The members of the Secretariat, assembled from many countries, joined in a common endeavour as truly international civil servants.

/It was

It was obviously essential for the United Nations to be world-wide in scope if it was to grapple successfully with world-wide problems, and moreover many regional problems depended for their solution on international or global action. The widespread ramifications of the United Nations made it possible to attack regional problems with hopes of success. The World Economic Report for 1951-52 singled out three continuing economic problems of both world-wide and regional concern: the maintenance and promotion of economic stability, the disequilibrium of trade and payments among nations, and the economic development of the under-developed countries. No satisfactory solution had as yet been found for these problems but one approach, suggested by the provisions of the Charter, was complementary international and national action. In each case, the need for international action had been recognized by the Economic and Social Council and the General Assembly. But international action alone could not provide a final solution. The investment of domestic capital and the inflow of capital from abroad, for instance, were often dependent on internal factors of a political, social or economic character.

It was clear, however, that many countries could not develop rapidly through investment based on internal

/resources alone

resources alone and in that . . . he drew attention to the provisions of General Assembly resolution 622(VII), concerning the establishment of an international finance corporation and a special United Nations fund for economic development through grants-in-aid and low-interest loans. The implementation of those financing measures was still in an early stage and tangible results might be slow in materializing, yet their influence on the future economic development of many parts of the world might be considerable.

In addition, General Assembly resolution 623(VII) was of special interest to the Commission for it dealt with equitable international price relations; it was as yet too early to know what concrete results would flow from the action decided upon.

These were illustrations of the fact that in the continuing world-wide economic problems of the present day there was place both for domestic and for international action. And the United Nations technical assistance programme was the kind of international action that facilitated and stimulated domestic action.

The regional economic commissions were important instruments for dealing with problems that had an impact far beyond the geographical boundaries of the region. Economic development had to be tackled in specific regions, and an understanding of the obstacles and of the best methods of overcoming them required first-hand knowledge of the countries concerned. The meetings of the Commission provided the

/Secretariat with

Secretariat with an opportunity to find out what were regarded as the special problems of the region, what matters were deemed most vital to its welfare and what methods were favoured for advancing that welfare.

The Commission's achievements had been recognized both by the Economic and Social Council, in its decision to continue the Commission on a permanent basis, and by the General Assembly, in its resolution commending various aspects of ECLA's work, including its initiative in inviting the Governments of the Central American republics to embark on a joint programme directed towards the economic integration of Central America. Such broad commendation emphasized that, during the five years of its existence, there had been a steady and significant increase in ECLA's stature and importance, and he felt it would not be inappropriate to pay a tribute to the work of the Commission's Secretariat. The reports issued had contributed substantially to the understanding of Latin America's economic problems both within and beyond the region.

In the work undertaken in the past two years, two developments appeared to be particularly significant: the establishment of a standing ECLA Committee on Economic Integration in Central America and the framing of a detailed plan of technical assistance to be carried out under the United Nations Programme, and the conference of experts on the iron and steel industry, which had, among other things, indicated the

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indicated the possibilities of a mutually valuable interchange of technical information with Europe and Asia as well as with North America. That, and the stimulation of trade between Latin America and Europe, were examples of the kind of inter-regional co-operation so ardently desired by the Economic and Social Council.

The success of many of the projects undertaken required close co-operation with the United Nations Technical Assistance Administration and the specialized agencies, with all of which, as well as with other inter-governmental agencies, ECLA had established increasingly close working relations.

The significant progress achieved in the field of technical assistance services provided by the United Nations and the specialized agencies was encouraging. The stage had now been reached where requests for services considerably exceeded available financial resources. That might properly be regarded as a measure of the success of the Programme as well as a challenge to the government.

The problems of developing the economies of the Latin-American countries were so vast and the means for tackling them relatively so small that every constructive form of initiative was to be welcomed. He expressed the hope that the fifth session of the Commission would make a significant contribution to the task.

The meeting was suspended at 5:30 p.m. and resumed at 6:20 p.m.

ELECTION OF OFFICERS

Election of Chairman

Mr. GARRIDO (Dominican Republic) nominated Mr. Lafer (Brazil).

Mr. LAFER (Brazil) thanked the representative of the Dominican Republic, but regretted that he would be unable to attend meetings of the Conference often enough to act as Chairman. He suggested the nomination of Mr. Lodi, another member of the Brazilian delegation.

Mr. GARRIDO (Dominican Republic) nominated Mr. Lodi (Brazil).

Mr. BARRATO (Peru), Mr. ECCHER (Uruguay) and Mr. LANDA (Cuba) supported Mr. Lodi's nomination.

Mr. Lodi (Brazil) was elected Chairman by acclamation.

Mr. Lodi (Brazil) took the Chair.

The CHAIRMAN thanked the Commission for thus honouring his country. He was confident that the session would be a success.

Election of First Vice-Chairman

Mr. ALVARADO (Honduras) nominated Mr. Landa (Cuba).

Mr. CASAS BRICEÑO (Venezuela) supported Mr. Landa's nomination.

Mr. Landa (Cuba) was elected First Vice-Chairman by acclamation.

/Mr. Landa

Mr. LANDA (Cuba) thanked the Commission.

Election of Second Vice-Chairman

Mr. MARTONES (Chile) nominated Mr. Cevallos Tovar (Bolivia).

Mr. CRESPO ORDÓÑEZ (Ecuador) supported the nomination.

Mr. Cevallos Tovar (Bolivia) was elected Second Vice-Chairman by acclamation.

Mr. ALCÁZAR (Bolivia), in Mr. Cevallos Tovar's absence, thanked the Commission for the honour done to his country.

Election of Rapporteur

Mr. CANTARERO (Nicaragua) nominated Mr. Eccher (Uruguay).

Mr. LAFER (Brazil), Mr. GARRIDO (Dominican Republic) and Mr. BARRETO (Peru) supported the nomination.

Mr. Eccher (Uruguay) was elected Rapporteur by acclamation.

Mr. ECCHER (Uruguay) thanked the Commission.

Mr. NORIEGA NORLES (Guatemala) moved a vote of thanks to Mr. Martínez Baez, the retiring Chairman.

The CHAIRMAN associated himself with the vote of thanks to Mr. Martínez Baez, thanked the Secretariat of ECLA, in particular Mr. Prebisch, for its excellent work, and expressed hope for the success of the session.

/Mr. BARRETO

Mr. BARNETO (Peru) said he was sure he was speaking for all delegations in thanking the President of Brazil for his address.

The meeting rose at 7:50 p.m.