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Ad Hoc Committee on Economic Development
Fourth Session
Mexico, D. F.

PROVISIONAL SUMMARY RECORD OF THE THIRD MEETING

Held in Mexico on Tuesday, 12 June 1951, at 4 p.m.

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Report of the Working Group on Programmes and General Problems of Economic Development.

(E/CN.12/AC.12/13, E/CN.12/AC.12/15, E/CN.12/AC.12/12, E/CN.12/AC.12/1, E/CN.12/AC.12/16, E/CN.12/AC.12/10, E/CN.12/AC.12/9, E/CN.12/AC.12/8, E/CN.12/AC.12/11, E/CN.12/AC.12/17, E/CN.12/AC.12/10).

NOTE:

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/PRESENT
/E/CN.12/AC.12/SR.3

PRESENT:

<u>Chairman:</u>	Mr. MARTINEZ SANCHEZ	Cuba
<u>Rapporteur:</u>	Mr. ALVARADO OLEA	Ecuador
<u>Members:</u>	Mr. GUTIERREZ	Argentina
	Mr. de ALMEIDA	Brazil
	Mr. VALVERDE VEGA	Costa Rica
	Mr. ALIENES	Cuba
	Mr. LOPEZ FRESQUET	Chile
	Mr. BALTRA CORTÉS	Ecuador
	Mr. ALVARADO OLEA	El Salvador
	Mr. SOL CASTELLANOS	United States of America
	Mr. MALENBAUM	France
	Mr. PHILIPSON	Guatemala
	Mr. SANTA CRUZ	Haiti
	Mr. HUIDICOURT	Honduras
	Mr. CALIX MONCADA	Mexico
	Mr. ZAMORA	Nicaragua
	Mr. CANTARERO	Netherlands
	Mr. van HEEMSTRA	United Kingdom of Great Britain and Northern Ireland
	Mr. OVERTON	Uruguay

Representative of an inter-governmental organization:

Mr. TAYLOR	Inter-American Economic and Social Council
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Representatives of specialized agencies:

Mr. CASSERES	Food and Agriculture Organization (FAO)
Miss GARRITSEN	International Monetary Fund
Mr. WENDLING	International Refugee Organization (IRO)

Representatives of non-governmental organizations:

Mr. STEBLSKI	International Chamber of Commerce
Mr. DELARLY	Organization for Standardization

/Secretariat:

Secretariat:

Mr. PREBISCH

Mr. CASTILLO

Mr. FURTADO

Executive Secretary, ECLA
Assistant Executive
Secretary, ECLA
Secretary of the Committee

REPORT OF THE WORKING GROUP ON PROGRAMMES AND
GENERAL PROBLEMS OF ECONOMIC DEVELOPMENT

Mr. LOPEZ FRESQUET (Cuba), Chairman of the Working Group, recalled that the Working Group had been composed of the representatives of Brazil, Cuba, Chile, United States, Guatemala, Mexico and the Netherlands, and had worked in close collaboration with most of the other delegations. The work had been divided under four general headings: financing economic development, technical assistance for the training of economists, special industrial studies and preparation of development programmes.

Mr. Lopez Fresquet reviewed the various draft resolutions submitted and considered by the Working Group, as well as the activities of the two drafting committees set up to consolidate them. After giving a brief summary of the proposals approved, he thanked the members of the Committee for their co-operation and paid tribute to the Secretariat for its invaluable assistance.

Draft resolution on the financing of economic development
(E/CN.12/AC.12/13)

Mr. OVERTON (United Kingdom) requested clarification regarding what appeared to be an inconsistency between the two final paragraphs of the preamble, referring to double taxation, and the thirteenth paragraph of the operative part, recommending a study of the fiscal policy of capital-exporting countries. On the other hand, he would include in the latter study a review of the fiscal systems of capital-importing countries as well.

/Mr. LOPEZ FRESQUET

Mr. LOPEZ FRESQUET (Cuba), Chairman of the Working Group, pointed out that the final paragraph of the preamble merely stated the views of Latin American countries regarding double taxation and should not be taken out of context. The study suggested in the thirteenth operative paragraph, on the other hand, would be of a general nature with no special emphasis on double taxation. It would be designed to show the impact of the fiscal systems of capital-exporting countries on the flow of private investments.

Mr. ALIENES (Cuba) added that the study of fiscal systems influencing foreign investments, requested in the thirteenth operative paragraph, would not prejudge any solution of the problem of double taxation or favour either the Latin American or any other concept of that special problem.

Mr. ZAMORA (Mexico), to dispel the doubt expressed by the United Kingdom representative relating to the thirteenth operative paragraph, drew attention to the fifth operative paragraph, which requested a study on monetary, banking, credit and fiscal policies best adapted to Latin American economic development. That study would include the capital-importing countries as well, again without prejudice to a solution of the problem of double taxation, and would deal with the need of those countries to attract private investments.

In the light of the Cuban and Mexican explanations, Mr. OVERTON (United Kingdom) declared himself satisfied on the point /he had raised.

he had raised. He was not clear, however, regarding the clause in the eleventh operative paragraph beginning "... including guarantees of convertibility..." and suggested an alteration of the text to clarify its precise significance.

Mr. BALTRA CORTES (Chile) would be prepared to accept the United Kingdom alteration if it merely implied that capital-importing countries had other guarantees besides convertibility to ensure that profits earned on investments would be transferred to the country of origin.

Mr. SOL CASTELLANOS (El Salvador) noted that such other guarantees did exist: a guarantee that the actual value of investments would be protected, for example. The clause in question, however, was part of a plan announced by the United States and was intended to guarantee its investments against expropriation in foreign countries.

Mr. de ALMEIDA (Brazil) wanted to retain the original text. It was perfectly clear from the first two lines of the paragraph that the assurance in question was to be extended by governments of capital-exporting countries to private investors with holdings abroad.

Mr. ALIENES (Cuba) also would maintain the original text. Some countries had announced plans to provide greater assurance to private investors; those plans sometimes included guarantees of convertibility. There was no implication that they might not include other guarantees as well.

/Mr. MALENBAUM

Mr. MALENBAUM (United States of America) acknowledged that the language might not be as clear as could be desired, but found it the most meaningful text which could be reached. The first three lines of the paragraph indicated no distinction between capital-exporting and capital-importing countries. The clause under discussion simply illustrated one type of guarantee, one type of assurance which might be extended by capital-exporting nations: assurance that profits earned on private foreign investments could be converted into currency in which the investments had originally been made.

In the light of those explanations, Mr. OVERTON (United Kingdom) said that he would not press the amendment he had suggested.

The draft resolution (E/CN.12/AC.12/13) was unanimously adopted.

Mr. PHILIPSON (France), noting that the French text of the draft resolution was not available, urged the Secretariat to prepare, in French, the texts of all draft resolutions submitted for final approval.

Draft resolution on technical assistance (E/CN.12/AC.12/15)

Mr. BALTRA CORTES (Chile) requested clarification regarding the final paragraph of the operative part. Judging from the Spanish text, the courses to be arranged by the ECLA Centre in Economic Development would be of a permanent nature. He would prefer a more non-committal wording.

/Mr. ALIENES

Mr. ALIENES (Cuba) agreed on the need for a less rigid formula in Spanish. He pointed out, however, that there was to be a continuing series of courses and seminars at the Centre on aspects of economic development. Although some courses might be temporary, they would in all cases be adapted to Latin American needs and co-ordinated with other studies being undertaken in the same field. Accordingly, while the English text would remain unaltered, the Spanish text should be altered to read, in the final paragraph: "... para que se den cursos y se constituyan grupos de estudio sobre....".

It was so agreed.

The draft resolution (E/CN.12/AC.12/15) was adopted unanimously.

Draft resolution on programmes of economic development (E/CN.12/AC.12/12)

Mr. MALENBAUM (United States of America) drew attention to a minor drafting change in sub-paragraph (c) of paragraph 2 and asked the Secretariat to bring the Spanish and English texts into line.

It was so agreed.

Mr. de ALMEIDA (Brazil) requested clarification regarding the final paragraph of the draft resolution. The "appropriate resolutions" referred to therein should be mentioned specifically in order to define more clearly ECLA's responsibility in the granting of technical assistance. The co-operation which could be given by the Executive Secretary to governments requesting such

/assistance would

assistance would necessarily be limited by the budget at his disposal. In view of the very extensive scope of ECLA's undertakings, the current budgetary allocation was inadequate. Accordingly, a paragraph should be added to the draft resolution to permit the use of technical assistance funds for the preparation of development programmes.

Mr. OVERTON (United Kingdom), stressed in that connexion that Governments should decide what assistance they required and formulate their requests more explicitly, giving priorities regarding the qualifications of needed experts. Moreover, a phrase should be added to paragraph 6 requesting the Executive Secretary to utilize to the fullest extent the resources of the specialized agencies in their respective fields of competence.

Mr. MALENBAUM (United States of America) suggested the deletion of the word "his" in the fifth line of paragraph 6 of the operative part and proposed that a small drafting group composed of the representatives of Brazil, the United Kingdom and the United States of America should be set up to redraft that paragraph.

It was so decided.

After a brief discussion in which Mr. MALENBAUM (United States of America), Mr. SOL CASTELLANOS (El Salvador) and the CHAIRMAN took part, it was decided that the first line of paragraph 5 should be redrafted as follows:

"5. RECOMMENDS to institutions providing internal credits ..."

/The draft

The draft resolution was adopted unanimously, subject to drafting changes to be made by the drafting committee in paragraph 6.

Draft resolution on the training of economists in the specialized field of economic development (E/CN.12/AC.12/1)

Mr. LOPEZ FRESQUET (Cuba), Chairman of the Working Group on Programmes and General Problems of Economic Development, pointed out various drafting changes which had been made.

The draft resolution, as amended, was adopted unanimously.

Draft resolution on the economic and legal status of foreign investments in Latin America (E/CN.12/AC.12/16)

The CHAIRMAN, replying to a question by Mr. SOL CASTELLANOS (El Salvador) said that ECLA's report to the Economic and Social Council would refer to the questionnaire on foreign investments (E/CN.12/222/Rev.1) and would suggest that those governments which had not replied to the questionnaire should do so.

The draft resolution was adopted unanimously.

Draft resolution on special industrial studies (E/CN.12/AC.12/9)

Mr. TAYLOR (Inter-American Economic and Social Council), describing the work done by the Council in the field of housing and city planning, said that in its initial stages the programme had been devoted chiefly to giving assistance to governments which had requested aid in the development of housing programmes and in plans for urban expansion. Assistance had been given to Costa Rica, Guatemala, and El Salvador. That type of service to Latin American

/Governments

Governments and private institutions had also been extended through the Round Table on Housing and Urban Development of the Social Affairs Seminars. The first of those seminars had been conducted by the Labour and Social Affairs Division of the Council in Quito, Ecuador. The second seminar had been convened in San Salvador late in 1950, and the third met recently in Porto Alegre, Brazil. The seminars had been highly successful and had stimulated much original work throughout Latin America in the study of such problems as housing, city planning and testing of building materials.

Assistance had also been granted to special missions organized for rehabilitation work in Latin American countries. One of the Council's housing experts was temporarily attached to the special mission now assisting the Government of Ecuador in the rehabilitation of the earthquake-stricken area. Similar assistance had also been given recently to Peru.

He drew the attention of the members of the Committee to the fact that among the first technical assistance programmes sponsored by the Organization of American States and approved by the co-ordinating committee of participating inter-American organizations had been one providing for the establishment and operation of a Housing Research Centre. A site was being selected for that centre at the present time.

The staff of the Inter-American Economic and Social Council had recently been expanded, and a Division of Housing and City Planning had been set up to deal with the housing problem. He emphasized

/that the work

that the work carried out by the Council in the housing field had been of great practical use to a number of Latin American countries.

Mr. SOL CASTELLANOS (El Salvador) recognized the importance of the work being carried out in the housing field by the Inter-American Economic and Social Council.

He suggested that the reference to housing in sub-paragraph (a) on page 2 of the draft resolution (E/CN.12/AC.12/9) should be deleted in view of the fact that such work was already being done by the Council, and made a minor drafting change.

Mr. PREBISCH (Executive Secretary) explained that the Secretariat would be glad to delete the reference to housing, as an important step in co-ordinating the activities of ECLA with the IA-ECOSOC had been made in that field.

Mr. de ALMEIDA (Brazil) supported the statements of the representative of El Salvador and of the Executive Secretary.

Mr. ZAMORA (Mexico) felt that the draft resolution should refer to the fact that Latin American countries were interested in the question of housing as well as in the problem of the supply of foodstuffs. The supply of foodstuffs, clothing and also the housing question were three very important problems in Latin American economy, and therefore the deletion of the reference to the housing industry would be unwise. Sub-paragraph (a) might be redrafted in less rigid terms or a paragraph might be inserted in ECLA's report stating that Latin American countries had noted with satisfaction the studies on housing being carried out by the Inter-American

Economic and Social Council, and therefore had not requested the ECLA Secretariat to make such a study.

Mr. de ALMEIDA (Brazil) pointed out that ECLA was a purely economic commission and its Secretariat should therefore give priority to economic problems and should not be requested to make a study of housing. As the United Nations Department of Social Affairs and the Technical Assistance Administration were studying the problem, he supported the deletion of the words "and housing". He considered that the housing problem would be solved as a part of the general economic development of Latin American countries.

Mr. GUTIERREZ (Argentina) pointed out that the housing industry was closely connected with economic development.

The Mexican representative's proposal that reference should be made to the housing problem in ECLA's report to the Economic and Social Council was adopted.

The CHAIRMAN suggested that the words "and the specialized agencies" should be added at the end of the penultimate paragraph of the operative part.

It was so decided.

The draft resolution, as amended, was adopted unanimously.

Draft resolution on the continuation and supplementation of the study of the textile industry (E/CN.12/AC.12/8)

Mr. MALENBAUM (United States of America) suggested that in the fifth line of the last paragraph of the preamble the word "must" should be replaced by the word "should" and that in the seventh line

/the word

Introduction

The purpose of this document is to provide a comprehensive overview of the project's objectives, scope, and methodology. The project aims to develop a robust system that addresses the challenges of data management and analysis in a dynamic environment. The scope of the project is defined by the following key areas:

- System Architecture: Designing a scalable and secure architecture that supports the core functionality of the system.
- Data Management: Implementing efficient data storage and retrieval mechanisms to ensure data integrity and availability.
- User Interface: Developing an intuitive and user-friendly interface that facilitates the interaction with the system.
- Performance Optimization: Conducting thorough testing and optimization to ensure the system meets the required performance standards.

The methodology employed in this project follows a structured approach, starting with a detailed analysis of the requirements and constraints. This is followed by the design phase, where the system architecture and data models are defined. The implementation phase involves the development of the system components, which are then integrated and tested. The final phase is the deployment and monitoring of the system to ensure its long-term stability and performance.

The project is organized into several phases, each with specific deliverables and milestones. The timeline is as follows:

- Phase 1: Requirements Gathering and Analysis (Weeks 1-4)
- Phase 2: System Design and Architecture (Weeks 5-8)
- Phase 3: Development and Integration (Weeks 9-16)
- Phase 4: Testing and Optimization (Weeks 17-20)
- Phase 5: Deployment and Monitoring (Weeks 21-24)

The project team consists of experts in various fields, including software development, data science, and system architecture. The team is committed to delivering high-quality results and maintaining open communication throughout the project. The project manager will provide regular updates and reports to the stakeholders, ensuring transparency and accountability.

The project is subject to change, and the team will adapt to any new requirements or challenges that arise. The final deliverable is a fully functional system that meets the project's goals and objectives. The project is expected to be completed by the end of the year.

Central American countries was the lack of markets for their products. The Central American States mentioned had submitted the joint draft resolution under discussion as they felt that the Executive Secretary should study the means for the better integration of the national economies of those countries and that the latter should form a committee on economic co-operation.

Mr. VALVERDE VEGA (Costa Rica), supporting the statement of the representative of El Salvador, pointed out that the joint resolution had been so drafted to enable Panama, which had not been invited to join in the resolution because it belonged to a different economic group, to do so later if it so desired.

Mr. CALIX MONCADA (Honduras) supported the statements made by the two previous speakers, and said his Government was very interested in having ECIA make a study of the economy of Honduras and other Central American countries.

Mr. BALTRA CORTES (Chile) suggested that the words "with satisfaction" should be inserted after the words "Takes note" on the second page of the draft resolution.

Mr. de AIMEIDA (Brazil) supported the joint draft resolution and the Chilean amendment.

Mr. ALVARADO OLEA (Ecuador) supporting the joint draft resolution, emphasized the good results obtained by the special committee set up in Caracas to integrate the economies of Colombia, Ecuador and Venezuela.

/Mr. CANTARERO

Mr. CANTARERO (Nicaragua) expressed his gratitude for the support given to the joint draft resolution.

The CHAIRMAN pointed out that in the penultimate paragraph of the preamble the word "co-operation" should be replaced by the words "advice and assistance".

The joint draft resolution, as amended, was adopted by acclamation.

Draft resolution on agricultural improvement in Latin America (E/CN.12/AC.12/10)

The CHAIRMAN pointed out a drafting amendment which had been made in paragraph 4 of the operative part.

Mr. CASSERES (Food and Agriculture Organization) said that the suggestions made in the draft resolution coincided with the programme being carried out by FAO.

The draft resolution, as amended, was adopted unanimously.

TIME LIMIT FOR DISTRIBUTION OF DOCUMENTS BEFORE EACH SESSION

The CHAIRMAN, referring to a question raised by the representative of Guatemala at the second meeting of the Committee, regarding the time limit for the submission of documents, said the question would be referred to the Ad Hoc Committee on the Functions of ECLA

The meeting rose at 7.35 p.m.