

UNITED NATIONS

PROVISIONAL
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ECONOMIC
AND
SOCIAL COUNCIL



PROVISIONAL

E/CN.12/AC.49/SR.1

11 May 1961

ORIGINAL: ENGLISH

ECONOMIC COMMISSION FOR LATIN AMERICA
GENERAL BUSINESS COMMITTEE
Santiago, Chile



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PROVISIONAL SUMMARY RECORD OF THE FIRST MEETING

Held at Santiago on Thursday, 11 May 1961, at 10.30 a.m.

CONTENTS:

Amendments to the Commission's rules of procedure: proposal submitted by the United States of America (E/CN.12/577)

United Nations building in Santiago, Chile: report by the Secretariat (E/CN.12/574)

Control and limitation of documentation: note by the secretariat (E/CN.12/600).

Co-ordination with the Organization of American States (E/CN.12/575, E/CN.12/601, Conference Room Paper No.19)

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/PRESENT

PRESENT:

<u>Chairman:</u>	Mr. KROON	(Kingdom of the Netherlands)
<u>Rapporteur:</u>	Mr. LUNA SILVA	Nicaragua
<u>Members:</u>	Mr. FIGUERERO ANTEQUEDA	Argentina
	Mr. PINHEIRO	Brazil
	Mr. VALENZUELA	Chile
	Mr. MENDEZ	Colombia
	Mr. NOYOLA)	Cuba
	MR. DIAZ del REAL)	
	Mr. JATIVA ORTIZ	Ecuador
	Mr. CUELLAR	El Salvador
	Mr. DUFLOS	France
	Mr. PAREDES REGALADO	Honduras
	Mr. KAUFMANN	Kingdom of the Netherlands
	Mr. APODACA OSUNA	Mexico
	Mr. CABRERA	Peru
	Mr. LAM	United Kingdom of Great Britain and Northern Ireland
	Mr. KELAKOS	United States of America
	Mr. RUOCCO	Uruguay
	Mr. CIFUENTES	Venezuela

Associate Members:

Mr. JAGAN	British Guiana
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Observers from States Members of the United Nations not members of the Commission:

Mr. BRUNLER	Austria
Mr. HOULLEZ	Belgium
Mr. DORON	Israel
Mr. CUNEO	Italy
Mr. ANDO	Japan
Mr. CHABASINSKI	Poland
Mr. PETERSEN	Sweden
Mr. GORGASIDZE	Union of Soviet Socialist Republics
Mr. LJUBA	Yugoslavia

/Representatives of

Representatives of specialized agencies:

Mr. CASSAN	International Labour Organisation
Mr. SANTA CRUZ	Food and Agriculture Organization

Representative of the
International Atomic
Energy Agency:

Mr. FREEMAN

Representatives of inter-
governmental organizations:

Mr. MARRUJUZ	<u>Centro de Estudios Monetarios Latinoamericanos</u>
Mr. CARDENAS	Inter-American Development Bank
Mr. MAGARI OS DE BELLO	Latin American Free-Trade Association
Mr. LERDAU	Organization of American States

Representatives of non-
governmental organizations:

<u>Category A:</u>	Mr. SOTO	World Federation of Trade Unions
<u>Category B:</u>	Mr. LARRAIN ERRAZURIZ	Pan-American Federation of Associations of Architects

Secretariat:

Mr. PREBISCH	Executive Secretary of ECLA
Mr. MALINCWSKI	Secretary of the Economic and Social Council of the United Nations
Mr. VALDES	Secretary of the Commission
Mr. TRANCART	Secretary of the Committee

AMENDMENTS TO THE COMMISSION'S RULES OF PROCEDURE: PROPOSAL SUBMITTED BY
THE UNITED STATES OF AMERICA (E/CN.12/577)

Mr. KELAKOS (United States of America) said that his delegation had proposed a text (E/CN.12/577, page 3), to replace the first paragraph of rule 34 of the Commission's rules of procedure; the text proposed would make the rule more consistent with the corresponding rule of other Regional Economic Commissions and of the Economic and Social Council. Since draft resolutions, and substantive amendments or motions, were the most significant expression of the results of debate and deliberation, twenty-four hours should be allowed in which to consider them on their merits and consult with their sponsors regarding their motivation. As the language of the proposed new first paragraph of rule 34 specified, the twenty-four hour rule could be waived by a majority vote of the Commission. In any event, it was not applicable to procedural motions.

Mr. RUOCCO (Uruguay) said that, in view of the United States representatives's explanation that the twenty-four hours would allow time for consultation with the sponsors of drafts resolutions concerning their motivation, he would not press the request which he had made in plenary meeting to the effect that the draft should be submitted with an explanatory memorandum.

The United States amendment was approved unanimously.

UNITED NATIONS BUILDING IN SANTIAGO, CHILE: REPORT BY THE SECRETARIAT
(E/CN.12/574)

Mr. LARRAIN TERRAZURIZ (Pan-American Federation of Associations of Architects), availing himself of the opportunity offered by the Committee's consideration of the item, drew ECLA's attention to the need to develop an integrated intra-regional market for building materials in Latin America with a view to alleviating the acute housing shortage.

The CHAIRMAN announced that the first stone of the new United Nations building in Santiago would be laid at a ceremony to be held on Saturday, 13 May.

The Committee took note of the report by the Secretariat (E/CN.12/574).

CONTROL AND LIMITATION OF DOCUMENTATION: NOTE BY THE SECRETARIAT (E/CN.12/600)

Mr. IIBHIRO (Brazil) expressed satisfaction with the quality and technical value of ECLA's documentation, but appealed to the secretariat to make greater efforts to transmit it to the Commission's members sufficiently in advance of the biennial sessions to allow time for its more thorough examination.

Mr. TRINGLET (Secretariat) said that the secretariat would make every effort to comply with that request.

The Committee took note of the secretariat's note (E/CN.12/600).

CO-ORDINATION WITH THE ORGANIZATION OF AMERICAN STATES (E/CN.12/575, E/CN.12/601, Conference Room Paper N°19)

Mr. PREBISCH (Executive Secretary of ECLA) said that the agreement for co-operation between the secretariats of ECLA, OAS and the Inter-American Development Bank (IDB) was directed towards the avoidance of jurisdictional disputes and towards the pooling of the three organizations' efforts in a common endeavour, without prejudice to the specific terms of reference of each party or to each one's independence. The three organizations had formed an Ad Hoc Co-operation Committee, and would in the immediate future be working jointly in three main fields: economic research and studies, advisory groups of experts, and agricultural development. The OAS would be the executing agency for the joint annual economic and social survey to be approved by the two organizations, which would be an objective, analytical document excluding appraisals of economic policy and recommendations, which could, however, be presented independently to Governments by the two organizations. However, the shifting of primary responsibility for the surveys to OAS would be without prejudice to the independence of the two bodies engaged in that joint undertaking. On the other hand, ECLA would be the executing agency for the Advisory Groups; since there were insufficient resources to train enough experts to meet Latin American requirements, it would be wasteful for any other organization to establish machinery duplicating that already in existence and therefore the Inter-American Development Bank had expressed its intention of drawing upon ECLA advisers in responding to members' requests for assistance in the programme of economic development.

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In the field of agricultural development, ECLA, OAS, and the IDB would be working closely with FAO's regional bodies. For many years ECLA had been collaborating with FAO in the study of such major problems as the extent to which agricultural growth of Latin America could keep pace with the growing population and the increased world demand for agricultural products. The secretariat had developed very close and effective co-operation with FAO, in which Mr. Santa Cruz, Assistant Director-General of FAO and Director of the FAO Regional Office for Latin America, had played an important part. Limited funds had, however, prevented a more thorough study of agricultural problems; with the co-operation of OAS and the Bank, the joint work of FAO and ECLA would be greatly facilitated.

One of the main obstacles encountered by ECLA experts advising Governments was the lack of statistical information in many Latin American countries. Under the new system of tripartite co-operation, statistical advisory groups could be formed to help improve the statistical data required in the planning of economic development. Initial experiments in that field in Bolivia and Cuba had already proved successful.

The three organizations which were pooling their efforts and resources in the interests of the continent's development would, in view of the very broad field of their activity, from time to time have to consult other international organizations on specific problems. It was ECLA's intention to continue to associate FAO in the study of all matters directly or indirectly of interest to it, and to suggest the establishment, within the framework of the proposed centre for planning and programming, of a joint division of the two bodies to deal with problems of Latin American agriculture.

Mr. LERDAU (Organization of American States) expressed gratification at the agreement reached with ECLA and the Inter-American Development Bank for the combining of efforts to promote Latin American development. In order to clarify the context within which the three organizations would co-operate, he cited the five key areas on which, in the view of OAS, their activities should be concentrated. They were: general and sector-by-sector planning; improvement of infrastructure, agrarian institutions, fiscal policy and transport; social improvement, particularly housing, education and health; regional integration; and the stabilization of international trade in primary commodities.

/The formidable

The formidable task confronting the parties to the co-operation agreement would call for the use of all the resources available to them for many years to come. OAS, for its part, was prepared to dedicate itself to the task in question. In that connexion, he quoted the description of the objectives and machinery of the "Alliance for Progress" given by the United States representative in plenary meeting. That plan would be discussed in its details by the Ministers of Finance of the Inter-American Economic and Social Council in July, but it was already clear that only full co-operation between Governments and international organizations could bring about its implementation.

Mr. CARDENAS (Inter-American Development Bank) expressed the Bank's satisfaction with the arrangements concluded for practical co-operation with ECLA and OAS. He was confident that they would greatly enhance the effectiveness of the Bank's work in the economic development of Latin America.

Mr. SANTA CRUZ (Food and Agriculture Organization) thanked the Executive Secretary for the tribute paid to FAO for its work in assisting the agricultural development of Latin America. He shared the Executive Secretary's concern to avoid dispersal and duplication of effort by international organizations, and the jurisdictional disputes which could paralise them. The three organizations which had concluded an agreement for co-operation, although they were independent, were inspired by the same general philosophy, and he was confident that their joint efforts would prove effective. He had been pleased to hear that the Executive Secretary of ECLA envisaged co-operation with FAO in the proposed centre for planning and programming.

The FAO had become aware of the growing interest of OAS in agricultural questions. Accordingly, on its initiative, the 1960 Regional Conference of FAO had been held jointly, in Mexico, with the Agricultural Conference of OAS. The success of that joint undertaking had led to an agreement to hold such joint conferences biennially. Thus a single inter-governmental organization was directing the work in the agricultural field. FAO hoped that in future ECLA would also sponsor those joint meetings. FAO had worked with OAS, and more particularly with its Research Institute, in organizing many seminars. Moreover, the Inter-American Development Bank had suggested that FAO co-operate with it in pre-investment studies, and FAO had already advised the Bank in a preliminary examination of agrarian reform programmes.

During the initial stages in the preparation of the agreement of co-operation between ECLA, OAS and the IDB, he had entertained some doubt as to whether there was due recognition of FAO's role in dealing with the problem of agriculture, which was unquestionably the major development problem on the continent of Latin America. That doubt had been dispelled, however, and FAO had been associated in a joint enterprise to make a broad study of Latin American agriculture and recommend concrete measures for its development. Moreover the Executive Secretary of ECLA had given clear assurances that FAO would be consulted, when necessary, regarding the form in which action should be planned. Nevertheless, however fruitful the joint action of ECLA, OAS and the IDB might prove to be, it could not replace co-ordination by Governments. As a basic preliminary step, Governments should co-ordinate their objectives and the methods of attaining them, so that inter-governmental or international organizations would not be confronted with contradictory guidance.

Mr. FIGUERERO ANTEQUEDA (Argentina), after congratulating the officers of the Committee on their appointment, said that his Government had always favoured any measure of co-ordination implying a better use of the technical capacities and less duplication in the efforts of international organizations. It was therefore not opposed, in principle, to the effective co-ordination of ECLA, OAS and IDB activities or to the creation of an Ad Hoc Committee.

While taking note of the statement made by the Executive Secretary at the beginning of the current session, and of the report of the proceedings of the first session of the Ad Hoc Committee (E/CN.12/601), his delegation must point out that it was for the States Members, not for the secretariats, of the three organizations to decide on the measures of co-ordination which were desirable in the light of the functions of those organizations as laid down in their constitutional instruments. For example, under article 64 (b) of the OAS Charter it was the Inter-American Economic and Social Council which was responsible for co-ordinating inter-American economic and social activities. Moreover, the executive secretariat should be adequately represented in any such co-ordinating negotiations.

As for the first session of the Ad Hoc Committee (E/CN.12/601), his delegation failed to see how the preparation of a single annual economic and social survey of Latin America could be consistent with the separation of the functions of ECLA and OAS. An agreement of that kind should not have been concluded without the express approval of the Governments.

His delegation thought that ECLA should continue to produce the annual surveys, making certain basic changes in the arrangement of the material. Instead of presenting the latter by countries, it would be better to present it by general trends in the various fields - trade, industrial development, economic integration, etc. - data on individual countries being introduced as appropriate. By such elimination of everything that was superfluous, the volume of the survey could be substantially reduced without its usefulness being impaired.

On the other hand, Argentina felt that OAS was the appropriate organization for the preparation of annual reports on general developments in the field of inter-American co-operation, since such reports were needed for the annual IA-ECOSOC meetings attended by the Latin American Ministers of Finance.

His delegation was aware that, under such a division of labour, some overlapping would be inevitable. But so long as ECLA and OAS existed as separate entities, it was necessary and desirable that they should be given the opportunity and the duty of making their separate appraisals.

Finally, he wished to point out that any study, or line of activity, of either ECLA or OAS would henceforward have to be based on recognition of the fact that the Montevideo Treaty was the path definitively chosen by the Governments of Latin America to lead to greater economic integration, and that any other terms of reference for such studies or activities would have to come from the Governments, through the governing bodies of the organizations concerned.

He reserved his delegation's right to revert to the question under consideration whenever the financial implications of activities decided on by the Ad Hoc Committee were examined.

Mr. NOYOLA (Cuba) said that the Revolutionary Government of Cuba recognized the objectivity of the secretariat and Executive Secretary of ECLA, and was grateful to the Commission for its co-operation in the work of economic planning in Cuba. However, that Government did not have the same confidence in the secretariat of OAS. The Organization of American States was clearly an instrument of United States imperialism. If any doubt subsisted regarding the accuracy of that statement, it should have been dispelled by the remarks of the OAS representative, who had referred in some detail to the most recent manoeuvre of United States monopolies, the so-called "Alliance for Progress". ECLA could only lose by association with OAS, for the former was recognized by all Latin America as an independent, objective and apolitical technical body, and the atmosphere of Chile or Mexico was certainly more favourable for objective economic research and analysis than that of Washington, D.C. In the light of its experience, Cuba could not approve the agreement for co-operation between ECLA, OAS and the IDB; that agreement could only prejudice the valuable work which ECLA had been doing for the whole of Latin America.

Mr. MENDEZ (Colombia) said that his delegation was highly gratified by the agreement for co-operation between ECLA, OAS and the IDB. For years, it had been conscious of a duplication of effort and a dispersal of energies and resources. The agreement would permit a more rational utilization of the scant resources available.

Colombia did not share the apprehension expressed by Cuba concerning the effect of the agreement for co-operation. Colombia was confident that ECLA would retain its traditional independence and that the differences which had previously existed with the other Latin American organizations would now be resolved through joint co-operation.

In Colombia, ECLA was regarded by many as the ideological basis of economic independence, and the new agreement would not shake that faith. The other two parties to the agreement would be in a position to contribute their financial resources, their technical ability and their devotion to Latin American progress, without bias and without being bound by precedent. He was confident that the doubts expressed by the delegation of Argentina,

would be dispelled, since the pooling of the resources of the three parties to the agreement would lighten the financial burden and enable them jointly to concentrate their efforts on the most urgently needed research. Moreover, the agreement provided that each participating organization was to retain its independence and legal competence. For all those reasons, Colombia had co-sponsored the draft resolution endorsing the agreement (Conference Room Paper No. 19).

Mr. VALENZUELA (Chile) observed that his country's membership of OAS, ECLA and the IDB was a sovereign expression of its foreign policy. He could therefore not understand how the representative of Cuba could, on the one hand, pay a tribute to Chile for its democratic atmosphere, and, on the other, say that OAS, of which Chile had chosen to be a member, was an instrument of imperialism and that the Latin American Governments, including Chile, were serving the interests of a foreign Power by their membership and defence of OAS.

In view of the Cuban representative's challenging of the objectivity of OAS and his praise for that of ECLA, it was interesting to recall that at the last session of the United Nations General Assembly a certain group of States had launched a general attack on the United Nations Secretariat, casting doubt on its objectivity and independence. On that occasion the Chilean delegation had come to the defence of the Secretariat, and it had done so primarily because the attack had been directed equally against the secretariats of the Regional Commissions, including ECLA, of whose work Chile had intimate knowledge. As for the work of the OAS secretariat, his delegation could state that, within that secretariat's limited resources, it had been of service to the region.

The problem of co-ordination and co-operation between international organizations arose from the fact that there were so many aspects of economic and social development which did not fall within the purview of a single organization. The further question arose whether the great multiplication of organizations, seminars, study groups, working parties and other bodies was all to the good. The public had become thoroughly confused by the post-war proliferation of international bodies, the

"alphabet soup" of almost meaningless initials that stood for entities many of which were engaged on the same or almost the same tasks. The twelve months of the year no longer sufficed for a reasonable planning of all the meetings and conferences which Ministers and civil servants were expected to attend. Apart from the budgetary implications and the effect on current work, it often happened that officials attending the conferences or reading the studies of different but closely related organizations found different approaches to their country's problems, and sometimes contradictory recommendations.

What was needed was a new methodology of analysis. The Executive Secretary had already spoken of a "common endeavour" in regard to certain studies. That was the kind of approach which should be used by all international organizations working in the same field. The essence of close co-operation lay not in the co-ordination of machinery but in the co-ordination of interests. If the various secretariats concentrated on what was realistic and feasible, co-operation and co-ordination would become, in general, a much simpler task.

In conclusion, he emphasized the need for exchanging information and experience with other Regional Commissions, and, possibly, for holding joint meetings.

Mr. PINHEIRO (Brazil) said that his Government had welcomed the meeting of the Ad Hoc Co-operation Committee, and regarded its creation not as implying any diminution in the role of any of the three organizations concerned, but as constituting a means of making their work more effective. The present degree of co-ordination was the fruit of the Bogota Conference of American States, and the forthcoming meeting of the IA-ECOSOC at Ministerial level would provide a further opportunity of strengthening co-operation with ECLA.

The representative of Cuba had said certain things that were inadmissible. Brazil had great respect for the sovereignty of all States, and would not be a member of an organization dominated by a foreign Power, however friendly.

/Mr. KAUFMANN

Mr. KAUFMANN (Kingdom of the Netherlands) pointed out that two of the three countries which constituted the Kingdom of the Netherlands were situated in South America. Although they were not members of OAS, his delegation welcomed the report (E/CN.12/575) on co-operation and co-ordination with OAS, and hoped that the closer contacts being established would result in a better understanding of OAS activities in the Netherlands Antilles and Surinam. He also hoped that the arrangements described in the report would be extended to include CEMLA and all other organizations whose field of work overlapped with that of ECLA. In that connexion, he shared the Chilean representative's desire for ever-increasing co-ordination, in view of the constant appearance of new international bodies.

One point in the report on the proceedings of the Ad Hoc Co-operation Committee (E/CN.12/601) had left him in some doubt. It was stated, on page 8 of the report, that the OAS-ECLA development missions would refrain from making any appraisals of economic policy, although each organization would be entitled to submit separately whatever recommendations it deemed appropriate within its own purview. It was difficult to see how a development mission could be a useful enterprise if it refrained from making appraisals and if its work resulted in separate recommendations.

Mr. JATIVA CRTIZ (Ecuador) said that his delegation welcomed the arrangements for co-ordination between the three organizations, and would support the joint draft resolution.

Mr. NOYCLA (Cuba) explained that Cuba too was a member of OAS and that he had not said that countries which were members of OAS were instruments of imperialism. The secretariat of OAS, however, was unfortunately exposed to pressure from the strongest member of the organization.

Mr. LAM (United Kingdom) said that his delegation supported co-operation in the preparation of studies, not because it considered the level of ECLA studies inadequate, but because in many fields the stage of analysis had been passed. He hoped that objective co-operation with OAS would be achieved, for it could prove a decisive contribution to the economic betterment of the countries of Latin America.

/Mr. JAGAN

Mr. JAGAN (British Guiana) pointed out that, under paragraph 9 of its terms of reference, ECLA was fully authorized to co-ordinate its activities with the appropriate organs of the inter-American system and to make working arrangements with them regarding joint study or action on economic problems within its competence. Thus its participation in a co-operative enterprise with the OAS and the Inter-American Development Bank was unexceptionable on grounds of competence. There was justification, however, for some apprehension regarding the extent of that co-operation.

Economic planning, its methods and its techniques constituted a very broad field to which experts might have very different approaches. While admittedly experts should not determine economic policy, they could give bad advice and lead Governments astray in the programming of their economic development. ECLA should guard against that danger and at all costs preserve its independence.

Moreover, various techniques of planning had been applied in different countries, and many of those countries were now characterized by different rates of economic growth. Even in the United States it had been admitted, for example, that that country's rate of economic growth had been half that of the Soviet Union. Important new measures had also been taken in India and Ghana to accelerate economic development. ECLA should invite economic experts from socialist countries, and from recently established States like India, to contribute their advice and experience, so that it would derive the benefit of the expertise not only of the West but of the whole world. A clear distinction should be drawn between economic and political democracy: capitalism should not be equated with economic democracy.

He would welcome a clear statement from the Executive Secretary of ECLA specifying that, in its efforts to co-ordinate planning and techniques with OAS, ECLA would not allow itself to be governed by the political philosophy of that organization. British Guiana was opposed to any partisan approach; it wanted an impartial evaluation of its problems from all kinds of experts, and the independence of judgment which could best promote its rapid economic growth.

Mr. PABLOS LEGALADO (Honduras) said that his Government approved the co-operation between ECLA, OAS and the IDB now under discussion. By working together and in harmony, they would be able to make a maximum contribution

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to the economic development of their member countries, especially of those classified as less developed.

He could not pass over in silence certain remarks made by the representative of Cuba. His country, as a member of OAS and a sovereign State, was fully aware of its duty and acted at all times with complete freedom of judgment. In OAS, the delegation of Honduras adopted its position on all resolutions in complete independence and in keeping with the democratic principles which inspired its Government.

The cordial and fraternal atmosphere of ECIA sessions, which were devoted to the serious economic problems confronting Latin America, did not lend itself to those sessions being used as a political platform from which to make accusations that were insulting to member countries.

Mr. CARRERA (Peru) said that his delegation highly appreciated the action taken by ECIA, OAS and the IDB to unite their efforts in the interests of their member States.

Mr. CIFUENTES (Venezuela) said that his delegation favoured any co-operation or co-ordination, in the work of the three organizations, which was based on an objective approach to the problems of the region in the interests of its development.

Mr. PERBISCH (Executive Secretary of ECIA), replying to some of the observations made by members of the Committee, assured the representative of the Kingdom of the Netherlands that ECIA would associate CERIA in the efforts to relate monetary policy with planning for economic development. He thanked the representative of Cuba for his tribute to the objectivity and independence of ECIA, and felt no reticence in replying to the question put to him by the representative of British Guiana: ECIA would defend the independence of the secretariat, established in the United Nations Charter and in its own traditions. The Cuban representative would recall that independence was the major source of ECIA's strength; it had enabled the Commission to penetrate into all fields of economic and social development and to follow closely the experience of the whole world in economic planning. He had been greatly interested, for example, in the conversations held by Professor Leontief with Soviet economists in regard to the possible use of mathematical tools in Soviet economic planning. ECIA set a high value on intellectual exchanges

/and intended

and intended to develop them increasingly, since there was much to be learnt from them.

The Cuban representative had referred to the qualifications of the OAS staff. There had recently been important changes in the secretariat of the OAS, starting when Mr. Morales was appointed as Director of the Economic and Social Department. The new Under-Secretary for Economic and Social Affairs, Mr. Sol Castellanos, was an economist and political figure enjoying great prestige in Latin, and especially in Central America; indeed it was he who, as Minister of Economy in El Salvador, had promoted within ECLA the idea of Central American integration. He was currently training a corps of economists similar to that of ECLA itself. No problem of jurisdiction was involved, for Latin America could not have too many independent economists. As Executive Secretary of ECLA, he was prepared to give full support to that enterprise.

ECLA had asserted its independence from the very outset; years ago, it had freely advocated industrialization for Latin America and, notwithstanding serious criticism, had openly spoken of the deterioration of terms of trade and its effect on the economy of certain countries. It had attacked an archaic theory of international trade which was one of the major theoretical obstacles to industrialization and had, very early on spoken of economic planning. As long ago as 1954 it had called for a vigorous policy of international economic and technical co-operation, and for a movement towards an inter-American development Bank which had since taken shape. ECLA had developed a strong sense of mission on behalf of Latin America, and that accounted for the keenness of its staff. Its independence was not in danger and if, in the future, under the influence of decaying energies, he who had charge of ECLA should now falter and abdicate that independence, he could assure the Committee with pride that none of his economists would tread that road with him.

Mr. NOYOLA (Cuba) said that the Executive Secretary's last statement had not allayed the fears of his delegation. The good intentions of the ECLA secretariat would be severely tried by any close collaboration with the OAS secretariat. In that connexion, his delegation could not share the Executive Secretary's opinion of Mr. Sol Castellanos, whose lack of objectivity was demonstrated by his expressed views concerning the Cuban revolution.

/After reviewing

After reviewing the Soviet origin of some of Professor Leontief's economic concepts and underlining the value of Soviet economists' work for economic planning in Latin America, he reaffirmed his delegation's absolute rejection of co-operation with OAS.

Mr. RUOCCO (Uruguay) reaffirmed his country's traditional support for co-operation between all international organizations concerned with the welfare of Latin America. No one in the Committee was really opposed to the principle of such co-operation. The technical questions raised by the Argentine delegation were susceptible of solution. Even the representative of Cuba recognized the usefulness of international co-operation, when he advocated the use of experts from socialist countries. If there was any fear that joint work would be dominated by tendencies which were not those of Latin America or were not truly international, he was sure that ECLA would be the first to withdraw from such work.

Mr. LUNA SILVA (Nicaragua) said that his country supported co-operation among the three organizations on the basis of order and progress. It was difficult for States which respected the democratic structure of Latin America to see political motives in Latin American co-operation.

Mr. SOTO (World Federation of Trade Unions) said that, despite the Executive Secretary's enthusiasm for the ECLA-OAS-IDB "common endeavour", he wished to express his organization's fear that ECLA would gradually lose its independence and its ability to play the part for which it had been created by the United Nations. He had the impression that the first task of the "common endeavour" was to determine how the \$500 million of the "Alliance for Progress" would be distributed, as had been implied by the representative of OAS and as was indicated by the proposed resolution (Conference Room Paper No. 19), which called for "flexibility" -- mostly on the part, naturally, of the weaker element.

WFTU would continue to press its policy of opposing efforts to organize the professional training of the experts who would influence the overall planning of economic development in Latin American countries in a way contrary to the spirit of economic and social independence of the Latin American peoples, who profoundly distrusted OAS in view of its recent activities against the Revolutionary Government of Cuba.

/WFTU felt

WFTU felt that the Latin American system was weakening, since some of its bodies were preparing for action against the workers and peasants of Cuba.

While all social and economic problems should be dealt with in a co-ordinated manner, the worker's experience had been that such bodies as the International Monetary Fund tended, by their efforts, to worsen the living conditions of workers and to prevent a thorough-going land reform.

Mr. LERDAU (Organization of American States) hoped that British Guiana would one day be a member of OAS. He wished to explain, for the benefit of the representatives of Cuba, that he had quoted the statement of the United States representative not as any so-called "highest authority" but because it summed up the point he had wished to make, and he would not have hesitated to quote a similar statement if made by any other representative.

He thanked the Executive Secretary and the representatives who had expressed confidence in the objectivity of the OAS secretariat. The latter realized that it did not as yet equal the technical competence of the ECLA secretariat, which it would try to emulate. The OAS secretariat would never yield to pressure or domination, by any entity, in its technical judgement of what would benefit Latin America; that judgement would always be arrived at objectively and in full freedom.

Mr. FIGUERERO ANTEQUEDA (Argentina) said, in explanation of vote, that he could not support the joint draft resolution. He wished to make it clear that his delegation's position was based on technical considerations; he rejected any political implications, reaffirming his country's confidence in the freedom of judgement, and in the objectivity, of both ECLA and OAS.

He would have referred to a draft resolution which took note of the efforts made to achieve co-operation and transmitted the documents concerned to the Economic and Social Council together with the observations made during the discussion. The draft resolution, as it stood, had for Governments certain financial implications which should have been examined by the United Nations Economic and Social Council, the IA-ECOSOC and the Board of Governors of the IDB

The joint draft resolution (Conference Room Paper No. 19) was approved by 13 votes to 1, with 1 abstention.

The meeting rose at 1.25 p.m.