

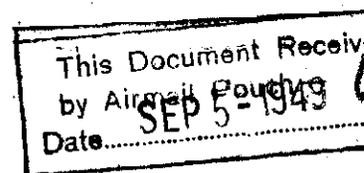
## ECONOMIC COMMISSION FOR LATIN AMERICA

Second Session

Report of Committee 3

as amended at the Plenary Meeting

held on June 10, 1949



1. The plenary session of the Economic Commission for Latin America created Committee 3 for the purpose of examining Chapters I, II, and III of the Economic Survey of Latin America (E/CN.12/82) and of the problems of technical assistance, particularly the Preliminary Study of Needs for Technical Assistance in Latin America, (E/CN.12/84) and the Progress Report of the Expert of the International Labour Office on Enquiries conducted into Vocational and Technical Training Requirements and Facilities in Latin America (E/CN.12/90). The Committee had the benefit of having for its information the report on Technical Assistance for Economic Development (E/1327/Add.1) of the Secretary-General of the United Nations.

2. The Chairman of the Commission, Mr. Machado, appointed the representative of Chile, Mr. Santa Cruz, as Chairman of the Committee. In its first Session the Committee elected the representative of Panama, Mr. McCullough, as Vice-Chairman and the representative of the Netherlands, Mr. Riemens, as Rapporteur.

3. The Committee met on June 1, 3, 7, and 9.

4. The discussion of the contents of Chapters I, II, and III, was started by a few factual remarks by some delegates concerning errors or omissions of data pertaining to their respective countries. It was pointed out that in view of the fact that many delegations had received the Survey only at the beginning of the Second Session of the Commission, they were not in a position to make a detailed analysis of the chapters in question.

Several delegations, among them that of Cuba, pointed out that the significant aspects of the economic activities of their countries had not been fully analysed and stated that it would be desirable to have the Executive Secretary prepare studies, country by country, or by groups of countries with similar economic characteristics.

The Section on Financing (Chapter I) was discussed in great detail and the delegations of Chile and Uruguay in particular expressed the desire to have the Executive Secretary undertake a detailed study country by country, or by groups of countries with similar economic characteristics, of the economic financial and legal aspects of investment, both domestic and foreign, in Latin America. The delegation of the Netherlands discussed its country investments in Latin America. On the invitation of the Committee the observer for the National Association of Manufacturers (U.S.A.) summarized the recent trend of United States private investment in Latin America, pointing out the causes which, in his opinion, prevent a larger capital flow.

At the end of its Second Meeting the Committee resolved to take note of the above-mentioned chapters of the Economic Survey, requesting the Executive Secretary to take into account the remarks made by delegations during the discussion.

5. At its first meeting, the Committee heard Mr. Owen Assistant Secretary-General in charge of Economic Affairs, who discussed the report of the Secretary-General on "Technical Assistance for Economic Development" and who, inter alia, indicated that technical assistance on the part of those nations which are in the process of industrialization should be of value to those countries which find themselves in the earlier stages of economic development. He stressed the international and co-operative character of the programme.

The delegation of France presented a statement on the technical assistance which its country could offer in connection with the programme. The Netherlands delegation made a similar statement and the delegation of the United Kingdom stated that its government would be prepared, within the limits of its available resources, to co-operate in the programme. The delegation of Cuba offered the services of its available experts. The delegation of Chile referred to the letter sent to the Executive Secretary in this connection, (E/CN.12/134, Attached).

The representatives of the International Labour Organization, the Food and Agriculture Organization, the World Health Organization, and the United Nations Educational, Scientific and Cultural Organization reported on their activities in connection with technical

assistance in Latin America.

6. The Committee at its meeting on 7 and 9 June considered also the proposal of the Brazilian delegation dealing with the shortage of trained economists and the need for creating additional facilities for the training of experts in various fields of Latin America economy. The draft resolution jointly introduced by the Brazilian and United States delegations (E/CN.12/AC.3/W.4/Rev.2) was adopted unanimously during the 9 June meeting of the Committee. Furthermore the delegation of Brazil pointed out that dollar shortage in Latin America hampered economic development.

7. During the meeting of June 9 the economic development of Latin America was discussed at length. The Chilean delegation expressed the need for a general resolution on this subject since he felt that the Economic and Social Council prior to its Eighth Session, had not paid sufficient attention to the problem of the under-developed countries. Delegations expressed their appreciation of the efforts of the Chilean delegation in the Economic and Social Council on behalf of the under-developed countries.

The Cuban delegation emphasized the need for analytical studies of individual countries or groups of countries with similar economical characteristics, which should be taken into account in all future activities of the Secretariat. Concerning the long range nature of economic development in Latin America, delegations expressed their warm appreciation to Professor Prebisch for his study. The Bolivian delegation stressed the usefulness of its

commission's work and its future possibilities. Furthermore it pointed out the need for the long-term investment of capital at low rates of interest in order to carry out the industrialization and diversification of the economy of each Latin American country.

Delegations discussed again the problems of financing economic development, in the region and after some amendments approved unanimously the draft resolution and conditions affecting capital investment introduced by Uruguay.

During the discussion, the Chilean delegation expressed its views that, the question of modernization of agriculture should be considered as an aspect of industrialization.

The following resolutions, as approved at the plenary meeting held on June 10, 1949 are attached to this report;

- (a) Resolution on technical assistance (E/CN.12/130) originally introduced by the representative of Chile;
- (b) Resolution on economic development (E/CN.12/131) originally introduced by the delegation of Chile;
- (c) Resolution on the conditions affecting capital investment (E/CN.12/132) originally introduced

/by the delegation

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by the delegation of Uruguay; 1/

(d) Resolution on the promotion of economic  
research and the training of economists

(E/CN.12/133) originally introduced by the  
delegations of Brazil and the United States  
of America.

1/ Committee 4 having approved and presented to the  
Plenary Meeting of the Commission held on 10 June 1949  
a general resolution on the "Economic Survey of Latin  
America", it was decided that Committee 3's resolution  
on Chapters I, II and III of the Survey -  
(E/CN.12/AC.3/W.8/Rev.1) need not be presented to  
the Commission.

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