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PROGRESS REPORT ON ECLA/FAO COLLABORATION

As stated in the Memorandum of Understanding between the Director General of the Food and Agriculture Organization and the Executive Secretary of the Economic Commission for Latin America, work in regard to economic problems of agriculture is a responsibility of both ECLA and FAO. ECLA is primarily concerned with economic problems of agriculture in relation to overall development while FAO is interested in these problems in relation to economic problems of agriculture in other regions of the world and in connexion with its responsibility for all technical agricultural problems in this region.

Accordingly, the Secretariats of the two organizations have worked closely together in order to supplement and strengthen each other's activities in this field. As may be seen from the programmes outlined below they have gradually widened the area of their collaboration.

During the past year the two organizations have collaborated on the following projects:

/1. Agricultural

1. Agricultural Credit Seminar held in Guatemala City from 15 September to 15 October 1952

This meeting was attended by agricultural credit experts from 9 countries. Study and discussion of the principles and practices and the main problems on agricultural credit in relation to agricultural production and development centred on the papers prepared in advance by participants and by the Secretariat. Document E/CN.12/305 (Agricultural Seminar in Central America) presents the results and conclusions of this meeting.

2. Joint Working Party on Technical Assistance in Central America

As may be seen from document E/CN.12/296 on the economic integration and reciprocity programme in Central America, FAO was a member of the inter-agency Working Party which assisted the Ministers Committee on Economic Co-operation to draw up a joint technical assistance programme for Central America as a whole. FAO has agreed to participate together with TAA, ECLA and other agencies in implementing the requests of the Central American governments for assistance in carrying out a long-range programme of regional economic development.

3. Studies of the Agricultural Division of the Economies of Individual Countries

These studies are aimed at clearly showing the economic progress of the country's agriculture in its relation to the entire economy of the country. Three of these studies have been finished:

/a) Ecuador.

- a) Ecuador. This was a part of the study of economic development of Ecuador. The agricultural part of this report is especially serviceable because of the previous lack of any detailed publication covering agriculture on that country. The study is reported as document E/CN.12/295 (Study on Economic Development of Ecuador). Also a separate paper on a reduced scale has been prepared.
- b) Brazil. A reconnaissance survey of the agricultural economy of Brazil prepared in part through the use of an agricultural economist of high standing in Brazil, who travelled throughout the country interviewing agricultural leaders and farmers and analysing available government statistics. For the first time the agriculture of Brazil was analysed by dividing it into areas, which simplified the presentation of the material. See the report E/CN.12/307.
- c) Peru. A somewhat similar study in Peru is also on the way; the field work has been completed and the agricultural statistics assembled. The report could not be finished in time for presentation to the Rio Conference.

4. Of an entirely different nature from the broad reconnaissance surveys just mentioned, is a project, involving a detailed study of the farm incentives to increase agricultural production. This

/study which

study which attempts a special sampling technique of the situation in Latin America is being made first in one country -- that is, in the central valley of Chile. Here more than 400 units, selected at random from all farms in two provinces, were studied in detail, to determine the factors affecting the decisions of the individual farmers to produce.

The study is significant because it is one of the very few instances in Latin America where a research has been made into the thinking and actions of individual farmers. This is reported as document E/CN.12/306.

5. A Study of Trade between Latin America and Europe

This study which has been published as a printed document by the United Nations, was prepared by the Economic Commission for Latin America, the Economic Commission for Europe, and the Food and Agriculture Organization.

6. Agricultural Chapter - Economic Survey

This chapter was prepared by the staff of the ECLA Agriculture Division, centred around a study of the policies and means used by Latin-American Governments to stimulate agricultural development and the results thus obtained. The study was supported by historic and current data on production prices, exports and imports of agricultural goods.

The statistical data used in this chapter were checked by the statistical branch of the Food and Agriculture Organization in Rome, and a determined effort has been made to see that the data used are the latest and most authoritative available. See

document E/CN.12/291 (Economic Survey 1951-1952).

7. Pulp and Paper Study

One of the activities co-operatively pursued by FAO and ECLA has been an investigation of the prospects for pulp and paper industries in Latin America. This work has also been staffed by both organizations and the report has been released as E/CN.12/294 (Preliminary Study of the Possibilities for the Development of Pulp and Paper Industries in Latin America).

Looking forward to the months ahead the following items have been included in the tentative work programme:

- 1) preparation of special papers for the regional meeting of the Food and Agriculture Organization in Mexico City in July 1953;
- 2) collection of data and analyses for the agricultural chapter of the next Survey;
- 3) a continuation of country studies first completing the study in Peru and then adding studies on other countries not yet covered;
- 4) continuation of work in the paper and pulp industry.