

UNITED NATIONS
ECONOMIC
AND
SOCIAL COUNCIL



GENERAL

E/CN.12/254/Rev.2

16 June 1951

ENGLISH

ORIGINAL: SPANISH

ECONOMIC COMMISSION FOR LATIN AMERICA
Fourth session
Mexico City

7 AD HOC COMMITTEE ON ECONOMIC DEVELOPMENT

Report of the Rapporteur

Constitution of the Committee

The Ad Hoc Committee on Economic Development was constituted at the plenary meeting on 30 May 1951. Mr. Carlos Martinez Sanchez, head of the Cuban delegation, was elected Chairman.

Programme of work

The Committee considered the following documents:

Economic Survey of Latin America 1950 (E/CN.12/217).

Some Theoretical and Practical Problems of Economic Growth (E/CN.12/218).

Economic and Legal Status of Foreign Investments in Selected Latin American Countries (E/CN.12/222).

Labour productivity in the Cotton Textile Industry in Five Latin American Countries (E/CN.12/219).

Report on the Technical Assistance Programme (E/CN.12/223).

Report on the Economic Development and Immigration Committee at the Secretariat Level (E/CN.12/224).

Measures in Relation to International Action for Conservation and Utilization of Non-agricultural Resources (item referred to by the Economic and Social Council) (E/CN.12/231).

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E/CN.12/254/Rev.2

Distribution of work

At the Committee's second meeting it was decided that the work should be distributed among two working groups, the first to deal with programmes and general problems of economic development and the second to consider the problem of immigration in relation to economic development.

The first Working Group comprised the delegations of Brazil, Cuba, Chile, United States of America, Guatemala, Mexico and Netherlands. M. Rufo López Fresquet (Cuba) was designated Chairman.

The second Working Group comprised the representatives of Argentina, Brazil, Chile, Peru, United Kingdom and Uruguay and Mr. John William Taylor (United Kingdom) acted as Chairman. The representatives of the ILO and the IRO were invited to participate in the work of this Working Group.

Agenda of the Working Groups

The Working Group on Programmes and General Problems of Economic Development had the following items on its agenda:

- (a) Financing of economic development
- (b) Technical assistance in the training of economists
- (c) Special industrial studies
- (d) Preparation of economic development programmes

Financing

Draft resolutions concerning the problem of the financing of economic development were submitted by the delegations of Cuba, Chile, /Chile,

Chile, United States of America and Mexico. They were combined into a joint draft in which the general aspects of the problem are considered and specific recommendations are made with regard to domestic and foreign sources of financing economic development (E/CN.12/AC.12/21).

Technical assistance

The problem of technical assistance, with special reference to the training of economists, was dealt with in draft resolutions submitted by the delegations of Brazil, Cuba, Chile, Guatemala and Peru. Two further draft resolutions, which were adopted by the Committee, arose from the examination of those drafts. One refers to the creation of an ECLA Centre for the training of economists specializing in economic development. The resolution also recommends that the activities of that Centre should be coordinated with those of the research institutes, university faculties and schools of economics of Latin America (E/CN.12/AC.12/30).

The other draft resolution on technical assistance requests the Secretary General of the United Nations to utilize the ECLA Centre in Economic Development for arranging courses and seminars, and for placing fellows under the United Nations fellowship programme (E/CN.12/AC.12/31).

Special industrial studies

The special industrial studies were dealt with in draft resolutions submitted jointly by the Cuban and Chilean delegations and by the Mexican and Peruvian delegations.

/The Committee

The Committee adopted three draft resolutions on special industrial studies. The first (E/CN.12/AC.12/28) refers to the need for the Secretariat to continue its special industrial studies, particularly on the steel, wood pulp and paper, basic chemicals and food industries. In the original draft, there was a reference to housing industries. Nevertheless, the Committee, after a full explanation by the Executive Secretary of the Inter-American Economic and Social Council on the work being done in that field by his organization, decided to delete from the draft resolution the reference to housing industries with a view to establishing proper co-ordination between the two organizations. It was agreed, at the suggestion of the Mexican delegation, that mention would be made in ECLA's report to the United Nations Economic and Social Council of the Commission's concern with that grave problem, stressing the reason why the Commission had eliminated housing from its studies.

The second draft resolution on special industrial studies recommended completion of the study on the productivity of labour in the cotton textile industry of five Latin American countries (E/CN.12/223). It should be borne in mind that in completing that study, in addition to a technical analysis of management and administration there should be a general economic analysis of factors outside the industrial installations (E/CN.12/AC.12/27).

Finally, in connexion with special industrial studies, the Committee adopted a draft resolution on technological research which noted that the transfer of technological methods of highly

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industrialized countries directly to the less developed countries often led to economically inappropriate solutions. In that draft resolution, the Commission recommends that the Executive Secretary should convene a meeting of experts to study the problems arising in that field (E/CN.12/AC.12/29). The Mexican representative requested that a statement should be included in the Rapporteur's report to the effect that the Secretariat interpreted this resolution in three ways: first, that technology in the strict sense of the word would be taken into account; secondly, the specific problem of training experts; and thirdly, technical assistance for this purpose.

Preparation of economic development programmes

The Committee adopted a broad draft resolution on economic development programmes. It contained a statement of some of the basic requirements which should be borne in mind in a tentative programme for economic development (E/CN.12/AC.12/20).

Problem of immigration in relation to economic development

The Working Group which considered the problem of immigration in relation to economic development received draft resolutions submitted by the delegations of Chile, Peru and the United Kingdom. After exhaustive consultation with the representatives of the specialized agencies which are members of the Economic Development and Immigration Committee set up during the third session of ECLA, the Working Group prepared a draft resolution which was adopted by the Committee (E/CN.12/AC.12/32). The representatives of Brazil,

/Mexico,

Mexico, Peru and Argentina made statements in full Committee on the immigration policies of their respective countries with reference to the concrete measures taken by each country to stimulate the flow of immigration. The representative of Haiti drew attention to the special position of his country with regard to this problem because of the density of its population.

In addition, the full Committee considered and adopted the following draft resolutions:

Integration of the Central American Economies (E/CN.12/AC.12/24)

This draft resolution was submitted jointly by the delegations of Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua. Its purpose is to adopt the first step towards the future integration of the economies of those countries, whose economic development is hindered basically by their lack of markets. The Executive Secretary of ECLA is requested, in his draft resolution, to study the means or plans for the progressive attainment of economic integration. The Committee demonstrated its warm support and adopted the draft resolution by acclamation.

Agricultural development (E/CN.12/AC.12/26)

This draft resolution, originally submitted by Chile, comprises a wide series of recommendations to governments on measures to stimulate the agricultural development of Latin American countries.

Foreign investments (E/CN.12/AC.12/22)

This draft resolution, submitted by the delegation of the United States of America, requests governments which may not have

/done so,

done so, to reply to the questionnaire of the Secretariat on foreign investments, so that it might complete and publish its report on that subject. It was further agreed that in ECLA's report to the Economic and Social Council of the United Nations, reference should be made to the need for governments to reply to the said questionnaire, and that the delegates themselves should impress upon their respective governments the urgency of the survey.

Conservation and utilization of non-agricultural resources
(E/CN.12/AC.12/25)

This draft was submitted by the Brazilian delegation and it refers to the desirability of taking into account, at international conferences, the conclusions contained in the statement of the Executive Secretary of the Commission (E/CN.12/231).

Continuation of the Economic Survey of Latin America and studies in the Field of Economic Development on a Permanent Basis (E/CN.12/AC.12/23)

This draft resolution originated with the Cuban delegation and is intended to place on a permanent basis the studies which the Secretariat has been carrying on since 1948 on the economic development and trends of Latin America. When the draft was discussed, it was made clear that surveys of developments and trends in the economy of Latin American countries would be made annually, and that at the same time studies of economic development should be extended to the countries not yet investigated by the Secretariat.

At the final meeting of the full Committee, the representatives of the Netherlands, France and the United Kingdom graphically explained the accomplishments of their countries in the field of

/technical assistance

technical assistance and added that they were in a position to increase such assistance to Latin American countries.

Those were, in brief, the subjects considered by the Committee on Economic Development; the Committee's resolutions, approved unanimously by the members, appear as annexes to this report.

It remains for me only to express my admiration for the working groups, whose efficiency and mastery of their respective subjects, as well as the energy with which they attacked their task, made it possible to reach such significant conclusions.

Lastly, may I be permitted to give thanks to this assembly for the great honour it did me in electing me its Rapporteur, an honour which I hold to be a tribute to my country.