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ADDRESS DELIVERED BY MR. GUSTAVO DIAZ ORDAZ, PRESIDENT OF THE
UNITED MEXICAN STATES AT THE INAUGURAL MEETING ON 6 MAY 1965

On behalf of the people and Government of Mexico, I take great pleasure in extending a most cordial welcome to you all and in wishing this conference every success in its work.

Our capital city was chosen once before, in the spring of 1951, as the place where the Economic Commission for Latin America held its session. Today we greet the Commission with the same interest and enthusiasm as we did fourteen years ago.

In the seventeen years of its existence, ECLA has been a school and an independent research centre, which has sought solutions to the problems of development and has helped to train an excellent body of officials and technicians and to clarify our understanding of our economic situation. In the last five years, fruitful results have been achieved in promoting co-operation within the hemisphere with the active participation of ECLA. They include the establishment of the Inter-American Development Bank, which fulfilled a dream born here in Mexico as long ago as 1902, the Charter of Punta del Este, the Treaty of Montevideo and the Treaty establishing the Central American Common Market.

The recent Conference on Trade and Development, the unanimous approval by the General Assembly of the United Nations, in December 1964, of the Final Act and Recommendations adopted by the Conference, and the session of the Trade and Development Board that ended last week at United Nations Headquarters in New York, at which the subsidiary organs of the Conference were established and their terms of reference laid down, are events of historic importance, holding promise of a fundamental change in international co-operation with regard to trade and development financing.

I am sure that in the years to come the Economic Commission for Latin America will produce further excellent results, thus justifying the

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optimism of the Latin American peoples regarding its success. For the present, it seems that the main function of this most worthy body, its immediate raison d'être, is to do its utmost to assist in the great endeavour of bringing about economic and social integration as quickly as possible.

If we are to make the best use of our natural resources and capital - so modest by comparison with our needs - and of the specialized personnel who are the pride of our younger generations, the solutions we propose to apply to our major problems must be well chosen.

In our fervent desire to raise the level of living of our least privileged classes, any dissatisfaction is legitimate and any solution put forward can and should be considered by the existing organs of integration - the Latin American Free Trade Association and the Central American Common Market - composed, where necessary, of the highest-level government representatives, although decisions on such matters as tariffs, industrial complementarity, the terms applying to foreign investment, and co-ordination of monetary policy must necessarily have the support of public opinion in each country.

We shall consider with great interest all the opinions voiced at this conference.

Mexico will attach great importance to the opinions expressed by the Central American countries, which are close to us geographically and with which we feel ourselves indissolubly bound by ties of history, on the lines along which integration, leading possibly to the formation of a common market embracing all of Latin America, should proceed.

It has been said, and quite rightly, that integration will only be possible to the extent that it succeeds in providing a real opportunity for all the countries of Latin America to accelerate their economic development and not only for those which have managed to attain a more advanced stage of industrial development and, generally speaking, a higher level of labour productivity.

On the other hand, it would be a mistake to believe that integration is going to be a simple process and that the acceleration of our economic development will be achieved merely because our Governments are determined to promote it or to bring it about.

We must never forget that Latin America consists of a group of countries with what is still a very low average level of living as a result of age-old and deep-rooted factors that are not only economic but also political and social.

We must do away, wherever they still exist, with obsolete and unjust structures or what is left of them. But this must be done by each country, directed by its own people and in keeping with the possible lines of action which are open to it.

Social reform is possible - at least this is the conviction of us Mexicans - only to the extent that it is fostered and guided by the aspirations of each of our American peoples and is carried out by their own efforts.

It will be essential for us to continue striving to improve the ways and means whereby we can carry on our external primary commodity trade on a basis of justice and stability. The international agreements on the subject may not be perfect, but their usefulness is beyond question and we must continue to press for the conclusion of such agreements and for the execution and constant improvement of those already in force.

Latin America cannot accept indefinitely a situation in which its exports consist primarily of raw materials, usually purchased at low prices, while its imports of processed goods are bought at very high prices. We must insist, as we requested at Altagracia and as was agreed at Geneva, on being granted preferential treatment for our exports of manufactures. But this is not incompatible with our further request for preferential treatment for our primary commodities, for we must not forget that the more highly industrialized countries are the leading exporters of some of those same commodities.

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We, the countries of Latin America, share the view that through a system of economic integration based on the principles of free association and reciprocity in addition to preferential treatment for the relatively less economically developed among us, we shall be able to make more effective use of our natural, human and financial resources, we shall put to better advantage our existing production facilities, we shall launch new and economically highly viable industries, we shall expand our markets, employing increasingly competitive trade practices, and we shall achieve higher levels of well-being and culture.

It was on that condition that in 1960 a group of Latin American countries enthusiastically adopted the Treaty of Montevideo which established the Latin American Free Trade Association, at the same time as the Central American countries were laying the groundwork for their flourishing Central American Common Market.

The two organizations are aware of their inherent limitations, both geographical and economic, and of the need to forge more extensive links, for the urgent need for Latin American integration has grown more rapidly than the achievements of the Latin American Free Trade Association and the Central American Common Market, and justified impatience has arisen throughout our continent.

We must guard against making the mistake of underestimating what has been accomplished so far and of failing to make the fullest possible use of existing machinery.

Moreover, both the Latin American Free Trade Association and the Central American Common Market must continue to enjoy the support and understanding of the United Nations, of the big industrial countries, of the regional groupings of those countries and of the regional organizations of America such as the Organization of American States and the Inter-American Development Bank, and of public opinion as a whole.

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The economic integration of Latin America can achieve its goal only if it has the enthusiastic support of the workers, farmers, industrialists, shopkeepers, bankers, that is, of the people, as the creator and beneficiary of economic association.

On the other hand, we regard our economic integration as a Latin American responsibility confined exclusively to Latin America, without hostility towards the United States and Canada or towards any of the big industrialized areas of the world. In their common effort, the Latin American countries are not trying to go against anyone, but rather to combine their efforts in order to work for their own benefit.

There are signs that the measures taken by some of the countries of the more highly industrialized regions to defend their balance-of-payments positions may affect international liquidity and therefore the markets of those countries from which Latin America directly or indirectly obtains part of its foreign exchange resources. We know that the intention is that restrictive measures should not affect our countries, however, the way in which some of these measures operate is such that the danger of their having an adverse effect on Latin America has not entirely disappeared.

Latin American trade with the highly industrialized regions will increase to the extent that it expedites its own economic development. The experience of countries all over the world has shown that to be so.

It has been the traditional policy of Mexico to advocate that the relatively more advanced countries should recognize their fraternal responsibility towards the less developed countries and accord them the same treatment which they, in their turn, are asking from the more highly industrialized countries.

Recently, Mr. Felipe Herrera, Mr. José Antonio Mayobre, Mr. Raúl Frabisch and Mr. Carlos Sanz de Santamaría handed me the important study, dated 12 April, which they had prepared.

/The authors

The authors of the study visualize the general policy of Latin American integration as a combination of measures which would include trade policy, policy with regard to infrastructural, agricultural and industrial investment on a regional basis, and financial, monetary and payments policy, all within a more comprehensive institutional pattern than that drawn up by the Latin American Free Trade Association.

Being convinced that, as is stated in this scheme for the Latin American Common Market, the demographic explosion in Latin America, the relative technical and scientific backwardness of the region, the growing aspirations of our peoples to a better life and the existing social tensions are clear evidence of the fact that the Latin American economy lacks the dynamism required to absorb the increase in population at rising income levels, the Government of Mexico attaches great practical importance to the document in question. It recognizes that the right choice is to move forward towards the Latin American Common Market on the basis of existing achievements and declares itself entirely ready to participate, in a frank spirit of co-operation, in any meetings of government representatives at different levels that it is considered necessary to hold.

ECLA has a specific mandate to examine the economic problems of Latin America in the light of the great principles of the United Nations Charter. This is not, therefore, a political conference. Nevertheless, the gravity of the events of the last few weeks in the Dominican Republic is such that I feel it my duty to refer to them.

The people and Government of Mexico are united in the conviction that it is for the Dominicans and the Dominicans alone to decide their form of government, and their future in general, without any interference, direct or indirect, overt or otherwise, from outside.

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We have found it our painful duty to have to disapprove of certain acts known to you all as incompatible with the principles that have always governed our foreign policy.

To go against the fundamental principles of non-intervention and self-determination would be a denial of Benito Juárez, one of the greatest sons of the Americas and the hero of Mexican history, and, indeed, a denial of the very essence of our whole history. It is now over a hundred years since in the hills of Loreto and Guadalupe Mexicans fought and died for those principles.

Like our representative at the Tenth Meeting of Consultation of the Organization of American States taking place at Washington, I wish to express Mexico's confidence that the present crisis will be overcome and the rule of law re-established, so that we can all continue, in a spirit of brotherhood, the noble and lofty work of raising the economic and cultural level of our peoples.

ECLA has returned to Mexico. Those of you who have not visited us since 1951 will appreciate the many changes that have taken place, not only in this city, but in the country as a whole, if, as I hope, you have an opportunity to see some of the areas where a joint and co-ordinated effort has made it possible to maintain a satisfactory rate of growth, in an atmosphere of freedom and order which our people won through a heroic revolution that cost Mexico a million lives, out of a population of barely 15 million.

In recent years our country has pursued basically the same aims as those that have guided it throughout its history, but perhaps with a clearer conscience to its ever firmer conviction that there can be no progress that is not based on the welfare of the majority.

It has been said, and rightly so, that the Mexican Revolution was and still is nationalist. This nationalism, however, is not aggressive. It is free from any suspicion of hostility towards other countries and its objectives have simply been the economic and cultural progress of our people, the defence of our sovereignty and

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the affirmation of the most sacred values that we have inherited from our ancestors.

I must repeat that the Charter of Punta del Este was a solemn undertaking on the part of the peoples of this hemisphere to pursue the aims that have long guided the Mexican people in their noblest struggles. The Charter assigns to each country the responsibility for planning and directing its own progress, but it establishes social justice as the basis and condition for such progress and makes co-operation a complementary but indispensable instrument for the noble, long and difficult task of raising the level of living, which is so distressingly low in many rural areas of America.

The Mexican Republic and its capital are delighted to act as hosts to this meeting. As we say, make yourselves at home.

While wishing you a pleasant stay in our country, I should like to repeat my hope that the work begun today will make a maximum contribution towards promoting the economic and social welfare of the peoples of Latin America and that it will redound to the benefit of mankind as a whole, -- of mankind which has been able to achieve feats of such infinite wonder as splitting the atom and conquering space, of mankind which has succeeded in placing the "Early Bird" in space, so that all of us, in all latitudes, can get to know each other better, of mankind which must surely also find the formula whereby all men can live in peace, freedom and justice.