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ECONOMIC COMMISSION FOR LATIN AMERICA
REPORT OF THE SIXTH SESSION

(29 August—16 September 1955)

ECONOMIC AND SOCIAL COUNCIL
OFFICIAL RECORDS : TWENTIETH SESSION
SUPPLEMENT No. 10A

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NOTE

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

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**UNITED NATIONS
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TWENTIETH SESSION**

Supplement No. 10A

ECONOMIC COMMISSION FOR LATIN AMERICA

**Report of the Sixth Session
(29 August to 16 September 1955)**

Introduction

SCOPE OF THE REPORT

1. This report on the sixth session covers the activities of the Commission from the end of the meeting of the Fourth Committee of the Whole on 10 May 1955—the date when the last annual report (E/2756) was adopted for submission to the Economic and Social Council—to the end of the sixth session on 16 September 1955. The present text will be submitted to the Council at the earliest opportunity.

2. The report is divided into five parts:

Part I reviews the activities of the Commission up to the opening of the sixth session on 29 August 1955.

The relations of the Commission with the specialized agencies and other inter-governmental organizations are described in Part II.

Part III, in addition to outlining the organization of the work at the sixth session, provides a brief account of the proceedings. This summary covers the following subjects, dealt with by the six committees which were established: economic trends and prospects; economic

development and technical assistance; international trade; economic problems of agriculture; problems of energy and industrial development; and co-ordination.

Part IV includes the resolutions adopted at the sixth session and a draft resolution which the Commission submits for consideration by the Council.

Finally, Part V represents the programme of work and priorities for 1955-56 adopted by the Commission.

3. The inaugural speeches delivered on 29 August 1955 by His Excellency Lieutenant General Gustavo Rojas Pinilla, President of Colombia, and by Mr. Dag Hammarskjöld, Secretary-General of the United Nations, are attached in the form of appendices, as well as the statement made by the Executive Secretary to the plenary meeting on 30 August 1955.

4. This report was adopted by the Commission at the closing meeting of the sixth session on 16 September 1955.

Part I

REVIEW OF ACTIVITIES

Introduction

5. The work of the Commission has been greatly facilitated by the collaboration of Governments and private organizations. The secretariat has been in close working contact with national authorities. In field work on the transforming industries, it has also received considerable material assistance from industrial organizations in three countries.

6. The work programme adopted at the fifth session, revised and re-endorsed by the Committees of the Whole which met in Santiago in February 1954 and May 1955, has enabled the secretariat to concentrate its efforts on basic problems of economic development, without neglecting other aspects of Latin America's economic activity. This is faithfully reflected in the pages devoted here to a review of the various studies submitted to the sixth session or at present being carried out by the secretariat.

7. Information on almost all the studies undertaken, and on the stage they had reached in May 1955, at the

time of the meeting of the Fourth Committee of the Whole, is given in the last annual report to the Council (E/2756). The present review of activities is therefore confined to supplementing this information, with the addition, in some cases, of a fuller description of the studies than was then given, and, in others, of certain fresh data on different reports.

8. In cases where there has been no outstanding change in the state of the work since the date of the Committee of the Whole, or no new event has been recorded for a specific project or programme, the reader is referred to the information supplied in the last annual report.

9. The secretariat has continued to enjoy the fullest co-operation on the part of the specialized agencies and other international organizations. Contact and liaison have been maintained with the other regional economic commissions with respect to all subjects of common interest.

Recent economic trends and prospects

(a) ECONOMIC SURVEY OF LATIN AMERICA, 1954 (E/CN.12/362/Rev.1)¹

10. Early in June, a mimeographed version of Part I of the *Economic Survey of Latin America, 1954* (E/CN.12/362) was distributed to Governments: it contains an examination and analysis of the present position and trends of the economy of Latin America as a whole. The complete survey (E/CN.12/362/Rev.1) appeared in print in August, and includes Part II, which comprises various chapters devoted to a study of the situation of each country in 1954 and of its specific problems.

11. To the data on the survey already given in the last annual report (E/2756, paras. 17 to 21) may now be added some comments then omitted. The survey examines the effects of exports and the terms of trade on the investment coefficient and the productivity of capital, discussing whether, in face of a lack of incentives from the external sector, internal forces can spontaneously generate new stimuli to replace them. This is not considered feasible without a planned policy, in which import substitution would play a central role. An analysis is likewise made of the significance which might attach to inflation as a possible means of accelerating development. While it is acknowledged that in certain specific conditions the theoretical possibility of using the inflationary instrument to promote capital formation does exist, stress is laid on its negative consequences in Latin America's experience, which shows that inflation fails to encourage investment, apart from its adverse effects on the consumption of the population as a whole. According to the conclusions reached, the high proportion of the inflationary increase in their profits used by entrepreneurs for consumption; the tension in the balance of payments created by this increase in consumption, investment and income; and the reaction of employees and workers in defence of their real wages, all help to make inflation a very dubious instrument for the promotion of investment. To illustrate these conclusions, a detailed study is given of the experiences of Chile, Mexico and Argentina with respect to the effects of inflation upon economic development.

(b) ECONOMIC REVIEW OF LATIN AMERICA

12. In fulfilment of the proposal for a periodical designed to provide a review of the economic situation of Latin America that would supplement and bring up to date the information compiled in annual economic surveys, the secretariat prepared a special issue of the *Economic Review of Latin America*, which was published in August 1955, to mark the occasion of the sixth session. It was printed in Bogotá with the generous assistance of the Government of Colombia.

13. In this issue of the Review an examination is made of the economic situation of Latin America during the early months of 1955, covering the industrial and agricultural sectors and the chief events in the sphere of foreign trade. Other articles are devoted to analyses of recent trends in the exports and prices of selected products; the impact of coffee exports on the economies of Brazil and Colombia; and the recent evolution of Cuba's economy. The issue closes with an article on sociological aspects of economic development.

Activities in the field of economic development

14. In accordance with instructions received from the Commission at the fifth session, the secretariat has continued its studies on the problems of economic development and programming.

(a) INTRODUCTION TO THE TECHNIQUE OF PROGRAMMING (E/CN.12/363)²

15. Revision of the Preliminary Study on the Technique of Programming Economic Development (E/CN.12/292), presented at the fifth session, was completed, and the study was published under the title at the head of this paragraph, as the first volume of the new series *Analyses and Projections of Economic Development*. The text in its present form constitutes a kind of general introduction to the studies of the technique of programming in its application to the specific cases of certain Latin American countries. Comments and criticisms on the original work made by economists and technical experts both within and outside the secretariat were collected, and it was necessary to draw up a revised version of the study. It is now divided into four chapters examining the principal problems of technique, the over-all projections derived from Latin American experience during the last quarter of a century, the nature and methodology of these over-all projections, and, finally projections by sectors.

(b) THE ECONOMIC DEVELOPMENT OF BRAZIL (E/CN.12/364)

16. In mid-July the study on the economic development of Brazil was completed. It is the first of those in which the technique of programming is applied to specific cases, and will constitute volume II of the recently inaugurated series entitled *Analyses and Projections of Economic Development*.

17. In carrying out this task the secretariat had the benefit of the collaboration of the Banco Nacional do Desenvolvimento Econômico, on whose initiative a joint working group had been formed in April 1953. The study represents a step forward in the endeavour to convert the technique of projections into an instrument for the formulation of economic policy. In fact, its fundamentally methodological interest does not exclude the possibility of its being of practical value to the directorate of the Bank in its investment programme, the integration of which with the development of the Brazilian economy was constantly borne in mind during the preparation of the study.

18. The study is divided into two parts. Part I presents the over-all system of projections which should constitute a skeleton programme. Part II contains certain special studies on transport, exports, demand for fuels, fiscal activities of the public sector, energy and the problem of coffee, which are now presented as appendices,³ and will be duly incorporated, together with other monographs now in process of completion, in the final version of the report.

(c) THE ECONOMIC DEVELOPMENT OF COLOMBIA (E/CN.12/365)

19. In 1954 a group of secretariat economists worked for several months in Colombia, with the fullest support

¹ United Nations publication, Sales No.: 1955.II.G.1.

² United Nations publication, Sales No.: 1955.II.G.2.

³ See E/CN.12/364/Add.1, 2, 3, 4, 5 and 6.

and co-operation on the part of the Colombian Government through the Comité de Planeación Económica y Fiscal and other organizations, in order to study the application of the technique of programming to the country's economic development. The study, which was carried out in accordance with resolution 48 (V) adopted at the fifth session, will form part of the series *Analyses and Projections of Economic Development*, of which the first volume was the Introduction to the Technique of Programming (E/CN.12/363) and the second the report on the economic development of Brazil. (E/CN.12/364).

20. Effective collaboration on the part of Colombian economists and experts, and easy access both to the statistical data available in the country and to the various public and private sources of information, made it possible to compile in five months the background material which was afterwards used as a basis for the drawing up of the study at the Commission's headquarters. The comprehensive survey resulting from the research carried out should not be regarded as a development programme for Colombia. Its aim is to apply the technique of analyses and projections, making the fullest possible use of specific background information on the national economy. While the methodological aspects are illustrated with concrete examples, the content of the study may be of immediate use to the country's economic authorities if they find the conclusions reached in it acceptable.

21. The study—which should be regarded as provisional and is subject to final revision before its appearance in print—begins with an examination of the chief problems of Colombia's economic development, first through its basic factors during the period 1925 to 1953, and then through alternative prospects for the periods 1953-1960 and 1953-1970. Next an analysis is made of the demand for consumer goods and services, of foreign trade and of capital from abroad, as well as of fiscal policy and the encouragement of economic development. Two special chapters contain the projections for the agricultural and industrial sectors, which have been studied in detail. Finally, a survey is made of Colombia's energy and transport requirements in terms of its economic development.

22. For the purpose of discussing the analyses and projections made in the study with the Colombian economic authorities, representatives of private associations, economists and technical experts, ten round-table meetings, held in Bogotá between 16 and 27 August 1955, were jointly convened by the Comité Nacional de Planeación de la Presidencia de la República and the ECLA secretariat.

23. The following topics were dealt with in the round-table discussions: basic problems of Colombia's economy; foreign trade; capacity to import; problems of agriculture; problems of industry; energy and transport; financing of economic development and public finances programming; administrative implementation of programming, and training of personnel. At each meeting an economist from the secretariat stated the problem to be discussed, and two Colombian speakers expressed their points of view on the topic in question. Those present then took part in a general debate.

24. The round-table discussions on the Colombia study were of the greatest value to the secretariat, as, thanks to them, the basic problems of the country's economy were fully and thoroughly debated, and opinions and criteria were assembled which will enable the final report to be drawn up more carefully and on sounder lines.

(d) OTHER STUDIES

25. Work has proceeded on the collection of information and the preliminary research required to undertake analyses and projections for other countries after the sixth session. The preliminary stage of the analysis of the influence of monetary and fiscal policy on the inflationary process in Chile can be regarded as practically completed.

26. The secretariat has been collecting and compiling data on the availability and utilization of man-power in the various sectors of economic activity, a fundamental aspect of Latin America's economic development problems. A progress report on this survey was presented to the sixth session (E/CN.12/375). This report, apart from supplying a number of statistics on the structure of employment in Latin America, the distribution of the labour force in relation to the gross *per capita* product and the proportion of the aggregate population represented by the labour force in Latin American countries, provides a preliminary analysis of the various subjects which will be included in the final study. It is considered that three main aspects of the man-power problems affect the economy: (a) the availability and growth of man-power as a consequence of the increase in the population and other demographic, economic and social changes; (b) the structure of employment of the available active population, and (c) the productivity of the labour employed. The report briefly examines the various problems and the material for investigation and analysis constituting the different branches of the three broad topics enumerated.

27. A report on the main social aspects of economic development (E/CN.12/374), which was submitted to the sixth session, interprets the prospects of development along analytical lines, envisaging it as a phenomenon of social change. From this point of view an examination will be made of the demographic factor, of specific social structures, of their standards of culture and of the functions of the entrepreneur and of man-power, as well as of the foreseeable effects of development on prevailing values, the structure of the family, patterns of living, etc. Special consideration will be given to the present situation in Latin America in relation to each of these general and specific topics. This study of economic sociology will provide the economist with certain elements, material, and indispensable data, linked to his work, but falling outside the precise scope of his special science.

ECLA/TAA economic development training programme⁴

28. Preparations have already been made for holding an intensive course for Colombian economists in Bogotá during the last quarter of 1955. This course will be inaugurated on 22 September.

29. The regular 1956 course in Santiago will, as usual, begin during the month of April.

Report on international co-operation in a Latin American development policy⁵

30. At the end of May, the Committee of Experts appointed to study the establishment of a special invest-

⁴ See E/2756, paras. 28-34.

⁵ *Ibid.*, paras. 35-39.

ment fund, under the terms of the resolution adopted by the Meeting of Ministers of Finance or Economy at the Fourth Extraordinary Meeting of the Inter-American Economic and Social Council, completed its work in Santiago, Chile. The group, which comprised nine representatives of Latin American central banks, prepared a report on this subject, with the appropriate recommendations, for IA-ECOSOC and the member countries. The secretariat of the Commission took part in these meetings on a consultative basis.

Industry studies

(a) IRON AND STEEL TRANSFORMING INDUSTRIES

31. The secretariat presented to the sixth session the study entitled "Iron and Steel Transforming Industries in Selected Latin American Countries" (E/CN.12/377). The research work was begun at the end of 1953 with a preliminary survey of existing industry in Chile, which was afterwards extended to Brazil (the State of São Paulo in particular) and to Colombia. The study embodies the findings obtained at first hand through visits to more than 300 industries in the two last-named countries, since as far as Chile is concerned it is hoped that the research carried out will be amplified in the immediate future.

32. In the countries studied, it was seen that a considerable proportion of the iron and steel transforming industries is represented by a large number of artisan shops, originally established for the repair of equipment of all kinds, but subsequently undertaking production, although they have made no radical changes in their organization. In contrast to these, there are also establishments planned from the outset for specific manufacturing processes, and, as a general rule, characterized by higher standards of equipment, organization and productivity.

33. The following are some of the main conclusions to be derived from the study:

(i) In the case of the mechanical and metallurgical industries, the influence of the scale of operations on productivity is very slight, given the conditions prevailing in the countries analysed;

(ii) While the wage level in the countries in question is considerably below that existing in the United States in 1947, the low rate of productivity means that the cost of labour per unit produced is higher than in this latter country;

(iii) An improvement in productivity—even in the limited sense of production measured in physical units per man per unit of time—would thus seem to be one of the factors calling for most careful attention. The principal determinants of productivity are therefore examined in some detail. They include existing equipment and the degree to which it is utilized; the technologies and production processes employed; skilled labour and the training thereof; the availability of engineers and technical experts and their functions in the enterprises in question; the internal organization of the industries concerned; the planning of the flow of work; the influence of the size of the market and of the standardization of products; and the quality of these latter and of the raw materials utilized;

(iv) In the chapter on Colombia, current imports of products of the iron and steel transforming industries are examined in detail, so as to arrive at a list of those

which could be replaced within a relatively short space of time, given the technical standards prevailing in industry. An analysis is also made of the factors which might promote or hinder such substitutions, one of the gravest stumbling-blocks being the lack of qualified personnel.

34. The results of this research, as well as other important background information on various aspects of the iron and steel industry, with which it was not possible to deal at the Meeting of Experts held at Bogotá in October 1952, will be submitted to the consideration of the Meeting of Experts on the Iron and Steel Transforming Industry, which will be held at São Paulo, Brazil, from 4 to 16 June 1956. The secretariat has proceeded with the preparations for this conference, which will meet under the joint auspices of the Commission, Technical Assistance Administration and other specialized agencies of the United Nations, with the co-operation of the Government of Brazil and the Associação Brasileiro de Metais.

(b) THP PULP AND THE PAPER INDUSTRY⁶

35. The study entitled "Pulp and Paper Prospects In Latin America" (E/CN.12/361/Add.1) which includes the report of the Buenos Aires Meeting and the technical studies submitted by the experts attending it, will appear in print at the end of 1955. The secretariat explained to the sixth session in a note (E/CN.12/370) the material impossibility of presenting this study in complete form, and submitted to the session in two appendices the report of the Buenos Aires Meeting and summaries of some of the technical studies which will go to make up the final edition.

(c) CHEMICAL INDUSTRIES

36. Resolution 59 (V) recommended to the secretariat that it undertake a study of several branches of the chemical industry, giving priority to those connected with basic chemical products, particularly such as are extensively imported in Latin America as a whole. In view of the marked development which some of these industries have undergone during the last five or six years, it was felt necessary to begin with a pilot study, with the principal aim of examining the possible impact of current changes in technology on the future position of the chemical industry.

37. The initial work is being carried out in Santiago, Chile, and a preliminary report is in process of preparation. It is hoped that this study will be completed and similar surveys undertaken on three or four other countries, for subsequent presentation to the seventh session.

Energy programme⁷

38. The secretariat submitted to the sixth session two documents containing the preliminary findings of the research carried out in this field, which represents a new departure as compared with the work hitherto undertaken. The first (E/CN.12/373) provides a summary of the study and of the statistical material on which it is based; in the second (E/CN.12/384) which bears the title "Development of energy production and utilization in Latin America—possibilities and problems", the complete study is presented, together with a number of technical appendices.

⁶ *Ibid.*, paras. 50-56.

⁷ *Ibid.*, paras. 57-68.

Studies on agriculture^a

(a) LATIN AMERICA'S AGRICULTURE IN 1954

39. The relevant chapters of the *Economic Survey of Latin America, 1954* include an analysis of the agricultural situation of the Latin American countries in 1954. This analysis comprises three parts, namely, an overall study, a breakdown by products and a description by countries. In the over-all study, the conclusion is reached that the region's agricultural production increased in 1953/54, in relation to 1952/53, to practically the same extent as the population; nevertheless, *per capita* production still remains below pre-war levels.

40. In Latin America's agricultural production the tendency to prefer crops for domestic consumption continues, while those for export remain more or less at a standstill in absolute values and are declining in relative terms. Production for domestic consumption, which represented only a little more than half of the total in pre-war years, with the passage of time has been absorbing almost all the increases achieved in agriculture, and during the last few years has represented nearly two-thirds of the total. This state of affairs is attributed to the lack of elasticity in the external demand for the region's agricultural products, to which has been added the pressure of a domestic consumption fostered by growing urban development and industrialization.

41. Agricultural exports in 1954 were less than in 1953 and well below their pre-war level. This decrease in exports has been accompanied by an increase in imports of foodstuffs, which has brought about a marked reduction in the net balance of agricultural foreign trade; even so, however, this latter continues to be favourable for Latin America.

42. The economic survey also analyses the handicaps and the development prospects of agricultural production throughout the whole region. Among the former are mentioned the lack of capital and technique, as well as certain structural factors. The examination of the possibilities for expansion reveals that a great deal can be done both by increasing the area under cultivation and by the introduction of new or improved techniques in the zones already exploited.

(b) THE SELECTIVE EXPANSION OF AGRICULTURAL PRODUCTION

43. The joint ECLA/FAO document on the selective expansion of agricultural production (E/CN.12/378) analyses the situation of the basic agricultural commodities produced in Latin America: wheat, maize, rice, sugar, cotton, coffee and livestock products. The endeavours of Latin American countries to expand production of these commodities have met with varying degrees of success. In some cases, like that of sugar, there are only very few countries that cannot meet their own consumption with domestic production. In others, such as that of wheat, countries with a deficit have not made sufficient effort to avoid increasing their imports in consequence of the growth of demand, and the gap between domestic production and consumption is steadily widening. Sometimes, not only has development been inadequate, but, as a result of import difficulties in several countries, *per capita* consumption is registering a marked downward trend; this is true, for instance, of products

^a These notes serve to complete the data given in the last annual report (A/2756, paras. 69-73) as they reflect from an analytical angle the contents of the studies on agriculture.

of animal origin, and particularly of so essential a food-stuff as meat.

44. The document points out that for the foregoing reasons it is vitally necessary that the Latin American countries review their current agricultural production policies, in order to determine how far these policies should, or should not, be modified in the light of the following basic considerations: (a) the prospects for domestic demand and the need to raise consumption and diet levels; (b) the international outlook for the commodities concerned, with due regard to the surplus problem; (c) the trend toward national self-sufficiency and the extent to which this is advisable; and (d) the need to increase agricultural exports as a means of financing the capital goods imports required for economic development.

(c) SURPLUSES

45. The special paper prepared by FAO (55/7/4737) on the position of agricultural surpluses and on FAO's activities in this field clearly establishes the nature of this problem and the way in which it must be faced if the harmful effects of indiscriminate sale or disposal are to be avoided. Moreover, this report shows how such surpluses may be utilized so as to be of positive benefit to economic development, and expresses confidence that ways and means can be found to avoid the paradox of abundant production which does more harm than good. Some studies have already been carried out to this end, and seem to promise satisfactory results. For example, the Latin American countries might be interested in formulating plans similar to those which are under active consideration by India and other countries for this purpose.

(d) COFFEE

46. The report on the ECLA/FAO study on coffee (E/CN.12/379) describes the progress of this work in El Salvador to date. When the study was first undertaken two precise objectives were established. The first consists in defining the physical input of man-power, capital and materials in the different stages of coffee production and in evaluating the productivity of these rates of input on coffee plantations throughout the country, varying in character, size and location. The second aim is to project the trends of production, exports and domestic consumption of coffee for the next five years. The field work and tabulation of the data collected in El Salvador are already completed and it is hoped that the whole report will be ready at the end of September 1955.

International trade and finance

47. The *Economic Survey of Latin America, 1954* presents an over-all analysis, as well as a description by countries, of recent trends in Latin America's trade with other regions.

48. Work is proceeding on the preparation of two special studies. The first deals with the terms of trade and the role of international trade in economic development; and the second with current possibilities of increasing Latin American exports.

49. A Study of Inter-Latin-American Trade (E/CN.12/369) was completed in July 1955 in the form already described^a and was submitted to the sixth session. An ample statistical appendix, and chapters on payments and inter-regional trade and maritime trans-

^a *Ibid.*, paras. 74-79.

port in South America,¹⁰ are presented in the form of annexes, but will later be incorporated into the rest of the study.

Central American economic integration programme

50. The Central American Economic Co-operation Committee held an Extraordinary Meeting at San Salvador, El Salvador, between 4 and 9 May 1955. At its sixth session the Commission had before it the report on this meeting (E/CN.12/366), in which the activities developed within the Integration Programme since October 1953 are reviewed and a description is given of the technical assistance for its full implementation provided by the United Nations and the specialized agencies.

51. The Committee adopted a number of resolutions at this meeting, among the most important being those on forest resources in Central America; the pulp and paper industry; statistical co-ordination; customs nomenclature and training; the Advanced School of Public Administration; the Central American Research Institute for Industry; standardization of weights and measures; technical industrial training; technical assistance; and inter-Central-American trade and trade policy.

52. In another resolution on the progress of the economic integration programme the Committee reaffirmed its interest in the maintenance within the programme as a whole, of a proper relationship between basic projects of an institutional nature and those relating to the promotion of productive activities and the establishment of new industries suitable for Central America. The Committee also requested the secretariat to prepare a fresh evaluation of the priorities which had been established for the implementation of the programme, in view

of the changes that had taken place in the Central American economies.

53. Since the meeting at San Salvador, the secretariat has proceeded with both the work in hand and the tasks it was then requested to undertake. The necessary preparations have been made for the meeting of the Statistical Co-ordination Sub-Committee, which will be held shortly in the capital of El Salvador, and for that of the Central American Trade Sub-Committee, which will consider a draft customs code for Central America and will begin to work on a draft for a multilateral free trade treaty. In accordance with resolution 6 (CCE) of the Committee, the Technical Assistance Administration, in agreement with the secretariat, has proceeded to make preparations for the establishment of the Central American Research Institute for Industry.

54. At the next meeting of the Committee, which is to be held at Managua, Nicaragua, the results of the meetings of the two sub-committees will be examined, as well as the statement on priorities for the various work projects in the programme now being actively pursued by the secretariat. The Committee will also consider a variety of reports which include the following: the electrification of Central America; the regulation of international road traffic and that of maritime and port traffic, both these reports having been drawn up by experts of the Technical Assistance Administration in collaboration with the secretariat; the capacity of the Central American tax systems to finance economic development, a report prepared by the secretariat in collaboration with the Department of Economic and Social Affairs of the United Nations; and a report on the stockbreeding and dairy industries of Central America, prepared by a Mission of Experts of the Food and Agriculture Organization of the United Nations.

Part II

RELATIONS WITH SPECIALIZED AGENCIES AND OTHER ORGANIZATIONS

55. The Commission has continued to maintain relations with the specialized agencies and other organizations. The work of the ECLA secretariat is being more and more closely co-ordinated with that of other international organizations on all those Latin American problems which are of common concern. This task has been facilitated by consultations, and by the exchange of information and specialized personnel, as well as in some cases—especially that of the Food and Agriculture Organization of the United Nations¹¹—by the establishment of joint working parties.

56. The Central American Economic Integration Programme, which has required technical assistance in various branches, has continued to provide an opportunity for maintaining working contact with FAO and with the International Labour Organisation, the United Nations Educational, Scientific and Cultural Organization and the International Bank for Reconstruction and Development.

57. As regards relations with the Inter-American Economic and Social Council, these were very fruitful in 1954, notably in the Meeting of Ministers of Finance or Economy which was organized by IA-ECOSOC in

November, and in which the secretariat of the Commission collaborated in the manner already described.¹²

58. The secretariats of both organizations held meetings in Washington, D.C., from 8 to 10 August 1955, to consider their individual work programmes, with a view to co-ordinating their activities. The two secretariats prepared a joint statement which was presented to the sixth session with a note by the secretariat of the Commission (E/CN.12/281). This report examines the progress made in co-ordination at secretariat level to avoid unnecessary duplication of work, as well as those projects of both secretariats which are subject to co-ordination arrangements, namely: the inter-American centres for training in economic and financial statistics and in bio-statistics; the improvement of statistical data; the standardization of Central American customs nomenclature; maritime statistics; maritime transport; housing; programming of economic development; financing of development; inter-Latin-American and foreign trade; and commodities.

59. The statement also calls attention to the joint work of ECLA and IA-ECOSOC at the Rio de Janeiro conference mentioned above, and to the later activities of the Committee of Experts which met in Santiago to study the establishment of a special fund for investment.¹³

¹⁰ See E/CN.12/369/Add. 1, 2 and 3, respectively.

¹¹ See E/2756, paras. 98-105, for information on the Joint ECLA/FAO Programme after the signing of the new agreement between the two organizations at the beginning of 1954.

¹² *Ibid.*, paras. 35-39 and 114.

¹³ See para. 30 page 3.

Part III

ACCOUNT OF PROCEEDINGS OF THE SIXTH SESSION

A. Membership, attendance and organization of work

1. OPENING AND CLOSING MEETINGS

60. The opening meeting was held in the rotunda of the national capital at Bogotá, Colombia on 29 August 1955. Speeches were delivered by His Excellency Lieutenant General Gustavo Rojas Pinilla, President of Colombia (see appendix I), Mr. Dag Hammarskjöld, Secretary-General of the United Nations (see appendix II), and by Mr. Guillermo del Pedregal, Chief Delegate of Chile. At the plenary meeting on 30 August, Dr. Raúl Prebisch, Executive Secretary, made a statement (see appendix III).

61. The closing meeting of the sixth session was held on 16 September 1955. The Commission adopted the report of the sixth session, including the programme of work and priorities, and agreed to transmit it to the Economic and Social Council at the earliest opportunity. At the closing meeting, after the Rapporteur, Mr. Guillaume Georges-Picot (France), had presented his report, addresses were delivered by Mr. Armando Arce, Chief Delegate of Bolivia, Mr. Alberto Domingo Pérez-Villamil, Vice-Chairman of the Sixth Session and Chief Delegate of Argentina, Sir Keith Jopson, Chief Delegate of the United Kingdom, Dr. Raúl Prebisch, Executive Secretary of the Economic Commission for Latin America, and Mr. Manuel Archila Monroy, Colombian Minister of Development and Chief Delegate of Colombia.

2. MEMBERSHIP AND ATTENDANCE

62. Delegations from all the member States were in attendance, as follows: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, France, Guatemala, Haiti, Honduras, Mexico, Netherlands, Nicaragua, Panama, Paraguay, Peru, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay and Venezuela.

63. In accordance with paragraph 6 of the terms of reference of the Commission, the following countries which are Members of the United Nations but not of the Commission attended the sixth session in a consultative capacity: Czechoslovakia, Poland and Sweden.

64. In accordance with resolutions 515 (XVII) B and 581 (XX) of the Economic and Social Council, Italy and Spain attended the sixth session of the Commission "on a basis similar to that provided in paragraph 6 of the terms of reference of the Commission for States Members of the United Nations not Members of the Commission".

(a) Report of the Chairman and Vice-Chairman on Credentials

65. The Credentials Committee, in accordance with paragraph 14 of the Commission's rules of procedure, reported to the meeting held on 15 September 1955 that the credentials of the delegations as presented to the Executive Secretary had been examined and found to be in order.

(b) List of delegations

Argentina

Representative: Alberto Domingo Pérez-Villamil, Envoy Extraordinary and Minister Plenipotentiary.

Members: Ovidio V. Schiopetto, Jorge Walter Aldasoro, Pablo C. Bascialli, Fortunato Tomás Desimone, Pedro Graziano, Eugenio Malatesta, Carlos C. Martínez Molteni, Guillermo A. Mazza, José Melero, Luciano E. Romanutti, Ramón Roberto Valladares.

Bolivia

Representative: Armando Arce, Ambassador to Colombia.

Members: Franklin Antezana Paz, Augusto Cuadros Sánchez, Federico Demmer.

Brazil

Representative: Teófilo de Andrade-Lyra, Minister Plenipotentiary.

Members: Gardel Borges Ferreira, Domar Campos, Ewaldo Correia Lima, J. O. Knaack de Souza, Antonio Patriota, Gilberto Waack Bueno.

Chile

Representative: Guillermo del Pedregal, Chairman of the Corporación de Fomento de la Producción.

Members: Pedro Daza, Walter Nappe, Gonzalo Piwonka, Raúl Ramírez, Jacobo Schatan, Manuel Tello, Celso Vargas M., Guillermo Vildósola.

Colombia

Representatives: Carlos Villaveces, Minister of Finance and Public Credit, Manuel Archila Monroy, Minister of Development.

Members: Ignacio Aguilar, Alfredo Alarcón, Antonio Alvarez Restrepo, Marco J. Angarita, Santiago Angarita, Fabio Arango, Luis Angel Arango, José Rafael Astorquiza, Roberto Avila, Virgilio Barco, Antonio Bayona Ortiz, Carlos Bejarano, Gabriel Betancourt Mejía, Alberto Boada, Alfonso Bonilla Gutiérrez, José Borrero Holguín, German Botero de los Ríos, Alvaro Calderón, Rafael Calderón Reyes, José J. Cañón, Ignacio Copete, Juan Cortés Martínez, Martín del Corral, Oscar Cuevas Gamboa, Alvaro Díaz, Jaime Duarte French, Raimundo Emiliano Román, Miguel Fadul, Alberto Gaitán Marulanda, Antonio García, Fernando Gaviria, German Gaviria, Jorge Hernán Gómez Ocampo, Oscar Gómez Villegas, José Gutiérrez Gómez, Bernardo Hoyos, Samuel Hoyos Arango, Néstor Ibarra Yáñez, Hernando Jaramillo Arbeláez, Oliverio Lara Borrero, Rodrigo Llorente, Alejandro Martínez Londoño, Juan Martínez Villa, Luis Matamoras, Luis Meléndez Mosquera, Manuel Mejía Jaramillo, Jorge Mejía Salazar, Julis Millan C., Carlos Monroy, Luis Morales Gómez, Alfonso Muñoz Alvarado, Pablo Nichols Villegas, Jorge Niño, Juan Pablo Ortega, Pedro Vicente Ortiz, Alvaro Ortiz Lozano, Mariano Ospina Hernández, Guillermo Palacio del Valle, Alvaro Patiño Roselli, Enrique Peñalosa, Alberto Pérez, José Gregorio

Pinto, Luis Restrepo Osorio, Jorge Reyes Gutiérrez, Hernando Rodríguez, Hernando Rojas Otálora, Pedro Rueda Martínez, Alberto Ruis Novoa, Jaime Sabogal, Enrique Santamaria, María Elvira Santos, Julio Santoyo, Eduardo Soto Pombo, Jaime Tobón Villegas, Juan José Turbay, Ignacio Umaña de Brigard, Jorge Urrutia, Carlos Valderama Ordóñez.

Costa Rica

Representative: Roberto Fernández Durán, Ambassador to Colombia.

Member: Raúl Hess Estrada.

Cuba

Representative: José López Isa, Ambassador to Colombia.

Members: Alberto Díaz Masvidal, Pedro González de Céspedes, Antonio González López, Roberto Halfon, Raúl Rodríguez Martín, Ulises Valdés Llansó.

Dominican Republic

Representative: Oscar Ginebra Henríquez, Delegate to the United Nations Economic and Social Council.

Ecuador

Representative: Luis Ponce Enríquez, Ambassador to Colombia.

Members: Walter Pitarque, Manuel Rodríguez Morales, Germánico Salgado.

El Salvador

Representative: Manuel Antonio Ramírez, Under-Secretary of the Ministry of Economy.

Members: Rafael Huezco Selva, Juan Samuel Juinteros.

France

Representative: Guillaume Georges-Picot, Ambassador to Mexico.

Members: René Brongniart, Jean-Pierre Brunet, Emile Bulle, Pierre Gudin du Pavillon, Jean-Pierre Herrenschmidt, Phillippe Malet, Raymond Pousard, Pierre Maurice Viaud.

Guatemala

Representative: General Miguel Ydígoras Fuentes, Minister to Colombia.

Haiti

Representative Pierre L. Hudicourt, Ambassador Extraordinary and Plenipotentiary to Venezuela.

Members: Wesner Appolón, Marc Jean-Michel, Carlos López Narváez.

Honduras

Representative: Jorge Bueso Arias, Secretary, Consejo Nacional de Economía.

Members: Octavio Cáceres Lara, Eugenio Molina, Rubén Mondragón, Enrique Rivera G.

Mexico

Representative: Fernando Zamora, Director-General of Economic Studies, Ministry of Economy.

Members: Juan Becerra, Daniel J. A. Bello, Fernando Cuén Barragán, Roberto Gatica, Alfredo Navarrete, Fidencio Soria.

Netherlands

Representative: E. M. Newton, Chief of Section, Department of Economic and Social Studies of the Dutch West Indies.

Member: J. Varekamp.

Nicaragua

Representative: Gustavo A. Guerrero, Chief of the Department of Economic Studies, Ministry of Economy.

Members: Rodolfo Bojorge, José María Castillo.

Panama

Representative: Eduardo McCullough, Assistant Comptroller-General of the Republic.

Members: José Guillermo Aizpú, Olmedo Fábrega, Manuel Varela.

Paraguay

Representative: Bernardo Galeano, *Chargé d'affaires* in Colombia.

Peru

Representative: Juan Miguel Bákula Patiño, Attaché of the Embassy in Colombia.

United Kingdom

Representative: Sir Keith Jopson, Ambassador to Colombia.

Members: A. C. L. Day, R. J. D. Scott-Fox, D. T. West, J. H. Wright.

United States of America

Representative: Harold M. Randall, United States Representative, Inter-American Economic and Social Council.

Members: Robert H. Burrows, John S. de Beers, Richard C. Breithut, Edward G. Gale, James C. Corliss, Tobias Hartwick, Walter Howe, Earl W. Loveridge, Alexander M. Rosenson, Emerson A. Ross, William D. Toomey, George Wythe.

Uruguay

Representative: Julio A. Lacarte Muró, Ambassador to Bolivia.

Members: Washington Bermúdez, Crisólogo Brotos, Carlos M. Fernández Goyechea, José P. Heguy Velasco, Juan C. Nadal Jaune, Washington Souto.

Venezuela

Representative: Fredi Müller, Director of Political Economy, Ministry of Foreign Affairs.

Members: Roberto Alamo Blanco, Leopoldo J. Bello, Isaac Chocrón, Manuel Delgado Rovati.

(c) *Representatives of Member States of the United Nations, non-members of the Commission, attending in a consultative capacity*

Czechoslovakia: Karel Almásy.

Poland: Pawel Kot, Bogdan Kwasniewski.

Sweden: Torsten Chr. Björk.

(d) *Representatives of non-member States, attending in a consultative capacity*

Italy: Edoardo Fiorioli della Lena.

Spain: José María Alfaro y Polanco, Antonio Robert.

(e) *Representatives of specialized agencies*

International Labour Organisation: A. Lagnado, Alfredo Vásquez Carriosa.

Food and Agriculture Organization of the United Nations: A. H. Boerma, Violet Neville-Terry, Amable Ortiz, Alfredo Saco.

World Health Organization: Marianne Sellman Elfriede, Próspero Ruiz.

International Bank for Reconstruction and Development: Harold Larsen.

International Monetary Fund: Luis Eduardo Laso, Fernando Vera.

(f) *Representatives of other United Nations organs*

Office of the United Nations High Commissioner for Refugees: Alberto González Fernández.

United Nations Children's Fund: Arthur Robinson.

(g) *Representatives of inter-governmental organizations*

General Agreement on Tariffs and Trade: J. Royer.

Inter-American Economic and Social Council: Armando C. Amador, Rafael Glower Valdivieso, Harold Pilvin.

Inter-Governmental Committee for European Migration: Raymond Y. Rodié.

(h) *Representatives of non-governmental organizations*

Category A

International Chamber of Commerce: C. Luis Lunazzi..

International Confederation of Free Trade Unions: Valerio Cárdenas, Justiniano Espinosa.

International Co-operative Alliance: Francisco Luis Jiménez.

International Employers' Association: Gilberto Waack Bueno.

World Federation of Trade Unions: Vicente Lombardo Toledano, Elinor Kahn.

World Federation of United Nations Associations: Germán Cavellier.

Category B

World Youth Assembly: Ricardo Serrano.

3. ORGANIZATION OF THE WORK OF THE SIXTH SESSION

(a) *Officers*

66. At the first plenary meeting on 30 August 1955, the following officers were elected:

Chairman: Carlos Villaveces (Colombia).

First Vice-Chairman: Alberto Domingo Pérez-Villamil (Argentina).

Second Vice-Chairman: Manuel Antonio Ramírez (El Salvador).

Rapporteur: Guillaume Georges-Picot (France).

(b) *Committees*

67. At the meeting on 30 August 1955, it was agreed to establish six *ad hoc* committees. The agenda items and background documents (see section B below) assigned to each committee, as well as the officers for each committee elected by the Commission, are given below:

Committee I (Economic trends and prospects)

Chairman: Teófilo de Andrade-Lyra (Brazil).

Rapporteur: Oscar Ginebra Henríquez (Dominican Republic).

Agenda item considered: 4.

Committee II (Economic development and technical assistance)

Chairman: Fredi Müller (Venezuela).

Rapporteur: Gustavo A. Guerrero (Nicaragua).

Agenda items considered: 5, 6 and 7.

Committee III (International trade)

Chairman: Luis Ponce Enríquez (Ecuador).

Rapporteur: Julio A. Lacarte Muró (Uruguay).

Agenda item considered: 10.

Committee IV (Economic problems of agriculture)

Chairman: Guillermo del Pedregal (Chile).

Rapporteur: Eduardo McCullough (Panama).

Agenda item considered: 9.

Committee V (Problems of energy and industrial development)

Chairman: Fernando Zamora (Mexico).

Rapporteur: Juan Miguel Bákula Patiño (Peru).

Agenda item considered: 8.

Committee VI (Co-ordination with IA-ECOSOC, work programme for 1955-56 and other subjects)

Chairman: José López Isa (Cuba).

Rapporteur: Bernardo Galeano (Paraguay).

Agenda items considered: 11 and 12.

68. Committees II and IV held joint meetings to consider economic development problems in the agricultural sector of the economy.

69. In addition to discussing the points in the agenda, Committee IV was the setting for FAO's regional consultative meeting planned for 1955. Both organizations took advantage of this opportunity to carry out a joint examination of specific agricultural problems and of questions arising out of the relation of agriculture to the over-all economy.

B. Agenda

70. The Commission at its meeting on 30 August 1955 adopted the following agenda:

1. Opening addresses

2. Election of officers

3. Adoption of the agenda

4. Current economic situation and prospects:

(a) Production trends and the rate of economic development

(b) Factors affecting the rate of development

- (c) Inflation and anti-inflationary policy
(d) Export and import trends
- Background documents:
- (a) *Economic Survey of Latin America, 1954* (E/CN.12/362/Rev.1)*
(b) *Economic Review of Latin America**, special issue, August 1955
5. General problems of economic development and methods of programming
Background documents:
- (a) Analyses and projections of economic development:
- I. *Introduction to the Technique of Programming** (E/CN.12/363)
 - II. Economic development of Brazil (E/CN.12/364)
 - III. Economic development of Colombia (E/CN.12/365)
- (b) *Foreign Capital in Latin America* (E/CN.12/360)*
(c) Progress report of the manpower study of Latin America (E/CN.12/375)
(d) Progress report on the study on social conditions of economic development (E/CN.12/374)
6. Economic development and integration of Central America
Background document:
Progress report on the Central American economic integration programme (E/CN.12/366)
7. Technical assistance for economic development
Background documents:
- (a) The expanded programme of technical assistance (prepared by the secretariat of the Technical Assistance Board) (E/CN.12/371)
(b) Technical assistance activities in the ECLA region (E/CN.12/372 and E/CN.12/372/Add.1)
(c) Report on the ECLA/TAA economic development training programme (E/CN.12/376)
8. Problems of energy and industrial development
Background documents:
- (a) Development of energy production and utilization in Latin America—possibilities and problems (E/CN.12/384)
(b) A summary of the preliminary report on the development of energy production and utilization in Latin America—possibilities and problems (E/CN.12/373)
(c) Iron and steel transforming industries in selected Latin American countries (E/CN.12/377)
(d) *Study of the Iron and Steel Industry in Latin America* (E/CN.12/293/Rev.1)*
(e) Pulp and paper prospects in Latin America (E/CN.12/370)
(f) *Economic Survey of Latin America, 1954*—relevant chapter
9. Economic problems of agriculture (in co-operation with FAO)
Background documents:
- (a) The selective expansion of agricultural pro-
- duction in Latin America and its relation to economic development (E/CN.12/378)
(b) *Economic Survey of Latin America, 1954*—relevant chapter
(c) Review of the agricultural commodities situation with special reference to the surplus problem and FAO, activities in this field (document presented by FAO)
(d) Progress report on the ECLA/FAO study on coffee production and trade (E/CN.12/379)
10. International trade
Background documents:
- (a) A study of inter-Latin-American trade (E/CN.12/369)
(b) *Economic Survey of Latin America, 1954*—relevant chapters
(c) Analysis and prospects of Inter-Central-American trade (E/CN.12/367)
(d) Trade policy and free trade in Central America (E/CN.12/368)
(e) Resolutions of the Economic and Social Council relating to trade, with a note by the secretariat (E/CN.12/385)
11. Programme of work and priorities 1955-56
Background documents:
Resolutions of the Economic and Social Council, with a note by the secretariat (E/CN.12/380)
Statement by the Executive Secretary during the meeting on the work programme and priorities for 1955-56
12. Co-ordination with the Inter-American Economic and Social Council
12. Background document:
Note by the secretariat (E/CN.12/381)
13. Consideration and adoption of the report on the Commission's sixth session
14. Date and place of the seventh session of the Commission.

C. Account of proceedings

INTRODUCTION

71. During the Commission's seven years of existence, the main features and aims of its work have become more and more clearly defined. By enabling Governments to visualize Latin America's economic situation as a whole and to acquire an increasingly thorough knowledge of the basic problems attendant on the region's economic growth, it has helped to lay more solid foundations for the development plans and programmes of the various countries. Inspired by this central purpose, its activities have been gradually evolving on a number of different planes, and have embraced not only the over-all programming of economic development, but also a series of more specific problems, such as those relating to the expansion of individual sectors and to the present situation and future prospects of particular branches of industry and agriculture. An essential analytical feature common to all these studies has been the influence exerted on Latin America by foreign trade and international financial relationships. Special questions relating to trade—its intra-regional aspects, for instance—have also been the object of increasing attention.

* Printed publication.

72. At its fifth session, held in 1953, the Commission drew attention to the feeling of Latin American Governments, expressed in recent discussions, that ECLA had already become an effective instrument of regional co-operation at governmental level, and was beginning to play an active role in the realm of practical affairs. This statement was confirmed at the sixth session, where, particularly in view of the work of the last two-and-a-half years, it was possible to discern that among member Governments there already exists a substantial foundation for agreement on the basic problems involved in economic development, whatever may be the specific form in which a government wishes to implement its economic and social policies. In view of the universally-acknowledged desirability of an orderly development of the Latin American economies and an effective utilization of their resources, the Commission reiterated its conviction that it is essential to have some method for preparing analyses and projections of development which, first and foremost, can provide an over-all view of economic development and facilitate the examination of present and future relationships between the various sectors of the economy and between the national economy and foreign trade. Without a method of programming, it would perhaps be impossible to give to national economic policies the impetus or the character they need if they are later to cope successfully with the growing complexities of the processes of development. Such processes originate, not only in the rapid demographic growth of Latin America on the one hand, and, on the other, in the trend already noted in the structural modification of the active population, but also in the uncertain future capacity of the region's export trade to cover its manifold requirements not only of capital goods imports but also of imported finished products and even consumer commodities. The need, differing in intensity in the various countries, to replace imports by domestic production both in the industrial and in the agricultural sector, constitutes one of the essential problems of Latin America's economic development, which could not be approached without the assistance of a general method of programming.

73. At the sixth session, the delegates expressed their satisfaction with the progress achieved by the secretariat in the preparation of the methodology of analyses and projections, as evidenced in the document submitted on this subject (E/CN.12/363). Furthermore, the Committee was able to appraise the concrete and practical utility of this methodology in the case of specific countries, as illustrated in the secretariat studies on the economic development of Brazil on the one hand and of Colombia on the other, carried out with the collaboration of the respective Governments. This type of analysis aroused great interest among the delegations, and several of them requested that the secretariat prepare similar studies on their own countries, which might serve to guide the Governments concerned in the preparation of their development programmes. Thanks to these country studies, it may also be clearly seen that an analysis of development problems is not enough, nor is the preparation of an over-all programme based on such a study; in addition, Governments must devote careful consideration to the administrative organization whereby they can most successfully implement their programmes. In this connexion, the Commission recognized the existence of a fruitful field for collaboration between the secretariat and the Technical Assistance Administration of the United Nations on the one hand and the Governments on the other; these agencies could also do more to further

the process of carrying the programming of development out of the sphere of over-all drafting into that of specific forms of action. Collaboration of the sort considered useful by Governments should not be confined to the administrative field, but should be alert to the urgent need of training an increasing number of Latin American economists in the analysis of problems of economic development. The training programme which the secretariat and the Technical Assistance Administration have been carrying out jointly at ECLA headquarters has proved to be of great value and the Commission therefore expressed the desire to see it extended to member countries as far as possible, through special courses and by other means.

74. Satisfactory progress has been made in the studies of specific industries of vital importance for Latin America, with the co-operation of Governments, of the Technical Assistance Administration and of the Food and Agriculture Organization of the United Nations. The Commission has acquired useful and valuable experience on the most suitable ways and means of carrying out studies on industrial problems. The method in question consists in preparing, as in the case of iron and steel or pulp and paper, a series of background documents examining the current situation of industry and its raw materials, as well as the economic and technical problems which must be solved if the expansion of Latin American production is to be accelerated. These documents can in the first place be submitted for discussion to meetings of experts both from Latin America and from countries outside the region. Such meetings, such as that held at Bogotá in 1952 on iron and steel, that of Buenos Aires in 1954 on pulp and paper, and that on the iron and steel transforming industries now in course of preparation, and to be held at São Paulo in 1956, are valuable instruments, first, for the member Governments of the Commission, and, secondly for Latin America's private industry, which often lacks an over-all concept of the difficulties to be overcome and the possibilities for expansion. The problems of Latin America's industrial development cover too wide a range to be fully dealt with by ECLA and the organizations collaborating with it. As far as possible, steps are being taken towards making studies, similar to those already mentioned, of the problems of other industries, including Latin America's chemical industry. Some delegations expressed a wish for equal pains to be taken to deal with the difficulties of industrialization in certain branches of special interest to those countries which, for market reasons, or on account of the lack of certain raw materials, are not in a position to develop basic and heavy industries; it was hoped that in future the Commission would be able to devote more attention to such questions. It was also suggested that as the programming of development advances, and Governments penetrate more deeply into the specific aspects of industrial development, it will become more and more desirable to examine the concrete possibilities of industrial specialization in the various countries and of their consequent economic integration.

75. Energy and transport are elements without which a substantial degree of economic development would be quite impossible today. Member Governments, aware of the advantages of laying more stress on these problems within the Commission's activities as a whole, had resolved as early as 1953 to request the secretariat to undertake certain basic studies. At the sixth session, a preliminary report was submitted on the situation of the development and utilization of energy in Latin America; dur-

ing the discussions, the conclusion was reached that it is necessary to go into this subject more deeply and to prepare background documents which may enable Governments, through a meeting of experts, to examine the best ways of promoting the development, and co-ordinating as efficiently as possible the use, of available and potential energy resources, in view of Latin America's growing requirements. The appearance of a new and spectacular source of energy—nuclear energy, the recent United Nations conference on the peaceful uses of atomic energy, and the decision of those Governments developing it to place their knowledge and techniques at the service of other countries, so that this form of energy may be exploited and utilized, sheds light on an aspect of the energy problem in Latin America to which due regard should be paid in future ECLA studies.

76. It is perhaps true to say that fuller consideration was given to the problems of agricultural development at the sixth session than at any of the other previous sessions. As the joint studies of the secretariat and FAO have revealed, the development of agricultural activity in Latin America has suffered something of a setback, and is facing certain difficulties which can only be overcome if member Governments try to fit their plans for stimulating the agricultural sector into the whole framework of economic development programmes; at the same time they should bear in mind world trends in the production and consumption of specific products. The discussion of these problems at the sixth session in the agricultural committee, which simultaneously served as a regional consultative meeting of FAO, emphasized the vital importance of intensifying investment in agriculture, of studying those aspects of the productivity of capital and labour towards which governmental action may be directed, and of indicating certain sectors for selective development; these last include stockbreeding, a fundamental element in Latin America's agricultural development, which will require joint study on the part of the secretariat and FAO. ECLA has voiced its deep concern as regards the market problems afflicting certain basic products, such as coffee, sugar, cotton and wheat, either because of the disequilibrium between supply and demand and the fluctuations in prices, or on account of the accumulated surpluses, which, if orderly methods of disposal are not used, might involve serious risks for the economies of Latin America. These are questions of world-wide scope, but in approaching them ECLA has been able to contribute significant viewpoints which are in harmony with the general interests of Latin America and of the other regions concerned. The Commission devoted special attention to a consideration of the problems relating to coffee, which have been the object of various discussions and proposals both at inter-American conferences and in negotiations between Latin American Governments and associations of producers. Meanwhile, as information is not yet available on the result of these proposals for possible measures of international co-operation to stabilize coffee prices at levels equally satisfactory for producers and consumers, the Commission expressed the hope that positive results may be obtained in this connexion.

77. As one example of the stage of practical activity upon which ECLA is entering, attention should be directed to the discussion on the problem of inter-Latin-American trade. Most of the delegations considered that the studies on this subject presented by the secretariat both at the fifth and sixth sessions had already made a sufficiently thorough analysis of the obstacles to the expansion of inter-Latin-American trade for such barriers

to be examined at the governmental level and attempts made to provide practical solutions. ECLA felt it was opportune to establish an intergovernmental instrument dependent on the Commission itself, through which Governments can, with the advice and assistance of the secretariat, examine a series of specific points related to inter-Latin-American trade policy, to payments systems based on clearing accounts, to maritime transport and to other topics on which joint action may subsequently be taken. These studies, which will be carried out by the newly-created trade committee, will have no adverse effect on the expansion of trade between Latin America and the rest of the world.

78. The Commission took note of the activities of the Central American Economic Co-operation Committee, formed by the Governments of Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua. This Committee has held two meetings since ECLA's fifth session and has at present entered upon its fourth year of activity as a subsidiary body of the Commission. The Central American Economic Integration Programme, which is being implemented through this Committee, was praised by the delegations not only for what it intrinsically represents as a policy of international co-operation in relation to economic development, but also because of the strong support given to this programme by the organizations participating in the Expanded Technical Assistance Programme of the United Nations. The organizations in question, in close collaboration with the secretariat, have lent experts to the Central American Governments for the over-all study of a series of projects on industry transport, research and training.

79. During the course of the sixth session, the Commission gave very particular attention to the importance attained by its activities within those of the United Nations as a whole. ECLA fully acknowledges and appreciates the support it has at all times received from the Economic and Social Council and the General Assembly of the United Nations; it is conscious of the responsibility incumbent upon it not only in regional matters, but likewise within the wider framework of world economic and social problems.

I. ECONOMIC TRENDS AND PROSPECTS (COMMITTEE I)¹⁴

(a) *The economic situation in 1954 and the early months of 1955*

80. The economic situation and the recent development trends in Latin America were examined on the basis of the *Economic Survey of Latin America, 1954* (E/CN.12/362/Rev.1) and the "Review of the economic situation in Latin America during the early months of 1955" contained in the special issue of ECLA's *Economic Review of Latin America*. Broadly speaking, delegates were in agreement with the opinion expressed in these studies that the adverse factors which have been affecting the economies of the countries of the region since 1952 are still making themselves felt, despite last year's improvement, resulting from special circumstances, for those producing coffee and petroleum. In fact, if these products are excluded, the unfavourable trends in the world markets for certain commodities are reflected in the decline of the investment coefficient and the fall in gross income. Still more serious a view was taken of the fact that in many individual countries, as well as in the region as a whole, the rise in income found

¹⁴ See Summary Records (E/CN.12/AC.27/SR.1 to 5) and the report of the Rapporteur of committee I (E/CN.12/AC.27/3).

expression in the growth of consumption rather than in an increase in investment. The delegations participating in the discussions gave some indication of recent events in their own countries and presented the latest statistical data available, thus supplementing in many cases the analysis of the situation carried out by the secretariat. It was agreed that figures subject to revision were bound to appear in ECLA documents, since the difficulty of obtaining up-to-date national statistics obliges the secretariat to make estimates to supplement the lack of official data. It is, however, of interest to stress in this connexion that according to the statements of most delegations, the analysis of the economic situation of the various countries, and of the region as a whole, apart from some minor discrepancies, was in accordance with the real position of the Latin American economies during the period under review.

81. Some delegations suggested that new approaches were desirable in completing the analyses submitted. One delegation, for instance, thought it advisable that a study should be made of the effects of the fluctuations in the terms of trade on a country's geographic income, along the lines already followed in relation to national income. Another requested that statistics of short-term Latin American investment abroad should be supplemented by the figures for United States investment of this type in Latin America. A third delegation expressed the opinion that studies on products should include certain other commodities which are of significance for some countries. Yet another declared that in the analyses under discussion more importance should be attached to the possibility of increasing exports, as it is to import substitution.

82. The delegations were unanimously agreed that in order to facilitate the preparation of ECLA studies, Governments should designate an office responsible for supplying the secretariat with up-to-date information on the economic events in each country (resolution 79 (VI)).

(b) The effects of inflation on economic development

83. Special consideration was given to the influence of inflation upon the economic development of the Latin American countries. On the basis of the appropriate chapters of the Economic Survey, opinions were voiced as to the causes of the inflationary process in certain countries and the effects of inflations on investment, on the standards of living of the largest sectors of the population and on the rate of growth. Despite some passing consequences of an apparently favourable nature, the harmful results of inflation were emphasized by certain delegations, one of which held that among the most important contributions made by secretariat studies was their repeated insistence on the dangers that inflation implied for the development of the Latin American economies.

(c) Trade and multilateral payments

84. Special interest was aroused among some delegations by statements on the negotiations recently concluded between Brazil, the Federal Republic of Germany, the Netherlands and the United Kingdom, to apply a payments system based on multilateral convertibility. Recalling resolution 47 (V) adopted at the Commission's fifth session, one delegation suggested that the secretariat should continue studies on the ways and means of effecting multilateral operations between Latin American and European countries and between the countries of Latin America themselves.

(d) Statistics on employment

85. Some delegations recommended that in future economic surveys due consideration should be given to questions relating to the level of employment in the various countries. Recognizing that the lack of statistics on this subject was the reason why such phenomena had received only marginal treatment in secretariat studies, the Committee adopted resolution 80 (VI) which recommended that Governments should establish or amplify the necessary facilities for obtaining systematic and up-to-date information and data on employment in their respective countries, bearing in mind the studies and standards of the International Labour Organisation and other specialized agencies.

II. ECONOMIC DEVELOPMENT AND TECHNICAL ASSISTANCE (COMMITTEE II)¹⁸

(a) The programming of economic development

86. The document on the technique of programming (E/CN.12/363) was the object of fruitful discussion, in the course of which the secretariat had the opportunity to clarify controversial points and to give a more precise definition of the scope of the technique of analyses and projections within the technique of programming.

87. Some technical aspects were discussed, as, for example, the utilization of the product-capital ratio as a basis for aggregate or sectorial projections, and the possibility of raising the rate of saving through an inflow of foreign capital.

88. Emphasis was laid on the neutrality of the technique of programming, the central purpose of which is to enable Governments to create the right conditions for the intensification of economic development. This neutrality was likewise mentioned in connexion with the choice between expanding the export trade and replacing imports.

89. The value and practical scope of the application of the technique of analyses and projections to the economies of Brazil (E/CN.12/364) and of Colombia (E/CN.12/365) was acknowledged by many delegations, some of which declared that their respective Governments would be extremely interested to see similar secretariat surveys carried out in their countries.

90. The attention of the delegations was mainly focused on the instruments for applying a programme and on the adaptation or supplementation of the bodies responsible for preparing and implementing it. A resolution on these lines (81 (VI)) was adopted.

(b) Technical assistance

91. The subject of technical assistance gave rise to much discussion, in the course of which several delegations expressed their points of view on the way in which such assistance is being given in Latin America.

92. On several occasions, attention was drawn to the fact that, for technical assistance to be really effective, it must be related to over-all development programmes. Here two other fundamentally important points were underlined: the need for countries to possess organizations for the co-ordination of the various aspects of national and international technical assistance, and the desirability of intensifying the present efforts of the secretariat, with the aid of the Technical Assistance

¹⁸ See Summary records (E/CN.12/AC.28/SR.1 to 7) and the Rapporteur's report (E/CN.12/AC.28/6).

Administration, to train specialists in problems of growth and the programming of economic development. A resolution (85 (VI)) was adopted covering these and other points.

(c) *Foreign investment*

93. The report (E/CN.12/360) submitted by the secretariat, and prepared by the Department of Economic and Social Affairs, on the legal, economic and financial system governing foreign investment in Latin America, led to prolonged discussion. The delegations of some countries emphasized the need for creating new international organizations designed to promote foreign investment in under-developed countries. It was recommended that studies on this subject should be brought up to date and continued.

(d) *Factors of a social character which affect economic development*

94. As appeared in the discussion, it is clearly evident from the studies already completed (E/CN.12/374) that there are social factors which tend to accelerate or retard economic progress and, conversely, economic factors which tend to accelerate or retard social progress. The analysis of this subject should therefore be encouraged and followed closely by those organizations responsible for guiding economic development. Consequently, the secretariat was requested to continue its study of this subject, giving special attention to its practical aspects. (Resolution 82 (VI).)

(e) *Man-power*

95. The Commission approved a resolution (83 (VI)) recommending the secretariat to continue the studies it had begun on man-power in Latin America, relating them to the over-all work on analyses and projections of economic development.

(f) *Central American economic integration*

96. The discussions on this subject included a direct allusion to the concrete results recently achieved, such as the adoption of the uniform Central American tariff nomenclature and the relevant Code Manual; the establishment of the Advanced School of Public Administration at San José, Costa Rica; the creation of a Central American Institute for Industrial Research in Guatemala; and the agreement on the site for a pulp and paper mill in Honduras.

97. The Commission adopted a resolution (84 (VI)) confirming its interest in the continuation of the activities of the Central American Economic Co-operation Committee and recommending that the secretariat pursue the studies and work required by the Central American Economic Integration Programme. At the suggestion of a non-Central-American delegation, congratulations to the Governments composing this Committee, on the practical and constructive way in which they have carried out their work, were included in this resolution.

III. INTERNATIONAL TRADE (COMMITTEE III)¹⁶

1. *Basic concepts underlying the discussions on international trade*

98. The work of the sixth session on this subject concerned mainly problems of trade within the region;

¹⁶ See Summary records E/CN.12/AC.29/SR.1 to 7) and the Rapporteur's report (E/CN.12/AC.29/6).

discussions were based principally on the document prepared by the secretariat, a study of inter-Latin-American trade (E/CN.12/369). This report contains an analysis of problems of trade policy and payments, the characteristics and prospects of intra-regional commodity trade, and maritime transport.

99. Two major topics dominated most of the discussions. The first was the belief that the theoretical examination of the problem of inter-Latin-American trade in the study mentioned above and in the preliminary report submitted at the fifth session of the Commission (E/CN.12/304) provided an adequate basis for practical solutions to these problems. Of special concern was the fact that nine-tenths of the trade between the southern countries of the region, which account for most of the intra-regional trade, was carried out under the terms of bilateral agreements employing clearing accounts. It was generally held that this system of trade hampered the potential growth of inter-Latin-American commercial relations and that it was necessary to co-ordinate trading regulations and procedures more effectively. In particular it was felt that means should be found of ensuring tariff treatment for Latin American commodities at least as favourable as that accorded to imports from countries outside the region, with a view to making the most-favoured-national clause applicable, as far as possible, to trade between all the republics of the region.

100. Another objective proposed was that of guiding trade policy toward the broadening of markets for Latin American products, to assure the more economic use of resources and aid in the solution of problems arising from the limited size of many domestic markets. It was thought that a first step in this direction would be the co-ordination of criteria used to classify such commodities and of differential exchange rates, in order to facilitate the triangular or multilateral utilization of blocked balances.

101. The deficiencies of maritime transport between the countries of the region were thought to contribute greatly to trade problems, particularly the effect of exchange rates on tariff structures, the sub-utilization of cargo space caused by flag discrimination in the transport of goods, and the lack of direct shipping lines connecting countries whose reciprocal trade involves transshipment. In addition, unsatisfactory port management and operation resulted in harbour costs which in some cases represented 50 per cent of total freight charges, and thus caused Latin American products to be more expensive than those from other countries outside the region.

102. The major theme which occupied the attention of the Commission in its discussions of international trade was the need to augment world trade in general and maintain the full benefits of existing or habitual trade relationships with countries outside Latin America. It was felt that this objective was not inconsistent with the stimulation and co-ordination of intra-regional trade, but, on the contrary, all trade would benefit through the elimination of unnecessary bilateralism and other commercial barriers. In this respect, special interest was shown in the contribution of GATT and the recent modifications made in the Agreement, which gives special consideration to the problems of countries in the early stages of economic development.

103. It was felt that with reference to the broadening of markets for Latin American products experience in other parts of the world was of special significance, par-

ticularly the formation of the European Iron and Steel Community.

2. Resolutions adopted

(a) *The intensification of inter-Latin-American trade and the creation of a trade committee* (101 (VI))

104. This resolution provides for the establishment of a Trade Committee composed of member States of the Commission which will concern itself with the preparation of concrete proposals, in accordance with the bilateral and multilateral commitments of these Governments and without prejudice to the expansion of trade with other areas, for the solution of practical problems which hamper inter-Latin-American trade and for the preparation of the necessary groundwork to facilitate trade negotiations. The Committee is to bear in mind the problems raised in the secretariat document (E/CN.12/369) as well as comments and reports of member Governments thereon which are related to the work of the Committee, while full use will be made of pertinent material prepared by IA-ECOSOC and other international organizations.

105. The Committee is also directed to propose solutions to the specific inter-Latin-American trade problems of the land-locked countries of the region, as mentioned in item 4 of resolution 69 (V). Work reports will be submitted to the Commission after each session and the secretariat is charged with the transmittal of these reports to member Governments at the earliest opportunity.

106. For the purposes of its sessions, the Committee will be formed by the representatives of member States which may attend. The sessions will be convened by the secretariat and the site of the sessions will be determined at the discretion of the secretariat in consultation with the host country. The secretariat is also responsible for providing the necessary background material for each session. The first meeting will take place as soon as possible at the Commission's headquarters in Santiago, Chile; the provisional agenda for the meeting will be prepared by the secretariat on the basis of resolution 101 (VI).

(b) *Other resolutions*

107. Resolution 102 (VI) recommends that the secretariat, in co-operation with the Department of Economic and Social Affairs of the United Nations continue the analysis contained in the *Economic Survey of Latin America, 1954* (E/CN.12/362/Rev.1) and the special issue of the *Economic Review of Latin America* on markets for basic Latin American export commodities.

108. Resolution 103 (VI) requests Latin American Governments to transmit to the secretariat information on customs tariffs and relevant international trade regulations. The secretariat can thus begin to centralize this information with a view to making it available to the respective Governments, due note being taken of the publications of the Brussels International Bureau of Customs Tariffs.

109. Resolution 104 (VI) recommends to Latin American Governments that, bearing in mind the conclusions of the secretariat study on maritime transport mentioned above, they request technical assistance for the training of personnel in port management and operation, taking into account at the same time the activities of IA-ECOSOC in this sphere.

110. Resolution 105 (VI) takes note of resolution 579 A and B (XX) of the Economic and Social Council

on interregional trade consultations, and requests the secretariat to keep the Commission informed on further developments on this subject and to forward to the Secretary-General a copy of the present resolution for transmittal to the two other regional economic commissions.

IV. ECONOMIC PROBLEMS OF AGRICULTURE (COMMITTEE IV)¹⁷

111. The Commission discussed fully the situation of agriculture in Latin America, emphasizing, among other facts, that the expansion of aggregate agricultural production was not very satisfactory in relation to demographic growth; this had brought about a curtailment of *per capita* agricultural exports and a marked increase in imports of agricultural products, although the region is retaining its importance as a net exporter of these commodities and is still far from becoming a net importer.

112. In debating how the unfavourable development of agriculture can be rectified, the Commission expressed the opinion that efforts should be made to achieve better land utilization and that the main obstacles hindering the acceleration of agricultural development are the shortage of capital and inadequate technical progress (resolution 92 (VI)). Alongside the deficient and unsatisfactory use of land and the low productivity of labour, adverse factors of an institutional nature still generally exist, among which special mention was made of the structure of land ownership.

113. Apart from general considerations, the deliberations of the Committee were concentrated on the six specific topics enumerated below.

(a) *The selective expansion of agriculture and its relationship to economic development*

114. Notwithstanding the urgent need to accelerate the agricultural development of the Latin American countries, the Commission did not overlook the inadvisability of fostering the indiscriminate expansion of this sector of the economy. It was therefore felt that the following considerations must be borne in mind in the shaping of agricultural policy: (i) the prospects for domestic demand and the need to improve consumption and dietary levels; (ii) world prospects for commodities, with due regard to surpluses; (iii) the trend towards self-sufficiency and the extent to which this process is advisable; (iv) the need to increase agricultural exports as a means towards importing the capital goods required for economic development (resolution 89 (VI)).

115. For the application of these basic criteria, countries must extend their research on ecological conditions and investigate the best possibilities of utilizing their own resources, and must also seek fuller knowledge of the trends, programmes and achievements of agriculture in other countries. All the delegations agreed as to the interest attaching to a study of this kind and as to the need for technical assistance in agricultural programming (resolution 88 (VI)).

116. During the Commission's debates, several delegations stated that: (i) the principle of selective expansion does not imply a restriction of exportable production in countries where surpluses do not exist, but rather the need to follow a prudent policy in order not to ag-

¹⁷ See Summary records (E/CN.12/AC.30/SR.1 to 8) and the Rapporteur's report (E/CN.12/AC.30/10).

gravate this problem (resolution 87 (VI)); (ii) it is desirable, under present circumstances, to give particular impetus to those branches of production which satisfy urgent consumer needs and contribute to an improvement of dietary standards; (iii) for the above purpose it will be indispensable, *inter alia*, to improve the systems of distributing agricultural commodities.

117. Finally, the Commission also considered the need to promote agricultural research and to improve educational and extension services as a prerequisite for increasing productivity in regional agricultural activities.

(b) *Agricultural surpluses*

118. In examining the present situation of Latin American agriculture, the delegations emphasized how important for the economy of many countries is the problem of agricultural surpluses. It was felt that the accumulation of such surpluses was basically due to the higher production in some countries necessary to meet requirements arising from the war and from the immediate post-war period, and to the fact that it had not been possible for the expansion of production, achieved through the considerable progress made by agricultural productivity in a number of countries, to be utilized for the improvement of the unsatisfactory levels of consumption which still prevail in many countries. The Commission also considered with interest the possibility of utilizing surplus products both for the promotion of special diet programmes to benefit certain social groups whose standard of living is low, and as a means of financing projects for economic development, care being always taken to avoid any disturbance of the traditional flow of trade.

119. Nevertheless, several of the delegations present expressed their anxiety, not only because they considered that the exporting of agricultural surpluses had in some cases proved detrimental to the interests of other exporters, but also because this same prejudicial effect may continue to be felt in the future. The conclusion was reached that countries possessing surpluses should, in determining and adjusting their agricultural productivity and surplus disposal policies, particularly bear in mind the repercussions which such policies may have on the trade of the countries of this hemisphere (resolution 95 (VI)).

(c) *The coffee situation*

120. Taking into account the important role of coffee in the economy of 14 Latin American countries, several delegations voiced their fear lest a period of over-production might be approaching. All the delegations agreed that sharp fluctuations benefit neither the producer nor the consumer and that there is every reason for consumer and producer countries to study the possibility of a joint effort to avert this danger (resolution 90 (VI)).

(d) *The stockbreeding situation*

121. Some delegations declared their grave concern for the situation of stockbreeding in Latin America—characterized as it is by a very low rate of increase of animal stocks—since *per capita* meat production has fallen below pre-war levels, and there has been an even more marked decline in meat exports. These factors have found expression in a deterioration of dietary standards, although several countries of the region resorted to imports of large quantities of dairy products and eggs so as partly to offset this unfavourable effect. The discussions on this topic among the several delegations led to the conclusion that it would be desirable

to carry out a detailed study of the subject (resolution 91 (VI)).

(e) *Industrial transformation of agricultural commodities*

122. One effective way of stimulating the expansion of certain types of production is the creation of new possibilities of utilizing the commodities concerned. The delegations unanimously agreed that industrialization is a factor which favours a higher level of consumption and therefore an expansion of production, particularly when this process helps to provide final goods at low prices. It was pointed out that Latin American farmers are making increasing efforts to secure fuller industrial utilization of their own products, but that they are generally handicapped by lack of knowledge and capital. Stress was therefore laid on the need to carry out studies and research in relation to this problem (resolution 94 (VI)).

(f) *Research in the Amazon area*

123. The delegations of the countries concerned pointed out the importance attaching, for them and for the continent as a whole, to the development of the vast sources of wealth in the Amazon area, which covers approximately half the territory of South America, and expressed their opinion that the immensity of this area requires joint and co-ordinated action by the interested countries. The Commission recommended that the ECLA secretariat and FAO should carry out, in so far as possible, a preliminary study, and on this basis should draw up a programme of research designed to promote the exploitation and development of the resources of the Amazon area (resolution 93 (VI)).

124. In this connexion, the Commission took note with interest of a cable received by the secretariat from the Director-General of UNESCO, offering this organization's full co-operation in any studies which may be undertaken on the resources of the Amazon area in compliance with the resolution concerned.

V. PROBLEMS OF ENERGY AND INDUSTRIAL DEVELOPMENT (COMMITTEE V)¹⁸

1. *Main points of discussion*

125. Apart from the chapters on industry and energy included in the *Economic Survey of Latin America, 1954* and in the over-all studies of economic development in certain countries, the secretariat presented to the sixth session a series of documents on specific industries, as well as on various problems connected with energy.¹⁹ These documents—whose content is briefly described in Part I of this report—provided a basis for the Commission's deliberations, which also covered some topics suggested by the delegations themselves.

126. The various delegations taking part in the discussion expressed their gratification at the preliminary results of the research which the secretariat was carrying out on the subject of energy, and their desire that such surveys should be continued and given broader

¹⁸ See Summary records (E/CN.12/AC.31/SR.1 to 6) and the Rapporteur's report (E/CN.12/AC.31/7).

¹⁹ Preliminary report on the development of energy, production and utilization in Latin America—possibilities and problems. (E/CN.12/373/Rev.1 and E/CN.12/384 and Add. 1 and 2); iron and steel transforming industries in selected Latin American countries (E/CN.12/377). Study of the iron and steel industry in Latin America (E/CN.12.293/Rev.1); Pulp and paper prospects in Latin America (E/CN.12/370).

scope. The considerable difficulties of obtaining adequate statistical information were recognized, and offers were made to transmit additional data available for the respective countries direct to the secretariat, while the importance of seeking an improvement in this respect was emphasized. Some of the delegations participating supplemented the information contained in the secretariat documents with a brief description of the most important projects being or about to be carried out in their respective countries. They also gave valuable information as to the organization and operation of the principal agencies functioning in their countries and directly connected with energy problems. Particular mention was made on several occasions of the lack of knowledge of the energy resources of Latin America and the need to devote greater efforts to the establishment of a more complete inventory, especially as regards hydro-electric resources which can be utilized on an economic basis. To the inadequate availability of energy is added its inefficient utilization in Latin America, which was emphasized by some delegations as a factor underlining the importance of more research on this subject. Many delegates referred to nuclear energy, and to the significance which recent progress may have for the future of Latin America; there was agreement as to the advisability of the Latin American countries following closely the new advances achieved in this sphere, though it was noted that this could not justify a weakening of interest in the other sources of energy.

127. On approaching the topic of the iron and steel making and iron and steel transforming industries, some delegations declared that the results of the preliminary research by the secretariat on this subject, and the valuable material contributed by the ECLA/TAA Meeting of Experts held at Bogotá in 1952, had exerted a far-reaching practical influence in guiding the solution of concrete problems in their countries. On various occasions, also, expression was given to the approval with which the research on the iron and steel transforming industries in selected countries of Latin America was received, and to the interest felt in the possibility of similar studies being undertaken for other countries. Satisfaction was also displayed at the progress made by the secretariat in preparing for the ECLA/TAA Meeting of Experts to be held in São Paulo from 4 to 26 June 1956. Some delegations provided additional information on interesting projects being undertaken in their respective countries in the mechanical and metallurgical industries. Reference was also made to the importance of the Meeting of Experts at São Paulo and the convening, at a later date, of a Committee of Experts, as a contribution to effective progress in dealing with such problems as specifications and the standardization of raw materials and iron and steel products.

128. Several delegations referred in laudatory terms to the secretariat report which contains the conclusions of the Meeting of Experts on the Pulp and Paper Industry, held at Buenos Aires in October-November 1954, with the collaboration of FAO, TAA and the Government of the Republic of Argentina. Some additional information was given on this subject, and attention was drawn to the necessity for devoting maximum study to the problems of forest conservation, in the development of possible projects to exploit tropical woods, since sufficient experience does not seem to have been accumulated on this subject.

129. Apart from considering the documents submitted by the secretariat, emphasis was laid in the Committee

upon the importance which should be given within the economic development of Latin America to problems related to productivity, as well as to the organization and management of enterprises, as a means of attaining a better utilization of all resources and a solid foundation upon which to base future growth.

2. Resolutions adopted

130. The Commission unanimously approved six resolutions relating to energy and industrial development.

(a) *Iron and steel industries* (resolution 96 (VI))

131. This resolution expressed the satisfaction with which the secretariat's report on the iron and steel transforming industries was received and made a recommendation to the secretariat that similar research be extended to the Latin American countries concerned. It also recommended the secretariat that, in co-operation with the United Nations Technical Assistance Administration and other institutions concerned, the preparations be advanced for the Meeting of Experts at São Paulo, and that, with the co-operation of the Governments, the Technical Assistance Administration and other organizations, the Committee of Experts proposed in resolution 57 (V) be convened.

(b) *Chemical industries* (resolution 97 (VI))

132. This resolution recommended to the secretariat that the studies begun on the subject be continued and extended to as many countries as possible. It also made a recommendation that, when justified by the work programme, a Meeting of Experts on the chemical industry be convened by the secretariat, with the co-operation of the Technical Assistance Administration of the United Nations and the specialized agencies concerned.

(c) *Productivity* (resolution 87 (VI))

133. In view of the concern expressed in relation to this problem a recommendation was made to the secretariat that, at the moment it deems opportune, a pioneer study be prepared. The desire was also expressed that in future studies undertaken by the Secretariat on specific industries, particular attention be devoted to the problems of productivity and the measures advisable for its improvement. Lastly, the possibility was envisaged of submitting the findings of this pioneer study to committees of experts on the subject, in collaboration with other national and international organizations.

(d) *The pulp and paper industry* (resolution 87 (VI))

134. By way of expression of the interest shown by the several delegations in the course of the Committee's discussions on the Meeting of Experts on the pulp and paper industries held in 1954 and on the establishment by the secretariat of a Joint Group of Experts on the economics, construction and administration of pulp and paper mills and on forestry, note was taken with satisfaction of the report on the meeting and of the formation of the group mentioned above.

(e) *Nuclear energy* (resolution 100 (VI))

135. This resolution took note of the data on this subject submitted by the secretariat and formulated suggestions to Governments and recommendations to the secretariat. It was suggested to the Governments of the Latin-American countries that they avail themselves, individually or in groups, of any facilities obtainable through the United Nations and by other means, chiefly

with the aim of training the largest possible number of technical experts in the various fields pertaining to nuclear energy. Requests were made to the secretariat that the economic aspects of the development of nuclear energy and the possibilities of its application be studied, and that the Commission be kept informed of progress in this field.

(f) *Energy and water resources* (resolution 99 (VI))

136. Having regard to the principal conclusions derived from the preliminary report prepared on this subject by the secretariat and the opinions and concepts expressed by several delegations, this resolution took note with satisfaction of the report in question and others connected with the subject. Similarly, a series of recommendations to Governments was formulated with reference to statistical data and uniformity of nomenclature, and to the need that, in making requests for technical assistance, the required priority be as far as possible assigned to projects connected with energy. Finally, it was recommended to the secretariat that, as far as its resources permit, and with the necessary co-operation, it continue its studies on the traditional and new sources of energy, their present and future availability and their utilization; that it undertake research into the causes of the low degree of efficiency with which they are being used in Latin America; that it collaborate with Governments in drawing up uniform nomenclature and systems of statistics; that it aid Governments, when they so request, in their examination of economic factors and in the co-ordination of programmes for the development of energy; that it maintain contact with organizations, institutions and experts engaged in the development and utilization of energy; that, when necessary, meetings to facilitate the implementation of this resolution be convened; and, finally, that a preliminary survey be made of the situation of Latin America with respect to water resources.

VI. CO-ORDINATION WITH THE INTER-AMERICAN ECONOMIC AND SOCIAL COUNCIL, PROGRAMME OF WORK AND PRIORITIES FOR 1955-1956 AND OTHER SUBJECTS (COMMITTEE VI)²⁰

137. The Commission noted with satisfaction the Joint Statement of the Executive Secretaries of the Economic

Commission for Latin America and the Inter-American Economic and Social Council, after the meetings held in Washington, D.C., from 8 to 10 August 1955, during which the work of both organizations was discussed with a view to achieving greater co-ordination. The Commission expressed its appreciation of the way in which activities were being co-ordinated, all unnecessary duplication of effort being avoided.

138. In the two resolutions adopted on this subject (106 (VI) and 107 (VI)), express tribute was paid to the satisfactory way in which it had been possible to achieve co-ordination between the work of the two organizations. For the purpose of intensifying co-ordination at governmental level, the secretariat was invited to prepare a systematized collection of the Commission's resolutions, so that member Governments might have at their disposal the necessary background information on topics under discussion at meetings both of the Commission and of the Inter-American Economic and Social Council. Member Governments of the American Continent were likewise advised as far as possible to include their representatives to IA-ECOSOC in delegations attending the sessions of ECLA.

139. The Commission discussed the Programme of Work and Priorities, in full detail, and several delegations, in addition to commenting on the importance of according priority to certain projects—observations of which the secretariat duly took note—considered that the descriptions of some particular projects did not keep strictly to the text of the resolutions adopted. It was therefore agreed that the present text should appear before the annotated list of projects included in the programme.²¹

140. At the suggestion of one of the delegations, the Commission decided to recommend that Governments make every effort within their power to facilitate and stimulate the publicizing of ECLA's work, in such a way that knowledge and utilization of its studies may spread from specialized circles to all sectors of public opinion (resolution 108 (VI)).

141. In the course of its work at the sixth session the Commission took note of the relevant resolutions of the Economic and Social Council adopted since the Commission's fifth session and listed in document E/CN.12/380.

Part IV

RESOLUTIONS ADOPTED AT THE SIXTH SESSION

List of resolutions

142. The Commission at its sixth session adopted the following resolutions:

Resolution

- 79 (VI) Economic trends and prospects
- 80 (VI) Information relative to employment
- 81 (VI) The programming of economic development
- 82 (VI) Social factors in relation to economic development
- 83 (VI) Man-power
- 84 (VI) Economic integration of Central America
- 85 (VI) Technical assistance

Resolution

- 86 (VI) Productivity
- 87 (VI) Selectivity and productivity in agriculture
- 88 (VI) Co-ordination of agricultural programming
- 89 (VI) Programming of agricultural development
- 90 (VI) Studies concerning coffee problems
- 91 (VI) Livestock development
- 92 (VI) Agricultural investment
- 93 (VI) Research in the Amazon area
- 94 (VI) Industrial transformation of agricultural products
- 95 (VI) Agricultural surpluses
- 96 (VI) Iron and steel industries

²⁰ See the Summary records (E/CN.12/AC.32/SR.1 and 2) and the Rapporteur's report (E/CN.12/AC.32/4).

²¹ See page 21.

Resolution

- 97 (VI) The chemical industry
 - 98 (VI) The pulp and paper industry
 - 99 (VI) Energy and water resources
 - 100 (VI) Nuclear energy
 - 101 (VI) Intensification of inter-Latin-American trade and creation of a trade committee
 - 102 (VI) Analysis of the market for basic commodities
 - 103 (VI) Compilation of information on customs tariffs
 - 104 (VI) Training of personnel for ports
 - 105 (VI) Consultations on interregional trade
 - 106 (VI) Co-ordination between the Economic Commission for Latin America and the Inter-American Economic and Social Council
 - 107 (VI) Co-ordination between the secretariats of the Economic Commission for Latin America and of the Inter-American Economic and Social Council
 - 108 (VI) Publicity for the work of the Economic Commission for Latin America
 - 109 (VI) Date and place of seventh session
- Draft resolution for action by the Economic and Social Council

143. The texts of these resolutions are as follows:

ECONOMIC TRENDS AND PROSPECTS

*Resolution 79 (VI) adopted on 15 September 1955
(E/CN.12/388)*

The Economic Commission for Latin America,

Takes note with satisfaction of the Economic Survey of Latin America, 1954 (E/CN.12/362/Rev.1) and of the analysis of the economic situation in Latin America during the early months of 1955, contained in the special issue of the Economic Review of Latin America, both submitted by the secretariat, and

Mindful of resolution 44 (V) requesting governments that, through their appropriate agencies, they furnish to the secretariat such available statistical information as the secretariat may require for the economic survey,

Recommends to member governments:

(a) That they designate within their existing services an office or agency responsible for centralizing and supplying the information required to enable the secretariat, when editions of the annual Economic Survey and other studies are being prepared, to make use of data as up to date and complete as possible;

(b) That, in accordance with norms recommended by the Statistical Commission of the United Nations and by Inter-American Statistical Conferences, efforts be made to standardize the formulation and presentation of economic statistics, particularly those relating to national accounting, in order to facilitate their comparison.

INFORMATION RELATIVE TO EMPLOYMENT

*Resolution 80 (VI) adopted on 15 September 1955
(E/CN.12/389)*

The Economic Commission for Latin America,

Conscious that employment problems in the Latin American countries have been inadequately explored, and

that they represent a fundamental element in guiding the economic policies of governments in their plans for economic development,

Recommends to Latin American Governments that, bearing in mind the studies undertaken by the International Labour Organisation and other specialized agencies, they establish or amplify the necessary facilities for obtaining systematic and up-to-date information and data on employment in their respective countries, which the secretariat may include in its periodic analyses of the economic situation in Latin America.

THE PROGRAMMING OF ECONOMIC DEVELOPMENT

*Resolution 81 (VI) adopted on 15 September 1955
(E/CN.12/390)*

The Economic Commission for Latin America,

Considering:

(a) That Latin American Governments are striving to accelerate the rate of growth of the economies of the region,

(b) That the different elements of the problem of development, such as improvement in the use of productive factors, elimination of bottlenecks in basic sectors, increase in the rate of saving, use of external resources, etc., should be considered together and in terms of the general objectives of development policy,

(c) That over-all studies of national economies, based on appropriate methods of programming, represent a point of departure for the preparation of integrated programmes of economic development,

(d) That it is necessary to continue the study of the basic structures of the Latin American economies which affect their development potential, and, moreover, to analyse the problem of co-ordinating and complementing their development, taking into account the basic structures of groups of countries on a regional basis,

(e) That the means of carrying out development programmes, such as monetary, fiscal, trade and exchange policies and the training of specialized personnel at all levels, scientific and technological research, and other means which complement these, require careful examination and effective co-ordination,

(f) That governmental budgets should be used as effective instruments for the execution of programmes of economic and social development,

(g) That effective development programming requires that existing administrative agencies be adapted and where necessary supplemented, both as regards their capacity to formulate policies and prepare programmes and also as regards their powers and resources to put them into effect, to watch over their implementation, and when necessary to modify them, and

(h) That experience accumulated both within and outside the region should be borne in mind when formulating and applying development programmes,

Resolves:

1. *To take note with satisfaction of the progress attained through the studies submitted by the secretariat on the Technique of Analyses and Projections of Economic Development and its application to the economies of Brazil and Colombia (documents E/CN.12/363, 364 and 365);*

2. To reaffirm the recommendation to governments contained in resolution 48 (V) on the desirability of employing the technique of programming in drawing up their development policies;

3. To recommend to the secretariat:

(a) That in its special studies on the different sectors of economic activity, and in particular in the field of industrial and agricultural productivity, it bear in mind the advisability of directing them towards the formulation of general development programmes;

(b) That research be continued principally on the monetary, fiscal exchange and trade systems and policies necessary for the execution of development programmes;

(c) That such research include methods for the best use of governmental budgets in the implementation of development programmes;

(d) That it continue the analysis of the basic structures of the economies of Latin American countries, and the study of the interrelated and complementary aspects of economic development, taking into account the economic structures of groups of countries on a regional basis;

(e) That, in co-operation with the Technical Assistance Administration, it make a study of the structure and operation of the organizations existing in the Latin American countries for preparing and putting into effect economic development programmes; that in this study it include public and private agencies directly concerned with the implementation of such programmes; and that it examine the need for and methods of co-ordination between the programming organizations and the agencies in question, taking into account the relevant experience of countries within and outside the region;

(f) That it present a report on the research recommended above.

SOCIAL FACTORS IN RELATION TO ECONOMIC DEVELOPMENT

*Resolution 82 (VI) adopted on 15 September 1955
(E/CN.12/391)*

The Economic Commission for Latin America,

Considering:

(a) That the improvement of human conditions, the standard of living and the welfare of the peoples of the American continent is of fundamental concern to the member governments,

(b) That experience has shown that there are social factors which tend to accelerate or retard economic progress, and, conversely, economic factors which tend to accelerate or retard social progress, and that these problems are of fundamental importance for the formulation of an integrated and balanced economic and social development,

(c) That there is a close interdependence between economic progress and the social welfare of a country,

(d) That notwithstanding the work carried out by both international and national institutions, a broad field of social phenomena in Latin America in their relationship to economic development still remains to be explored, since social conditions in Latin America have peculiar characteristics which demand special studies, and

(e) That resolution 155 G (VII) of the Economic and Social Council recognizes the possibility that the economic problems for which the Regional Economic Commissions are responsible may present social aspects of great interest,

Takes note with satisfaction:

(a) Of the Progress Report on the Study on Social Conditions of Economic Development (E/CN.12/374) submitted by the secretariat; and

(b) Of the statement made by the Secretary-General at the present session of his intention to reinforce the secretariat of the Commission with specialists in social affairs; and

Recommends:

1. To the Latin American Governments that when they study and formulate plans of economic development or social policy, they take into account the interdependence existing between the economic and social factors, and that they encourage studies designed to clarify this reciprocal influence;

2. To the secretariat that, in co-operation with the Department of Economic and Social Affairs of the United Nations, the specialized agencies concerned and the Inter-American Economic and Social Council, it continue the study of these matters, giving special attention to those aspects which have practical importance, and make every effort to undertake an exchange of information and, as far as possible, co-ordination with institutions concerned with this type of problem.

MAN-POWER

*Resolution 83 (VI) adopted on 15 September 1955
(E/CN.12/392)*

The Economic Commission for Latin America,

Noting with satisfaction the progress report on the man-power study (E/CN.12/375) submitted by the secretariat, and

Whereas:

(a) An understanding of demographic problems and analyses of the existing situation and projections of man-power are fundamental elements for the study of the economic situation and for the preparation of programmes of economic development, as is apparent from many of the reports prepared by the secretariat, and

(b) It will be possible to make fuller use of such studies if they are carried out in close connexion with work relating to the problems of economic development in specific areas or countries and, in particular, with analyses and projections made for purposes of programming,

Recommends to the secretariat that in consultation with, and with the co-operation of, the Department of Economic and Social Affairs of the United Nations and in collaboration with the specialized agencies concerned, it continue the work begun on man-power in Latin America and seek to relate it in particular to the analyses and projections of economic development prepared by the secretariat.

ECONOMIC INTEGRATION OF CENTRAL AMERICA

*Resolution 84 (VI) adopted on 15 September 1955
(E/CN.12/393)*

The Economic Commission for Latin America,

Taking into consideration that, in compliance with resolution 9 (IV), the Central American Economic Co-

operation Committee has submitted a report on its activities carried out between its second session held at San José, Costa Rica, in October 1953, and the extraordinary session, held at San Salvador, El Salvador, in May 1955, including the resolution approved at the latter,

Bearing in mind that the programme for the progressive and gradual economic integration of Central America has enjoyed the continued support of the Expanded Programme for Technical Assistance of the United Nations, furnished in accordance with the requests submitted to the Technical Assistance Board by the Governments of Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua, and

Recognizing that the implementation of this programme is helping to co-ordinate the economic development of Central America, to enlarge the regional market and to strengthen the bases for an increase in income and a rise in the standard of living,

1. *Takes note with satisfaction:*

(a) Of the report submitted by the Central American Economic Co-operation Committee (E/CN.12/366), and congratulates the Committee and the Governments represented on it on the practical and constructive manner in which its studies have been carried out, embodying a happy combination of the efforts of a group of Latin American Governments and the technical resources of the United Nations secretariat and of the other international organizations collaborating in this work, which has given concrete expression to the aspirations of the countries in question and the aims of the international organizations;

(b) Of the support given to the work of this Committee through the Expanded Programme of Technical Assistance and especially by the Technical Assistance Administration, the Food and Agriculture Organization of the United Nations, the International Labour Organisation and the United Nations Educational, Scientific and Cultural Organization, as well as of the collaboration of agencies of the Organization of American States;

2. *Reaffirms* its desire that the Central American Economic Co-operation Committee should pursue its endeavours to facilitate the economic integration of Central America; and

3. *Recommends* to the secretariat that it continue to carry out the studies and tasks required by this programme.

TECHNICAL ASSISTANCE

Resolution 85 (VI) adopted on 15 September 1955

The Economic Commission for Latin America,

Considering:

(a) That the United Nations Expanded Programme of Technical Assistance has successfully completed its fifth year and that it has led to appreciable results in the countries of Latin America,

(b) That the present world situation provides favourable prospects for the continuation and further development of this Programme,

(c) That the Latin American countries, through the experience they have obtained in utilizing technical assistance services, are convinced that such programmes should be more closely linked with their plans for economic and social development,

(d) That Latin America's experience also shows that technical assistance projects of a regional character have made it possible to achieve extremely valuable objectives through the joint efforts of governments and of organizations which participate in multi-national activities, and

(e) That the same experience further suggests that the possibility should be studied of satisfying more effectively the need for technical assistance which arises from the processes of economic development in the Latin American countries, and of giving greater flexibility to the system of allocation and application of technical assistance resources,

Resolves:

1. To take note with satisfaction of:

(a) The reports submitted by the Secretariat of the Technical Assistance Board and by the United Nations Technical Assistance Administration on their activities in Latin America (documents E/CN.12/371, 372 and 372/Add.1);

(b) The report on the programme of training in problems of economic development carried out jointly by the ECLA secretariat and the Technical Assistance Administration (document E/CN.12/376);

(c) The support given by the Expanded Programme of Technical Assistance to (i) the economic integration project for Central America sponsored by ECLA's Central American Economic Cooperation Committee; (ii) the study of the pulp and paper industry carried out jointly by ECLA, FAO and TAA, and the corresponding meeting of experts; and (iii) the preparation of the study of the iron and steel transforming industry now being carried out jointly by ECLA and TAA, and the corresponding meeting of experts;

2. To reaffirm its interest in the activities of the organizations participating in the Expanded Programme of Technical Assistance and to express its satisfaction at the efforts they have made to give an increasingly effective response to requests received from governments;

3. To recommend to the secretariat and to the appropriate technical assistance authorities that they take the necessary measures to make available to individual countries the benefits of the economic development training programme, referred to in paragraph 1 (b) above, through seminars, selected readings and special courses, using as far as possible graduates of that programme;

4. To recommend to the Latin American Governments that in formulating their technical assistance programmes they bear in mind the conclusions which may be derived from the analyses and projections of economic development which have been or may be carried out by economic programming organizations either in the countries themselves, or by the ECLA secretariat;

5. To recommend to organizations participating in the Expanded Programme of Technical Assistance that they likewise bear in mind the said conclusions in their arrangements with the Latin American countries on their national technical assistance programmes;

6. To recommend to Latin American Governments that they bear in mind resolution 542 (XVIII) of the United Nations Economic and Social Council and to suggest to them that, in formulating their national programmes, and in order to intensify the use of national and international technical assistance, and to co-ordinate requests for such assistance, they should consider, with due regard to their own circumstances, the possibility

of creating, if they have not already done so, a specific national technical assistance organization or service which would have among its objectives, the following:

(a) To integrate technical assistance at the national level in terms of the country's objectives in the field of economic and social development;

(b) To determine the number and type of experts, as well as the other forms of technical assistance, which a general or specific plan of economic and social development may require for its complete formulation and execution;

(c) To evaluate those national technical resources which can be used for the economic development of other countries of the region;

7. To recommend to member governments that they take steps to carry out resolution 584 B-III (XX) of the Economic and Social Council, which urges States participating in the Expanded Programme to give their support to the Programme, financially and otherwise, on an expanding basis; and

8. To suggest to the appropriate authorities of the Expanded Technical Assistance Programme:

(a) That they take into account those technical assistance projects of a continuing character which countries request within the framework of their general economic development plans, in accordance with the established system for drawing up national technical assistance programmes;

(b) That they also take into account those regional projects of a continuing character which are of fundamental importance to the Latin American countries as a whole, or to specific groups of countries;

(c) That they give due consideration to the types of projects mentioned in (a) and (b) above in the distribution of funds available under the Expanded Programme; and

(d) That they study the possibility of satisfying still more effectively the need for technical assistance which arises from the processes of economic development in the Latin American countries and of giving greater flexibility to the system of allocation and application of technical assistance resources.

PRODUCTIVITY

*Resolution 86 (VI) adopted on 15 September 1955
(E/CN.12/395)*

The Economic Commission for Latin America,

Taking note of resolutions 416 E (XIV) and 560 (XVIII) of the Economic and Social Council, and

Considering:

(a) That the Latin American countries need to reduce as far as possible the wastage of resources of every kind, in order to place the region's future development on a firmer basis, and

(b) That it is, however, essential that in the pursuit of this aim due regard be paid to the protection of employment and wage levels, as well as of standards of living and working conditions in the countries concerned,

Recommends to the secretariat:

1. That, at the moment it deems opportune, a pilot study be prepared containing a specific analysis of the various technical, economic and social factors affecting productivity in the Latin American economy;

2. That in carrying out this study an attempt be made to determine guiding principles as to which sectors of economic activity are so important to over-all economic development that they should be granted priority when measures designed to increase productivity are put into effect;

3. That in any future studies on specific industries which may be undertaken, it devote special attention to the problems of productivity and the measures advisable for its improvement through joint action on the part of the state, the entrepreneur and the worker; and

4. That the findings, in collaboration with other national and international organizations, of the pilot study referred to above be submitted to committees of experts on this subject so that action may be taken at both the national and international levels.

SELECTIVITY AND PRODUCTIVITY IN AGRICULTURE

*Resolution 87 (VI) adopted on 15 September 1955
(E/CN.12/396)*

The Economic Commission for Latin America

Considering:

(a) That the expansion of agricultural production in Latin America is one of the necessary bases for the region's economic development,

(b) The conclusions reached in the joint ECLA/FAO study on the need of selectivity in the expansion of Latin America's agriculture, and expressing its satisfaction at the collaboration of the two organizations in this type of study,

(c) The desirability of broadening the scope of such studies in order to complete the factual basis for the effective programming of agricultural development,

(d) That fundamental knowledge which enables conclusions to be reached on problems of labour productivity and the profitability of agricultural investment, ecological conditions in each country, and other factors, is an indispensable prerequisite for the success of such programming, and

(e) That labour productivity is closely linked with the density of population,

Recommends:

1. That FAO and the ECLA secretariat continue and extend their joint studies on the selective expansion of agricultural production in Latin America; and

2. That the ECLA secretariat and FAO jointly proceed with their research into the productivity of labour and capital in Latin America's agricultural activities, taking into due account the diverse problems which arise from existing differences in densities of rural population.

CO-ORDINATION OF AGRICULTURAL PROGRAMMING

*Resolution 88 (VI) adopted on 15 September 1955
(E/CN.12/397)*

The Economic Commission for Latin America,

Considering:

(a) That a satisfactory co-ordination of national agricultural development programmes would be desirable, so that available resources might be more fully utilized and inter-Latin-American and world trade intensified,

(b) That this improved co-ordination of agricultural production among all countries would help to avoid the drawbacks of exaggerated policies of national self-sufficiency,

(c) That in the selective expansion of agricultural production due regard should be paid to the ecological characteristics of the various sub-regions of Latin America, and likewise to the economic and social conditions prevailing in each of them,

(d) That the selective expansion of agricultural production should be complemented by an appropriate increase in consumption and an improvement in standards of nutrition, and

(e) That a faulty distribution mechanism hinders the full utilization of agricultural production for the purposes of internal consumption and foreign trade,

Recommends:

1. To Member Governments:

(a) That in formulating their agricultural development programmes they bear in mind both the ecological, economic and social factors affecting their respective countries, and the corresponding programmes of other countries, especially those of Latin America; and

(b) That as a fundamental aspect of their programmes for agricultural development and the improvement of consumption, they take into account the need to solve existing distribution problems; and

2. To the ECLA secretariat and FAO that, with active co-operation on the part of Member Governments, they continue to provide information on the agricultural development programmes of the various countries of the region, and to carry out analyses of the relationships between those programmes, with a view to the better co-ordination and integration of the economic development of groups of countries on a regional basis.

PROGRAMMING OF AGRICULTURAL DEVELOPMENT

*Resolution 89 (VI) adopted on 15 September 1955
(E/CN.12/398)*

The Economic Commission for Latin America,

Considering:

(a) That the need to raise the standard of living of the population of Latin America requires an expansion of agricultural production,

(b) That this expansion should be achieved in accordance with organic programmes adjusted to basic economic factors, to domestic requirements, to a suitable distribution of the factors concerned among the various activities and to the situation and prospects for foreign markets,

(c) That the formulation of an organic programme of agricultural development requires the prior preparation of a technique of programming in the field, whose standards should be integrated with a general methodology of economic programming, and the availability of complete statistics and basic studies,

(d) That the document entitled "The Selective Expansion of Agricultural Production in Latin America and its Relationship to Economic Development" (E/CN.12/378), jointly prepared by ECLA and FAO, represents a valuable contribution to the progress of work on the technique of agricultural programming, and

(e) That resolution 64 (V) of the Economic Commission for Latin America requests the secretariat, FAO and the Inter-American Statistical Institute to undertake research into the systems of agricultural statistics of the Latin American countries,

Resolves:

1. To recommend to the ECLA secretariat and the Food and Agriculture Organization that they collaborate in carrying out a study of the technique of agricultural programming, as a component part of the general studies on the technique of programming undertaken by the ECLA secretariat, with special reference to the economic structures and the general development requirements of the Latin American countries;

2. To recommend to the ECLA secretariat, to FAO and to the Inter-American Statistical Institute that they provide the advice and assistance required by the governments of member countries for the thorough preparation and compilation of the statistics and basic studies which are essential for the programming of agricultural development; and

3. To recommend to the governments of member countries, that, in accordance with the indications and advice of the entities mentioned in the foregoing recommendation, they organize wherever necessary, the centres of statistical, economic and social research necessary for this purpose, and that these centres establish a permanent interchange of statistical information for the countries of the region through the ECLA secretariat.

STUDIES CONCERNING COFFEE PROBLEMS

*Resolution 90 (VI) adopted on 15 September 1955
(E/CN.12/399)*

The Economic Commission for Latin America,

Considering:

(a) That the meeting of Ministers of Finance or Economy, at the Fourth Extraordinary Meeting of the Inter-American Economic and Social Council, in November 1954, unanimously approved a resolution providing that the Special Commission on Coffee of IA-ECOSOC should make, through a special committee appointed from among its members, a detailed study of the world coffee situation and its prospects for the future; and that if this study should show the possibility of adopting measures of international co-operation capable of appreciably reducing the range of fluctuations in the price of coffee and keeping them within limits satisfactory for producers and consumers, the Special Committee should prepare draft texts suitable for attaining that objective, to be submitted for the consideration of the member countries affected by the problem;

(b) The great importance of the coffee industry, not only to the coffee-producing countries where its rate and state of development is a fundamental element in determining economic stability, but also for many coffee-consuming countries, since it is a major factor in international trade and enables the coffee-producing countries to purchase manufactured goods from the coffee-consuming countries;

(c) That resolution 63 (V) approved at the fifth session of the Commission recommends that the secretariat, in collaboration with FAO and other intergovernmental bodies, make a study in specified areas where coffee is the main source of income of those economic

and technical aspects of coffee production which exert the greatest influence on economic development, and

(d) That the progress report on this study, which has been made to the sixth session of the Commission, indicates that the completed study will provide information of considerable value to the governments of countries interested in the production and consumption of coffee,

1. Requests the ECLA secretariat and FAO to make available, both to the interested governments, and to the Special Commission on Coffee of the Inter-American Economic and Social Council, whatever information resulting from the studies on the coffee industry in which they are now engaged, they feel would be of interest; and

2. Expresses the hope that the Special Commission on Coffee of the Inter-American Economic and Social Council will endeavour to complete the study in which it is engaged in the shortest possible time, and make its results available to governments interested in the international trade in coffee, so that they may be in a position to judge whether, and the extent to which, it may be possible to adopt measures of international co-operation designed to stabilize world coffee markets, and the possible nature of such measures.

LIVESTOCK DEVELOPMENT

*Resolution 91 (VI) adopted on 15 September 1955
(E/CN.12/400)*

The Economic Commission for Latin America,

Considering:

(a) That, according to official statistics, production of goods of animal origin is expanding in Latin American countries at a slower rate than aggregate crop and livestock production,

(b) That in consequence of this slow rate of increase, an appreciable decline in *per capita* meat consumption has occurred during the last seven years in several countries, to the serious detriment of the dietary standards of their populations,

(c) That a greater encouragement of production of goods of animal origin would contribute decisively to a better balance between crop and livestock production, as well as between these two sectors and general economic development,

(d) That there is a lack of accurate and comprehensive information on the factors retarding the progress of stockbreeding and of production of goods of animal origin in the region,

(e) That the need to accelerate the development of the production of goods of animal origin in Latin America has been the object of special resolutions at a number of international meetings, particularly the third FAO meeting on Food and Agriculture Programmes and Prospects in Latin America, held at Buenos Aires in September 1954,

(f) That at the said meeting a recommendation was made to FAO that in co-operation with ECLA and other appropriate organizations, it should carry out a study of the possibilities of accelerating the development of stockbreeding and of the measures which should be adopted for this purpose, and

(g) That close and satisfactory collaboration and understanding exist between the ECLA secretariat and

FAO to undertake a joint study of Latin America's agricultural problems,

Resolves:

1. That the ECLA secretariat and FAO be requested to take appropriate steps to include in their joint work programme, with the highest possible priority, the study on the development of stockbreeding to which reference is made in the resolution adopted at the third meeting of FAO referred to above;

2. That this study include, *inter alia*, the following basic aspects:

(a) An analysis of the technical and economic factors which hinder livestock production and improved supplies of goods of animal origin in Latin America, and which thus obstruct better dietary standards;

(b) The possibilities and outlook for the development of the livestock industry in the Latin American countries; and

(c) The measures which should be adopted to promote the development of stockbreeding and the consumption of products of animal origin; and

3. That for those purposes typical areas be chosen which are representative of the different ecological and economic conditions in which stockbreeding activities are carried out in Latin America.

AGRICULTURAL INVESTMENT

*Resolution 92 (VI) adopted on 15 September 1955
(E/CN.12/401)*

The Economic Commission for Latin America,

Noting with satisfaction the study of the selective expansion of agricultural production in Latin America and its relation to economic development (E/CN.12/378), submitted jointly by the secretariat of ECLA and the Food and Agriculture Organization of the United Nations, and

Considering:

(a) That investment in agriculture has been very low in Latin America, particularly in relation to the income accruing from this activity,

(b) That the total of such investment is not clearly or precisely known, since much of it does not appear in official statistics,

(c) That the real opportunities for utilizing the investment resources available for agriculture are not precisely known,

(d) That the International Bank for Reconstruction and Development has offered its collaboration in technical research designed to promote agricultural development in Latin America, and

(e) That it is of fundamental importance for the over-all economic development of Latin America that the rate of investment in agriculture be raised,

Recommends:

1. To member governments that, through their appropriate agencies, they initiate or intensify research and studies designed to determine (a) the quantity and quality of investments in agriculture; (b) the volume and use of income accruing from agricultural activities; (c) the possibility of increasing the rate of investment; and that they should supply this information to the secretariat of ECLA and to FAO; and

2. To the ECLA secretariat that, in conjunction with FAO, it begin a thorough investigation into the possibilities of raising the rate of investment in Latin America's agriculture and into a better use of available investment resources, and that in carrying out this research it seek the collaboration of the technical experts of the International Bank for Reconstruction and Development.

RESEARCH IN THE AMAZON AREA

*Resolution 93 (VI) adopted on 15 September 1955
(E/CN.12/402)*

The Economic Commission for Latin America,

Considering:

(a) The importance which the development of the great wealth of the Amazon Basin represents both for the group of nations which share it and for this continent, and the benefits for the welfare and progress of humanity to be derived from its exploitation,

(b) That the Amazon area is a zone which covers approximately half the territory of South America, and which possesses vast possibilities for economic development,

(c) That the immensity of this area requires joint and co-ordinated action for its exploitation by the countries concerned, and

(d) That the resolution adopted on 13 June 1949 at the second session of ECLA (E/CN.12/151) attached great importance to the study of this topic,

Recommends:

1. That the ECLA secretariat and FAO, with the collaboration of the specialized international agencies, carry out in so far as possible a joint preliminary study of the general Amazon area;

2. That on the basis of the foregoing study they draw up a programme of research designed to promote the exploitation and development of the resources of the Amazon Basin;

3. That the countries concerned:

(a) Exchange information, through the ECLA secretariat and FAO, on their experience and research in the area in question, and

(b) Co-operate fully in the carrying-out of the studies mentioned.

INDUSTRIAL TRANSFORMATION OF AGRICULTURAL PRODUCTS

*Resolution 94 (VI) adopted on 15 September 1955
(E/CN.12/403)*

The Economic Commission for Latin America,

Considering:

(a) That the efficacy of the industrialization process and the feasibility of programmes directed towards that end suggest, in certain countries, the development of industries, not requiring a major investment effort, for the transformation of agricultural products, and

(b) That resolutions 67 (V) and 68 (V) of the Economic Commission for Latin America referred to the industrial transformation of bananas and hard fibres, respectively, and make specific recommendations on these subjects,

Recommends to the secretariat that, in addition to the studies on bananas and hard fibres, research be carried out, as far as its resources permit and in collaboration with other international bodies concerned, on the industrial transformation of certain agricultural products essential to the economies of the Latin American countries, bearing in mind, in view of the special situation of some countries, the desirability of adopting processes which do not involve a high density of capital per unit of product.

AGRICULTURAL SURPLUSES

*Resolution 95 (VI) adopted on 15 September 1955
(E/CN.12/404)*

The Economic Commission for Latin America,

Bearing in mind:

(a) That the accumulation of agricultural surpluses is a current economic fact,

(b) That the disposal of a considerable part of such surpluses is being effected by their sale on foreign markets,

(c) That some of the countries exporting agricultural commodities have stated that the accumulation of surpluses and the procedure employed in disposing of them have, in some cases, caused disturbances in their normal trade patterns, and

(d) That such procedures could cause disturbances in the future by limiting sales possibilities for other traditional exporters, who are heavily dependent upon the exportation of foodstuffs and raw materials, and

Having regard to:

(a) The most recent resolutions adopted with reference to the problems and prospects of agricultural surpluses, the statements and intentions evidenced by the countries having those surpluses, and the efforts made by the Food and Agriculture Organization of the United Nations to reduce to a minimum the unfavourable effects of the agricultural surplus problem, and

(b) The "Principles of surplus disposal" recommended by FAO and already accepted by thirty-four countries, and the "Guide lines for dealing with agricultural surpluses" formulated by the Committee on Commodity Problems of the said organization at its twenty-third session,

Resolves:

1. To recommend to the governments of member countries, and by virtue of resolution 38/54 approved at the Meeting of Ministers of Finance of Economy at the Fourth Extraordinary Meeting of the Inter-American Economic and Social Council, particularly to those forming part of the inter-American system:

(a) That in determining and adjusting their agricultural production and surplus disposal policies, they particularly bear in mind the repercussions which such policies may have on the trade of the countries of this hemisphere characterized by their dependence on exports of agricultural products; and

(b) That they strengthen the existing consultative procedure to make the greatest and most effective contribution possible to the satisfactory execution of an orderly agricultural surplus disposal policy, designed

to prevent this process from interfering with the normal patterns of trade; and

2. To request FAO:

(a) To take appropriate measures for the immediate reopening of the register of members of the Consultative Sub-Committee on Surplus Disposal of the Committee on Commodity Problems, to allow the enrolment of countries which have not yet subscribed;

(b) To adopt the necessary measures to enable the Consultative Sub-Committee on Surplus Disposal to undertake a thorough study of the problem covered by its terms of reference, and especially of the application of practical procedures for the disposal on a global basis of existing surpluses in general;

(c) That, in view of the urgency of the problems of surpluses and the rapidity with which this problem must be solved, the advisability be considered of arranging for more frequent meetings of the Committee on Commodity Problems; and

(d) That the Committee on Commodity Problems continue and expand its study of procedures aimed at avoiding further surpluses which harmfully interfere with normal trade patterns.

IRON AND STEEL INDUSTRIES

*Resolution 96 (VI) adopted on 15 September 1955
(E/CN.12/405)*

The Economic Commission for Latin America,

Considering:

(a) The importance of the iron and steel industry and its related transforming industries to the economic development of Latin America, and

(b) That the secretariat, in accordance with resolution 57 (V), has submitted a preliminary report on the Iron and Steel Transforming Industries in Selected Latin American Countries (E/CN.12/377), and, in co-operation with the United Nations Technical Assistance Administration, is preparing the Second Meeting of Experts on the iron and steel and transforming industries, to meet at São Paulo, Brazil, in 1956,

Expresses satisfaction with the report mentioned above; and

Recommends to the secretariat:

1. That research related to the iron and steel industries be continued and extended to other interested Latin American countries;

2. That in co-operation with the United Nations Technical Assistance Administration and other institutions concerned, preparations go forward for the Meeting of Experts to be held at São Paulo, Brazil, in June 1956; and

3. That in collaboration with member governments, with the United Nations Technical Assistance Administration and with other institutions concerned, the committee of experts proposed in resolution 57 (V) be convened to advise on the various pertinent problems.

THE CHEMICAL INDUSTRY

*Resolution 97 (VI) adopted on 15 September 1955
(E/CN.12/406)*

The Economic Commission for Latin America,

Considering:

(a) That the secretariat, in accordance with resolu-

tion 59 (V), has undertaken a preliminary study on the chemical industry, and

(b) The growing importance of that industry to the economy of the Latin American countries, and the existence of abundant raw materials in some of them,

Recommends to the secretariat:

1. That the studies begun on the chemical industry be continued and extended to as many countries as possible; and

2. That, when justified by the work programme and with the co-operation of the Technical Assistance Administration of the United Nations and other specialized agencies concerned, it convene a Meeting of Experts on the chemical industry to review the studies and to consider, in general, the technical and economic aspects relating to the development of this industry.

THE PULP AND PAPER INDUSTRY

*Resolution 98 (VI) adopted on 15 September 1955
(E/CN.12/407)*

The Economic Commission for Latin America,

Taking into consideration:

(a) That the secretariat, in compliance with resolution 58 (V), organized, in co-operation with the Food and Agriculture Organization of the United Nations, the Technical Assistance Administration of the United Nations and the Government of the Republic of Argentina, a Meeting of Experts on the Pulp and Paper Industries in Latin America, which met in Buenos Aires in 1954 and submitted a report on this subject (E/CN.12/370),

(b) That the importance of the pulp and paper industry for economic development and the need for additional research were made clear both by the Meeting of Experts and in their report, and

(c) That the secretariat has set up a Joint Group of Experts on the economics, construction and administration of pulp and paper mills—working on the basis of wood fibres, bagasse and other materials—and on forestry, to give advice on the solution of such problems to Latin American governments which request it, the group in question having been formed on the initiative of the Meeting mentioned above and in collaboration with the Food and Agriculture Organization of the United Nations and the Technical Assistance Administration of the United Nations,

Takes note with satisfaction:

1. Of the report presented by the secretariat on the Latin American Meeting of Experts on the Pulp and Paper industry; and

2. Of the formation of the Group of Experts mentioned above.

ENERGY AND WATER RESOURCES

*Resolution 99 (VI) adopted on 15 September 1955
(E/CN.12/408)*

The Economic Commission for Latin America,

Considering:

(a) That an adequate supply of energy is an important factor for economic development,

(b) That deficiencies in this supply have represented a serious obstacle to the economic growth of the Latin American countries and that the need thus exists for efficient integrated and multiple utilization of energy resources and of the installations for their use,

(c) That, to this end, information and statistics are required on the availability and use of energy resources, including the productivity of existing installations,

(d) That, in drawing up economic development policies and programmes, it is indispensable to create and perfect institutions devoted to experimentation, technical and economic measurement, appraisal, integrated development, efficient use and protection of energy resources,

(e) That specialized technical co-operation on an adequate scale between Latin American countries, between their institutions dealing with energy resources, and between them and more industrialized countries, may contribute through an increase in technical knowledge and skills, to a solution of the problem of meeting the energy needs of this region, and

Bearing in mind resolution 38 (AC.16)* the report of the Secretary-General on the Development and utilization of water resources (E/2603) and resolution 533 (XVIII) of the Economic and Social Council, in particular paragraph 4, which, *inter alia*, invites the regional economic commissions "to take, in co-operation with Governments, all practical steps . . . calculated to help strengthen international technical co-operation in regard to water resource development and utilization",

Resolves:

1. To take note with satisfaction of the preliminary report on the production and utilization of energy in Latin America, its possibilities and problems (E/CN.12/373/Rev.1, E/CN.12/384 and Add. 1 and 2);

2. To recommend to the governments of the Latin American countries that:

(a) as far as possible within the general lines of their economic policy, and with the aim of balanced, integrated and multiple development and of an optimum use of their energy resources, they bear in mind the advisability of creating and improving both institutions responsible for the formulation of policy in this sphere and also organizations responsible for compiling information and statistics and for evaluating the potential mineral, water and other energy resources, and their final utilization;

(b) they co-operate with the secretariat in drawing up a uniform energy nomenclature and also in carrying out the studies and direct activities of the secretariat relating to the promotion of the supply and use of energy;

(c) they assign, as far as possible, the required priority to energy development in their requests for technical assistance; and

3. To recommend that the secretariat, to the extent of its resources and in co-operation with the Technical Assistance Administration, the Department of Economic and Social Affairs, the other regional economic commissions of the United Nations and other agencies and institutions concerned:

(a) Pursue the study of traditional and new sources of energy, particularly the present and future availability, use and requirements of the different energy sources in

Latin America, and carry out research on the efficiency with which energy resources are being used, convening for the purpose study groups on the subject whenever advisable;

(b) Investigate productivity in the production, generation, transport, distribution and use of the various forms of energy, and for this purpose carry out field studies, in agreement with interested governments and with the advice of qualified experts, in order to evaluate the size, location and causes of a deficient utilization of energy and to suggest means to improve productivity;

(c) Collaborate with governments in drawing up a uniform energy nomenclature as well as a system of comparable information and statistics, including methods for preparing energy balances, with the aim of determining the degree of utilization of their resources in relation to economic development;

(d) Assist governments, when they so request, in establishing the corresponding economic factors and in co-ordinating energy development programmes;

(e) Maintain contact with the representatives of organizations and institutions devoted to the development and utilization of energy and with other experts in this field, both within and outside the region, inviting them to meetings, if necessary, to foster the purposes of this resolution; and

(f) Carry out a preliminary examination of water resources in Latin America, and of their present and future utilization in so far as possible for multiple purposes, such as energy, irrigation and water supply, taking into account other factors, such as land reclamation, drainage and other benefits arising from the construction of such works and the use of water.

NUCLEAR ENERGY

*Resolution 100 (VI) adopted on 15 September 1955
(E/CN.12/409)*

The Economic Commission for Latin America,

Considering:

(a) The importance of the possible direct and indirect consequences for the economies of the Latin American countries of the development of the generation and use of nuclear energy and products obtained from it,

(b) The concern of the United Nations to extend the peaceful uses of nuclear energy, expressed at the International Conference on the Peaceful Uses of Atomic Energy held at Geneva, Switzerland in August, 1955,

(c) The generous offer made by several countries to share with others the results of their experiments in this field and to provide technical assistance and equipment, and

(d) The interest shown by the Latin American countries in following closely the progress made in this sphere,

Resolves:

1. To take note of the information on nuclear energy submitted by the secretariat to the Commission (E/CN.12/384/Add.1)

2. To suggest to the governments of the Latin American countries that they avail themselves, individually or in groups, of any facilities obtainable through the United Nations or other sources, chiefly with the aim of training a larger number of technical experts in the

* Resolution of the Committee of the Whole.

various aspects of the generation and use of nuclear energy and products obtained from it such as radioactive isotopes; and

3. To request the secretariat that, in complying with the relevant resolution on energy, adopted at this same session, special attention be devoted to the development of nuclear energy and the possibilities of its application on the basis of various sources of nuclear fuels and their use, that the relevant economic questions be studied, and that the Commission be kept informed of progress in this field.

INTENSIFICATION OF INTER-LATIN-AMERICAN TRADE AND CREATION OF A TRADE COMMITTEE

*Resolution 101 (VI) adopted on 15 September 1955
(E/CN.12/410)*

The Economic Commission for Latin America,

Mindful of resolutions 20 (IV) and 69 (V),

Considering that the report of the secretariat (E/CN.12/369) constitutes a very considerable advance in the sphere of research into the problems of inter-Latin-American trade, and, by representing such clear progress in the field of information and analysis, enables an examination of specific solutions aimed at intensifying such trade to be undertaken, and

Aware that the countries of Latin America are engaged in a broad and increasingly intensive campaign for economic development, essential to a higher standard of living for their peoples, and that the pursuit of this campaign may require in certain circumstances adequate tariff protection as well as the broadening and complementing of the markets for specific products,

Resolves:

1. To set up within the Economic Commission for Latin America a Trade Committee formed by member countries for the purpose of intensifying inter-Latin-American trade—without prejudice to the expansion of trade with other regions and mindful of the fundamental necessity of increasing over-all world trade—through a solution of the practical problems which hamper or delay such trade and the preparation of bases to facilitate trade negotiations;

2. To this end, the Trade Committee shall concern itself with the preparation of specific proposals, in harmony with the present and future bilateral and multilateral commitments of member governments, and the modifications they may make to them, and taking into consideration national or regional economic conditions. In carrying out its functions the Committee shall bear in mind the topics covered in the secretariat's report (E/CN.12/369), such as the problems of inter-Latin-American payments; trade policy; specific questions of maritime transport and the trade in given products; and, similarly, the other studies and subjects the analysis of which may lead to the achievement of the objectives which caused its establishment, and the comments and information of member governments on all such studies and subjects;

3. In addition, as soon as possible, the Committee shall propose solutions to the specific inter-Latin-American trade problems of the land-locked countries of the region, to which item 4 of resolution 69 (V) refers;

4. The Committee, after each of its sessions, shall submit a report on its work to the Commission. The Executive Secretary shall transmit the report of the Committee to member governments as soon as possible;

5. In discharging its functions, the Trade Committee shall consider in detail and make full use of the studies, on the subjects recommended by the present resolution, carried out by the Inter-American Economic and Social Council and other international organizations;

6. The sessions of the Trade Committee shall be held at ECLA headquarters, or wherever circumstances and the object of the meeting demand, at the discretion of the Executive Secretary of the Commission and after prior consultation with the government of the country acting as host to the session;

7. The secretariat shall convene the sessions of this Committee and shall provide governments with the agenda and background documentation for the meeting not less than 30 days previously. The first meeting shall be convened as soon as possible and the secretariat shall prepare the provisional agenda on the basis of the contents of this resolution;

8. The Committee shall be governed by the existing Rules of Procedure of the Commission in so far as they apply, without prejudice to its subsequent adoption of special rules for its operation; and

9. For the purposes of the meetings, the Committee shall consist of the representatives of the governments participating in each session.

ANALYSIS OF THE MARKET FOR BASIC COMMODITIES

*Resolution 102 (VI) adopted on 15 September 1955
(E/CN.12/411)*

The Economic Commission for Latin America,

Considering:

(a) That the economy of the Latin American countries is fundamentally dependent upon exports of certain basic commodities,

(b) That, without losing sight of exhaustive research in general on the conditions of production and trade in basic commodities, the programming and economic development policy of the Latin American countries require timely and adequate knowledge of the situation and prospects of the markets for such products, and

(c) That the *Economic Survey of Latin America, 1954* (E/CN.12/362/Rev.1) and the special issue of the *Economic Review of Latin America* contain valuable data on some of these basic commodities which are noted with approval,

Recommends:

1. To the secretariat, that in co-operation with the Department of Economic and Social Affairs of the United Nations, the analysis of the markets for the commodities in the publications referred to above be continued and research extended as far as possible to include all those products which have decisive importance for the economies of the Latin American countries; and

2. That the *Economic Review of Latin America*, by means of its section on recent trends in the exports and prices of some products, provide regularly the required information on markets for basic commodities.

COMPILATION OF INFORMATION OF CUSTOMS TARIFFS

*Resolution 103 (VI) adopted on 15 September 1955
(E/CN.12/412)*

The Economic Commission for Latin America,

Taking note of resolution 579 (XX) of the Economic and Social Council, and in view of the unanimous desire

of the member countries that its sessions should yield practical results for the development of Latin American trade,

Having regard to the necessity for international and especially Latin American trade to develop on a co-operative basis, and

Bearing in mind that, for the purposes of trade practice, information as to the measures adopted by each government with respect to foreign trade should be available in due form and course,

Resolves to request the Latin American governments to transmit to the secretariat all information on their customs tariffs and related regulations, both those in force and the amendments thereto, to enable the secretariat to begin centralizing such data within its possibilities with a view to making them available to the respective governments for the information of national organizations concerned with the development of foreign trade, taking into account the publications of the Brussels International Bureau of Customs Tariffs.

TRAINING OF PERSONNEL FOR PORTS

Resolution 104 (VI) adopted on 15 September 1955
(E/CN.12/413)

The Economic Commission for Latin America,

Considering:

(a) The secretariat's study on maritime transport in South America (E/CN.12/369/Add.3), and

(b) That its conclusions bring to light the need to improve the working methods, management and installations of some Latin American ports, and

Bearing in mind the benefits that could be obtained through technical assistance in this field,

Resolves to recommend to Latin American Governments that, in view of the need to improve the condition of ports in the region, and taking account also of the activities of the Inter-American Economic and Social Council in this sphere, they consider the advisability of requesting technical assistance for the training of personnel in the management and operation of ports.

CONSULTATIONS OF INTER-REGIONAL TRADE

Resolution 105 (VI) adopted on 15 September 1955
(E/CN.12/414)

The Economic Commission for Latin America,

Taking note, of resolution 579 A and B (XX) of the Economic and Social Council on the expansion of world trade and on inter-regional trade consultations, which *inter alia*, requests the regional economic commissions to "continue their efforts to facilitate concerted action to maintain and strengthen the economic relations of the countries in their respective regions, both among themselves and with other countries of the world",

Requests the Executive Secretary, with a view to further consideration of the question of consultations on inter-regional trade, to report to the Commission on the developments in this sphere and to forward to the Secretary-General of the United Nations, for transmittal to the Economic Commission for Europe and to the Economic Commission for Asia and the Far East, the text of this resolution.

CO-ORDINATION BETWEEN THE ECONOMIC COMMISSION FOR LATIN AMERICA AND THE INTER-AMERICAN ECONOMIC AND SOCIAL COUNCIL

Resolution 106 (VI) adopted on 15 September 1955
(E/CN.12/415)

The Economic Commission for Latin America,

Believing that for the maximum efficacy of the secretariats of the Economic Commission for Latin America and the Inter-American Economic and Social Council, it is appropriate to intensify co-ordination at the governmental level as much as possible,

Invites the secretariat to prepare and maintain up to date a systematized collection of the resolutions adopted so far by the Commission, so that at any meeting member Governments may have at their disposal the required background information on topics under discussion; and

Draws the attention of member Governments of the American Continent to the advisability of their delegations to ECLA sessions including, in so far as possible, their representatives to IA-ECOSOC.

CO-ORDINATION BETWEEN THE SECRETARIATS OF THE ECONOMIC COMMISSION FOR LATIN AMERICA AND OF THE INTER-AMERICAN ECONOMIC AND SOCIAL COUNCIL

Resolution 107 (VI) adopted on 15 September 1955
(E/CN.12/416)

The Economic Commission for Latin America,

Mindful of the joint statement made by the secretariats of ECLA and IA-ECOSOC on co-ordination at the secretariat level (E/CN.12/381), and

Taking into consideration the satisfactory co-ordination achieved in the work of the two organizations,

Resolves:

1. To take note with satisfaction of the joint statement made by the secretariats of ECLA and IA-ECOSOC contained in document E/CN.12/381;

2. To express its appreciation of the co-ordination achieved at the secretariat level; and

3. To recommend to the secretariat that it continue to make the maximum effort to achieve the fullest possible co-ordination between its work and that of IA-ECOSOC.

PUBLICITY FOR THE WORK OF THE ECONOMIC COMMISSION FOR LATIN AMERICA

Resolution 108 (VI) adopted on 15 September 1955
(E/CN.12/417)

The Economic Commission for Latin America,

Considering:

(a) That to achieve international co-operation in solving international problems of an economic and social character is one of the fundamental purposes expressed in the Charter of the United Nations,

(b) That, for their part, in accordance with the Charter of the Organization of American States, the Member States have agreed to co-operate with one another, as far as their resources may permit and their laws may provide, in the broadest spirit of good neighbourliness,

in order to strengthen their economic structure, develop their agriculture and mining, promote their industry and increase their trade,

(c) That in the pursuit of identical aims, ECLA is performing with great efficiency work whose merit has been recognized on repeated occasions,

(d) That the knowledge and utilization of the work of ECLA by the maximum number of individuals will contribute effectively to the progress and technical advance of its member nations, and

(e) That this increased knowledge will strengthen the spirit of mutual understanding which is indispensable for a solution of numerous economic problems confronting the region,

Resolves:

1. To recommend to the Governments of the countries concerned that they facilitate and encourage, by every means at their disposal, publicity for the studies carried out by ECLA, in such a way that knowledge and the benefits of the studies may be extended and may reach not only certain specialized circles but every section of public opinion; and

2. To recommend to the secretariat that, within its budgetary limits, it collaborate with Governments for the attainment of these ends.

DATE AND PLACE OF SEVENTH SESSION

*Resolution 109 (VI) adopted on 15 September 1955
(E/CN.12/418)*

The Economic Commission for Latin America,

Bearing in mind rules 1 and 2 of its rules of procedure, and

Expressing its thanks to the Government of the Republic of Bolivia for its generous invitation to hold the seventh session of the Commission in La Paz,

Resolves that the seventh session of the Commission be held in La Paz, not later than May 1957.

DRAFT RESOLUTION FOR ACTION BY THE
ECONOMIC AND SOCIAL COUNCIL

Resolution adopted on 16 September 1955

144. The Commission adopted the following draft resolution for action by the Economic and Social Council, and decided to request the Council to consider the report of its sixth session at the earliest opportunity:

"The Economic and Social Council,

"Takes note of the report of the sixth session of the Economic Commission for Latin America;

"Considers that the work programme of the Commission as established at the sixth session of the Economic Commission for Latin America held at Bogotá, Colombia, from 29 August to 16 September 1955, is of primary importance for the economic development of Latin America; and

"Endorses the priorities allocated by the Commission to the individual work projects."

Part V

PROGRAMME OF WORK AND PRIORITIES

145. The Commission approved unanimously its programme of work and priorities at a plenary meeting held on 16 September 1955.

146. In considering the work programme and priorities, the Commission was guided by the principles and criteria established by the General Assembly and the Economic and Social Council, as well as by the recommendations of the Advisory Committee on Administrative and Budgetary Questions regarding programmes and priorities, concentration of efforts and resources, control of documentation and related questions. These recommendations are contained in the Economic and Social Council resolutions 324 (XI), 362 B (XII), 402 B (XIII), 451 A (XIV), 497 C (XVI), 553 (XVIII), 557 A (XVIII) and 590 (XX), which give the highest priority to projects that contribute directly to the "economic and social development of under-developed areas" and call for a concentration of efforts and resources for this purpose. The work of the Commission has been directed toward this goal, with particular reference to problems and methods of over-all programming of development in order to accelerate the rate of economic growth.

147. The programme of work was divided into five broad sections: I. Current economic situation; II. Economic growth and technique of programming; III. Economic problems of agriculture (with the collaboration of FAO); IV. Industry and mining; and V. International trade.

148. Within each section projects were listed in three groups, as follows:

(a) *Continuing projects and activities of high priority*

149. This group was defined as consisting of projects and activities in which the responsibility of the Commission and its secretariat, pursuant to the Commission's terms of reference and resolutions, was of a continuing character. The studies and reports contemplated therein were to be presented from time to time. Each study might differ from and supplement the others in scope (country coverage), substance (different aspects of major problems), and time (developments during a given period).

(b) *Ad Hoc projects of high priority*

150. This group was defined as comprising non-recurring projects, for which an approximate duration could be estimated. It included projects of more limited scope than the continuing projects (group a), as well as occasional topics as far-reaching as these latter.²⁴

(c) *Other projects*

151. This group was defined as consisting of projects which, in view of staff and budget limitations, would have to be deferred for the present and probably could not be initiated in 1955 or 1956.²⁴

²⁴ Dates of completion or duration are given for *ad hoc* high priority projects and other projects.

152. The programme of work and priorities, as contained in the annotated list below, embodies the decisions of the Commission in its resolutions adopted at the sixth session held in Bogotá from 29 August to 16 September 1955, continuing projects approved at earlier sessions, and those recommendations made at earlier sessions which have not yet been implemented (*ad hoc* high priority projects and other projects). Experience has shown that the heavy work-load of the programme approved at the fifth session was beyond the staff resources of the secretariat. Several projects on which work has been in progress could not be completed in time for the sixth session. Moreover, it was not possible to start work on eight projects which had been placed in the high priority category at the fifth session. Three of these projects would have required technical specialists not available to the secretariat; two were being dealt with by other bodies of the United Nations; and the other three, although important, did not appear to justify diverting staff from work which had a more direct bearing on economic development. As indicated in the annotated list, it is recommended that these eight projects be placed in a lower priority category (i.e. (c) other projects) in the work programme for 1955-1956.

153. The Commission took special account of the projects provided for in the resolutions and realized that it might not be possible for the secretariat to carry out all the projects prior to the seventh session. It was felt that the secretariat should not be required to dissipate its efforts in a manner that might lead to unsatisfactory and inconclusive results.

154. The Commission confirmed its policy that while it is desirable to adopt as firm a programme as possible, in accordance with priorities, it is also essential that the secretariat should be empowered to use its discretion in adapting programmes to circumstances as they may arise and to the staff and other resources available to it. The Commission therefore decided, in accordance with the Council's policy, to authorize the secretariat to modify or eliminate certain projects, or establish different priorities, should developments at present unfore-

seen make this desirable in its opinion. Such alterations should remain within the framework of the programme adopted by the Commission.

155. However, the secretariat would be expected to explain any changes made in the programme, keeping in mind the broad objectives and priorities approved. Stress was laid on the necessity of presenting studies and reports to the Governments well in advance of the Commission's regular sessions; and in this connexion, the secretariat would wish to indicate that while a considerable number of projects will have advanced sufficiently by the time of the seventh session, on certain projects it would have to submit progress reports.

156. The Commission authorized the Executive Secretary, in dealing with several work projects, to convene such conferences, meetings of experts, working parties or groups of specialists as are indicated in several resolutions adopted at the fifth session.

157. A number of projects require the co-ordination and co-operation of specialized agencies and other international bodies, and the secretariat, as in the past, will continue to make arrangements ensuring full collaboration and concentration of efforts, thus avoiding unnecessary duplication or overlapping of work. The closest relations are maintained with FAO through the Joint Programme of Work. It should be noted that the Committee on Economic Problems of Agriculture of the sixth session also fulfilled the function of the Latin American Regional FAO Consultative Meeting on the selective expansion of agriculture and its report will also be submitted to the FAO Council. It may be added that the International Bank especially offered the co-operation of its technical staff in the study of the possibilities of increasing investment in agriculture.

158. In connexion with a number of projects, the secretariat continues to enjoy the co-operation of the Technical Assistance Administration. Thus there is a concentration of effort allowing of financial economy in services which ECLA and TAA render governments.

ANNOTATED LIST OF PROJECTS

This document refers to the priority of projects and the way in which they will be carried out in 1955-1956. The notes on the projects are given to identify them, but the pertinent resolutions are the official guide to their full and real scope.

SECTION I. CURRENT ECONOMIC SITUATION

(a) Continuing projects and activities of high priority

1. The annual *Economic Survey of Latin America*—resolutions 44 (V)^{**} and 79 (VI).
2. *Economic Review*—resolutions 32 (IV) and 79 (V). (To be published twice yearly.)

SECTION II. ECONOMIC GROWTH AND TECHNIQUE OF PROGRAMMING

(a) Continuing projects and activities of high priority

3. General problems of economic development and technique of Programming—resolutions 48 (V) and 81 (VI)

^{**} The numeral in brackets following the resolution number refers to the session of the Commission. Thus resolution 44 was adopted at the fifth session. See annual report submitted to the sixteenth session of the Council, (E/2405), for texts of resolutions of the fifth session of the Commission.

- (i) Analysis and projections of economic growth in individual countries—resolution 48 (V).

The provisional reports on the analysis of economic data and projections of economic growth of Brazil and Colombia will be revised and published in a printed edition in the first half of 1956.

Several governments have requested similar studies; and the secretariat expects to initiate work on at least two or three such studies.

- (ii) Analysis and projections of economic growth for the region as a whole, taking into account the possibilities of the complementary development—resolution 81 (VI).

Work on this study may not start before several more country studies have been completed, since much of the material for an over-all regional study must be derived from the analysis and projections of economic growth of individual countries.

- (iii) Study of monetary and fiscal policies for programming economic development—resolution 81 (VI).

Analysis of government income and expenditure, taxation and other sources of revenue, and the influence of government fiscal, credit, trade and exchange policy upon consumption and investment in the different economic sectors.

- (iv) Study of organization and administrative pro-

cedures for planning and execution of economic development programmes—resolution 81 (VI).

This project will be carried out with the co-operation of the Technical Assistance Administration.

(v) Study of social factors affecting economic development—resolution 82 (VI).

This resolution requests continuation of the present work, as described in document E/CN.12/374, and also requests the secretariat to concentrate on the practical aspects of this problem.

(vi) Study of demographic growth and manpower requirements in relation to economic development—resolution 83 (VI).

See document E/CN.12/375 for description of work on this project.

4. *Economic integration and reciprocity in Central America*—resolutions 24 (IV), 50 (V) and 84 (VI).

Work is proceeding in accordance with the resolutions adopted by the Commission and with those of the Central Economic Co-operation Committee. Apart from the secretariat studies, the programme as a whole is carried out with the co-operation of the Expanded Technical Assistance Programme, in response to requests made by the Governments of the Central American Republics. A meeting of the Committee is scheduled for the last quarter of 1955 and a further meeting will be held in 1956.

(i) Industrial and agricultural studies—resolutions 2 (AC.17), 1 (CCE), 2 (CCE) and 8 (CCE).²⁴

With the co-operation of TAA and FAO experts studies are under way or scheduled on forest industries, pulp and paper production, oils and fats, cotton and textiles, and livestock and dairy products. A general re-evaluation of the programme, with reference to industrial priorities, is being undertaken, in accordance with resolution 8 (CCE).

(ii) Research and training institutes—resolutions 6 (AC.17), 23 (AC.17), 5 (CCE) and 6 (CCE).

The Advanced School of Public Administration—a TAA project—established in Costa Rica in 1954, is continuing its activities in accordance with its programmes. Special courses are being included on subjects which will assist governments in the implementation of reports of technical assistance experts participating in the economic integration programme.

The Central American Institute for Research in Industry—also a TAA project—is being established in Guatemala and will be in operation in 1956. A close relationship will be maintained with the secretariat.

(iii) Transport—resolutions 4 (AC.17) and 21 (AC.17).

Work continues by TAA experts on the implementation of recommendations contained in the 1953 ECLA/TAA report on transport in Central America, with reference to maritime transport, international highway traffic and co-ordination of road plans.

(iv) Central American Trade Sub-Committee—resolutions 9 (AC.17), 18 (AC.17), 19 (AC.17), 4 (CCE), 7 (CCE) and 11 (CCE).

Work will proceed, in co-operation with TAA experts where appropriate, on the implementation of the Central American Standard Customs Nomenclature, on a uniform customs code and regulations, on uniform weights and measures, on inter-Central American trade and trade policy, and on tariff levelling. Meetings of the Sub-Committee will be scheduled according to the progress of the studies under way.

(v) Statistical Co-ordination Sub-Committee—resolutions 20 (AC.17) and 3 (CCE).

In co-operation with the United Nations Statistical Office and the IASI, preparatory work is being car-

ried out for this Sub-Committee, which will meet according to the requirements of the work in question.

(vi) Financing of economic development—resolutions 10 (AC.17) and 22 (AC.17).

A report is in course of preparation on the capacity of Central American tax systems to finance economic development, in co-operation with the United Nations Department of Economic and Social Affairs.

(vii) Electric energy—resolution 3 (AC.17).

A TAA mission report has been submitted to the Committee for consideration at its forthcoming meeting.

5. *Joint ECLA/TAA training programme for economists*—resolutions 4 (IV), 48 (V), and 85 (VI).

This is a continuation of the training programme wherein groups of selected Latin American economists work with the ECLA economists on practical and theoretical problems of economic development and programming. Resolution 85 (VI) calls for an expansion of this programme with the co-operation of member governments.

A special three-months course for Colombian economists and officials will be held in Bogota from September to December 1955. The regular annual course in Santiago, which began in April 1955, is this year limited to seven trainees.

A manual dealing with the evaluation, preparation and presentation of development projects is being prepared for the Training Programme.

6. *Study of transport problems*—resolutions 38 (AC.16) and 69 (V).

Transport problems and the obstacles to economic development which they constitute are dealt with in the Central American Integration Programme and in studies on the economic development of Brazil and Colombia.

A preliminary report on certain aspects of maritime transport in relation to inter-Latin-American trade has been completed and is embodied in document E/CN.12/369.

A Transport Section has recently been organized within the secretariat. It is planned that work in this field will be principally concerned with transport problems and requirements in relation to economic development in individual countries, as well as transport problems related to inter-Latin-American trade.

(b) *Ad hoc projects of high priority*

7. *Meeting of Experts on Problems of Economic Growth and the Technique of Programming*—resolution 48 (V).

It is planned to hold this meeting at the end of 1957.

8. *Preliminary survey of organization and structure of capital markets in Latin America*—resolution 3 (IV).

This project was given a low priority at the fifth session. However, the meeting of the Committee of the Whole held in Santiago in May 1955 requested the secretariat to place it in the high priority category. The date for completing this study is 1957.

(c) *Other projects*

9. *Study of technical, economic and social factors affecting productivity in the Latin American economy*—resolution 86 (VI).

Some of the elements of this problem are being analysed in other studies which the secretariat is carrying out, especially in agriculture, industry, energy and on social factors of economic development. Although important, it is suggested that the general study of factors affecting productivity may be delayed until it can draw on the material being brought together in the present studies. Estimated duration of the work: two to three years.

²⁴ These symbols refer to resolutions contained in the reports of the Central American Economic Co-operation Committee.

10. *Study of technical research and training in Latin America*^{**}—resolutions 13 (IV) and 53 (V).

This project would require substantial financial resources and technical personnel not available to the secretariat. It is suggested that at a future date this project might be carried out in collaboration with TAA and the specialized agencies. Estimated duration of the work: two to three years.

11. *Relation of migration to economic development*—resolution 6 (IV).

It was originally intended to make an intensive study based on a field investigation in a selected area which is in process of rapid economic growth, with particular reference to its capacity for absorption of immigrants, especially from foreign countries.

Work on certain aspects of migration as a source of manpower, and the problems arising therefrom, are the subject of a study on demographic growth and manpower requirements in relation to economic development. Estimated duration: two years.

12. *Influence of taxation on private capital exports*^{**}—resolutions 3 (IV) and 52 (V).

This study is being continued, under the terms of General Assembly resolution 825 (IX), by the Department of Economic and Social Affairs at United Nations Headquarters.

13. *Cyclical fluctuations in Latin America*—(E/CN.12/190).

SECTION III. ECONOMIC PROBLEMS OF AGRICULTURE (WITH THE COLLABORATION OF FAO)

(a) Continuing projects and activities of high priority

14. *Selective expansion of agricultural production and co-ordination of programmes between countries*—resolutions 87 and 88 (VI).

These resolutions call on the FAO/ECLA secretariats to continue studies of this problem. In part this will be carried out in conjunction with project 3 (ii).

15. *Agricultural development, programming in individual countries and technique of agricultural programming*—resolutions 62 (V) and 89 (VI).

This project is being carried out in part through the studies of economic development of individual countries. The technique of agricultural programming will be studied in conjunction with project 3 (i).

(b) Ad hoc projects of high priority

16. *Study of productivity and costs of coffee production in relation to economic development*—resolutions 63 (V) and 90 (VI).

See document E/CN.12/379 for a description of the work being done on this project. Estimated date of completion: the end of 1957.

17. *Study of factors affecting development of livestock industry in Latin America*—resolution 91 (VI).

Discussions will be held with the secretariat of FAO in order to agree on a programme of work for this project. Estimated date of completion: 1958.

18. *Study of productivity of labour and of capital in agricultural production*—resolution 87 (VI).

This study is already under way as regards coffee. With respect to other agricultural activities, the secretariat will commence work, if possible, before completing the coffee study.

19. *Study of possibilities of increasing investment in agriculture*—resolution 92 (VI).

It is hoped that in accordance with the resolution, the International Bank will co-operate with the ECLA

and FAO secretariats on this project. Estimated date of completion: 1957.

(c) Other projects

20. *Preliminary study for establishment of a programme of research in the Amazon Area*—resolution 93 (VI).

This study will be implemented in co-operation with UNESCO. Estimated duration of the work: one year.

21. *Agricultural credit*^{**}—resolutions 14 (IV) and 65 (V).

Duration of the work estimated at three years.

22. *Factors Affecting Agricultural Production*^{**}—resolution 61 (V).

The objectives of this project are largely covered by projects 14 to 19, above.

23. *Investigation of Agricultural Statistical Systems and Methodology in Latin America*^{**}—resolution 64 (V).

Work in this field is being done by the Inter-American Statistical Institute (IASI), and there might be duplication if this research were undertaken by ECLA. However, the secretariat has had preliminary discussions with both IASI and FAO in order to assist the efforts being made to improve agricultural statistics in Latin America.

24. *Study of economic and technological problems of the banana industry*—resolutions 65 (V) and 94 (VI).

Estimated duration: one year.

25. *Study of production, industrialisation and export markets of hard fibres*—resolution 68 (V).

FAO is making a study of hard fibres which effectively fulfils the objective of this resolution.

SECTION IV. INDUSTRY AND ENERGY

(a) Continuing projects and activities of high priority

26. *Iron and steel making and transforming industries*—resolutions 10 (IV), 57 (V) and 96 (VI).

(i) Study of iron and steel transforming industries in individual countries.

Studies on the transforming industries in Brazil, Chile and Colombia will be revised and completed, to be used as background documents for the meeting of experts in Brazil. The resolution adopted at the sixth session requests the secretariat to extend these studies to other countries.

(ii) Meeting of experts on iron and steel making and steel transforming industries to be held in Sao Paulo, Brazil, in 1956.

(iii) Committee of experts on specifications and standards in iron and steel industries.

This committee will be set up with the collaboration of the industries concerned if the results of the Sao Paulo meeting of experts warrant its creation.

27. *Study of chemical industries*—resolutions 59 (V) and 97 (VI).

Work on this project, which includes studies of the existing industry in Latin America, and an analysis of imports of chemical products and possibilities for replacing imports by the establishment of domestic industries, of the availability of raw materials in the region and of the technical and economic problems affecting their utilization, was begun in July 1955.

28. *Joint FAO/TAA/ECLA Expert Advisory Group to assist countries in the development of the pulp and paper industries*—resolutions 58 (V) and 98 (VI).

Two experts have been selected to form the team, and will begin their work at ECLA Headquarters in Santiago, Chile, in November 1955.

^{**} Listed as a high priority project in the annual report submitted to the twentieth session of the Economic and Social Council, (E/2756).

^{**} Listed as a high priority project in the annual report submitted to the twentieth session of the Economic and Social Council, (E/2756). These and the other projects listed under (c) of Section III are beyond the resources of the ECLA/FAO Joint Programme for 1955-1956.

29. *Development of energy resources*—resolutions 99 and 100 (VI).

(i) Revision of the provisional study on energy production and utilization, its possibilities and problems, to be published in a printed edition in 1956. (E/CN.12/384).

The secretariat will continue the collection, compilation and analysis of statistical data on energy.

(ii) Appraisal of hydro-electric resources in selected areas with a view to defining their potential and optimum utilization.

In accordance with the relevant resolution, this work will have to be carried out in co-operation with appropriate governmental agencies and the United Nations Technical Assistance Administration.

(iii) Proposed field surveys, by teams of experts, on the efficacy of the production and utilization of various forms of energy in the most important economic activities in selected countries.

(iv) Circulation of information of interest to Latin American governments on the developments in the field of nuclear energy.

30. *Preliminary examination, based on existing information, of multiple water resource utilization in Latin America*—resolution 99 (VI).

This project will be undertaken partly in conjunction with the studies on energy.

(b) *Ad hoc* projects of high priority

31. *Meeting of experts on problems of energy development*—resolution 99 (VI).

At this conference the secretariat papers listed under 29 (ii) and (iii) above will be available as background documents, together with special technical papers prepared by experts on the production and utilization of energy resources. It is planned to hold the meeting in 1958.

(c) Other projects

32. *Mining*²⁹—resolution 57 (V).

Compilation of data on estimated reserves of non-ferrous ores and metals, and study of economic and technical problems related to mining. Estimated duration of the work: two years.

33. *Collection and classification of data available on non-agricultural resources in Latin America*—resolution 60 (V).

As regards energy and water resources, the aims of this resolution will be met by projects 29 and 30. The duration of this work is estimated at three years.

34. *Studies of possibilities of establishing processing industries utilizing domestically-produced raw materials*—resolutions 46 (V) and 94 (VI).

This project is being partially fulfilled by the studies of economic development of individual countries and the industry studies listed under projects 26, 27 and 28, above.

35. *Food processing industries*—resolutions 10 (IV) and 94 (VI).

Duration estimated at two years.

36. *Textile industry*—resolution 11 (IV).

Duration estimated at one year.

SECTION V. INTERNATIONAL TRADE

(a) Continuing projects and activities of high priority

37. *Foreign Trade Committee*—resolution 101 (VI).

The Committee shall concern itself with the pre-

²⁹ Listed as a high priority project in the annual report submitted to the twentieth session of the Economic and Social Council, (E/2756). The staff of the Industry Division will be fully occupied on projects 26, 27 and 28 during 1955 and 1956; and it will therefore be impossible to start work on any projects listed under (c).

paration of specific proposals, in harmony with the bilateral and multilateral commitments of member governments, for the solution of practical problems hampering the expansion of intra-Latin-American trade. It will also prepare the groundwork necessary to facilitate trade negotiations between the countries of the region.

In discharging its functions, the Committee will take into account the topics considered in the secretariat report (E/CN.12/369), such as inter-Latin-American payments problems, trade policy, specific problems of trade in certain commodities, and maritime transport. Similarly, other studies and subjects related to the objectives of the Committee, as well as comments and reports of member governments thereon, will be considered, and full use will be made of relevant material prepared by IA-ECOSOC and other international organizations.

For the purposes of its sessions, the Committee will be formed by the representatives of the governments attending. The sessions will be convened by the secretariat and the first meeting will take place as soon as possible.

The provisional agenda for this meeting will be prepared by the secretariat on the basis of the contents of the present resolution.

38. *Trade between Latin America and the rest of the world*—resolution 45 (V).

(i) Possibility of expanding production of Latin American export commodities. A limited study on this subject is in course of preparation and will be published in 1956—resolution 45 (V).

(ii) Study of future trends of demand for products exported by Latin America—resolution 102 (VI).

(iii) Study of changes in composition of Latin American imports from industrialized countries—resolution 45 (V).

39. *Studies of the terms of trade and their influence on the rate of economic development*—resolution 46 (V).

This topic is periodically discussed in the annual *Economic Survey of Latin America*. A special study on the subject is being prepared and will be published in 1956.

(b) *Ad hoc* projects of high priority

40. *Study of multilateral compensation operations among Latin American and European countries*—resolution 47 (V).

The secretariat will continue to study this problem, will follow developments in multilateral arrangements affecting Latin American countries and will report on these to member governments. Proposed date of completion: 1957.

(c) Other projects

41. *Collection and circulation of information on changes in customs duties and trade treaties of Latin American countries*—resolution 103 (VI).

As soon as resources permit, this project will be transferred to group (a) "Continuing projects and activities of high priority".

Financial implications 1955-1956

159. The work programme for 1955-1956 represents an increase in the number of projects, as well as an extension of the scope of some others. Through the reorganization of the secretariat and related adjustments in the budget for 1956, it may prove possible to absorb a considerable part of the additional expenditure for this work, as well as for the work on earlier projects which have been deferred, within the regular budget.

160. Bearing in mind the need for strict economy in the use of United Nations resources, the secretariat

will make every effort to absorb the expansion of the programmes within its present Divisions. This applies particularly to the resolutions on energy, industry and economic development. In the case of the resolution on the Trade Committee, the secretariat will attempt to absorb the additional cost within the normal budget. On the above assumptions, therefore, there is no need for supplementary funds to implement these resolutions.

161. It appears, however, that the following new projects could not be undertaken without additional staff and resources:

(a) *Project No. 30*: Preliminary examination of multiple water resources utilization in Latin America (resolution 99 (VI)).

162. In order that a preliminary survey may be completed in time for presentation at the seventh session, it will be necessary to hold a meeting of experts in Santiago during the first half of 1956 after a work programme for such a group has been prepared by the secretariat. It will also be necessary to recruit a general economist specialized in multiple water resources development to work with the group and to continue this project on a permanent basis. Specialized consultants will be needed for short periods. The cost of such specialists may be absorbed within the normal budget of ECLA. It is expected that consultants whose services are required on a longer-term basis will be loaned by member Governments.

Financial implications

	1955	1956
	\$	\$
(a) Established posts:		
1 First Officer for 1956 (P/4)	-	9,140 ^a
(b) Consultants	-	b
(c) Official travel:		
Official travel for ECLA staff	-	1,000
	-	10,140

^a Common staff costs will be absorbed within the normal budget.

^b Consultants provided by member Governments. The French Government has already agreed to provide a water-power expert for a period of one year.

(b) *Project No. 3(iv)*: A study of organization and administrative procedures for the planning and execution of economic development programmes (resolution 81 (VI)).

163. Resolution No. 81 (VI) requests the secretariat, in co-operation with the Technical Assistance Administration, to study the structure and operation of the organizations existing in Latin America for preparing and implementing economic development programmes. The project will be carried out jointly in its first stage of field research. It is envisaged that the joint working party will enter upon its activities at the beginning of 1956.

164. The ECLA secretariat has no resources or qualified staff to undertake this continuing project. It will therefore be necessary to recruit an economist with experience in Public Administration and Planning Offices to co-ordinate and to continue work on this project. The recruitment of this economist may be postponed until

the middle of 1956 on the understanding that meanwhile an expert may be recruited on a short-term basis for five months to participate in the working group.

Financial implications

	1955	1956
	\$	\$
(a) Established posts:		
1 First Officer for 1956 (P/4)		
for six months	-	4,570 ^a
(b) Consultants:		
1 expert for 5 months	-	4,000
(c) Travel:		
Official travel of ECLA staff in connexion with project	-	1,000
	-	9,570

^a Common staff costs will be absorbed within the normal budget.

(c) Meeting of the Central American Economic Co-operation Committee.

165. In May 1955 an Extraordinary Meeting of the Committee was convened by the member Governments for the purpose of adopting measures which would ensure the pursuance of the programme, in view of the fact that the Third Ordinary Meeting, which was to be held in 1954, had to be adjourned owing to unforeseen circumstances.

166. At the Extraordinary Meeting the secretariat pointed out that the current budget did not provide for two sessions of the Committee in 1955, but that the wishes of the Committee would be taken into account.

167. It will therefore be necessary to provide additional funds for the third session to be held in accordance with resolution 26 (AC.17) adopted at the second session. The member Governments agreed at the Extraordinary Meeting that the third session should be held in Managua, Nicaragua, towards the end of 1955, at a date to be determined by common agreement.

Financial implications

	1955	1956
	\$	\$
Cost of travel and subsistence, temporary staff, language services and miscellaneous expenses	3,500	-
	3,500	-

SUMMARY OF FINANCIAL IMPLICATIONS

	1955	1956
	\$	\$
Section 22 of the budget:		
1. Examination of multiple water resources utilization in Latin America	-	10,140
2. Study of organization and administrative procedures for the planning and execution of economic development programmes	-	9,570
	-	19,710
Section 3 (b) of the budget:		
1. Meeting of the Central American Economic Co-operation Committee	3,500	-
	3,500	-

APPENDICES

APPENDIX I

Address delivered by His Excellency Lieutenant General Gustavo Rojas Pinilla, President of the Republic of Colombia, at the inaugural meeting on 29 August 1955

The supreme significance of the task entrusted to the United Nations becomes manifest in the light of the decisively critical nature of our times. The human race is facing alternatives of total extermination on the one hand and amazing possibilities of progress, in all spheres, on the other. At no time in the past has the possibility of reaching a high level of civilization and of enjoying cultural and economic benefits to the full been within the reach of all nations, as it is now; but never before have such serious dangers loomed on the horizon.

Under the dramatic circumstances prevailing in the world of to-day, it is the United Nations that must undertake the essential task of promoting international co-operation to ensure peace and security. This Organization therefore embodies the most vital aspirations of mankind in our time, and its best and only hopes. Under the terms of the Charter which faithfully interprets the problems of our time, it is also incumbent on the United Nations to contribute to the improvement of social and economic conditions throughout the world, and, particularly, to the raising of the standards of living in the less developed regions.

At the commemorative meeting held two months ago in San Francisco, due acknowledgement was accorded to the extraordinary value of the work carried out by this eminent Organization during its ten years of existence. On that occasion, the representatives of Member Nations, both great and small, renewed their expressions of confidence in the Organization and agreed on the need to give it their increasing support in order that its work may become more and more effective.

As an instrument of this important task in the regional sphere, the United Nations has created the Economic Commission for Latin America, which, during its short period of activities, has already justified and even surpassed the expectations that inspired its establishment.

This is a period of basic definitions and positive orientation in the destiny of the Latin American countries. Peoples which had long lain sunken and prostrate, nations which had achieved little progress in the sphere of economic freedom despite their having attained political independence, vigorously sallied forth to the conquest of better living conditions, and are now ambitiously endeavouring, with irrevocable determination, to develop their potentialities. History had never before witnessed anything like this spectacle of twenty nations, with more than one hundred and seventy million inhabitants, striving by every means in their power to share more fully in the march of progress.

The time has come for Latin America's economic rehabilitation, which can no longer be deferred or detained. This, together with the renewed impetus gained by the great industrial powers and the "awakening" of

Asia, constitutes one of the key events of our times. As Bolivar, said "America's liberty is the hope of the world"; and this liberty is now beginning to be able to provide, in the under-developed areas of this continent, the indispensable basis for sound economic development.

One of the most serious obstacles which the Latin American peoples have encountered in their efforts towards progress is the lack of adequate information on their real economic position and on the formulae which are applicable to the existing state of affairs. Economic surveys and research carried out in Europe and the United States have been based on study of the characteristics of these specific regions; the findings are not therefore wholly applicable to the Latin American economy, and disregard many of its special aspects. This is why our countries, when taking their first purposeful steps along the paths of development, have understood the need to revise economic science and concepts in the light of their own peculiar phenomena and circumstances.

The work of ECLA is aimed at fulfilling this urgent task, and in this lies the Commission's main importance. ECLA has already made a substantial contribution to the accumulation of technical data on the Latin American economy, to the interpretation of such data according to the most exact principles, and, finally to the setting of courses on the basis of an exact appraisal of the region's economic situation.

Consequently, ECLA is responsible in no small measure for the progress achieved in recent years in the correct definition of economic development problems and in their understanding by official and private circles. Its reports have played a significant role in the fight against improvisation, superficiality and empiricism, and have contributed to a clear and resolute awareness of fundamental postulates, such as the urgency of accelerating the rate of industrialization in Latin America.

Moreover, its recommendations have influenced the policy of the Latin American Governments and have established criteria with respect to economic co-operation among the countries of the region and with North America and Europe. For instance, the recommendations presented by ECLA at the Meeting of Ministers of Finance or Economy held in Rio de Janeiro in November 1954 constituted one of the bases of discussion at this international meeting.

ECLA's help has also been valuable in the preparation of economic integration plans for Central America, which are progressing satisfactorily and are regarded with widespread sympathy by the rest of the Latin American countries.

The numerous documents prepared by ECLA, which will be discussed at this meeting, constitute a noteworthy

contribution to the study of the main aspects of the Latin American economy. They are the true expression of the exemplary work of the secretariat of the Commission, which is directed with exceptional efficiency by Dr. Raúl Prebisch, and with which eminent economists and experts in other fields co-operate.

I wish to take advantage of this opportunity to thank the ECLA secretariat most sincerely for its excellent study on the economic development of Colombia, which sheds new light on this matter, and which, once its revision is completed, will be exceptionally useful for my country.

The ECLA surveys for 1953 and 1954 reveal that the promising rate of development achieved by the Latin American economies as a whole during 1945-52, has slackened considerably during the last two years. This fact, which has very important implications, deserves the particular consideration of all the member countries of the Commission and of all the other members of the United Nations.

This slowing-down of the economic growth of the Latin American countries is not due to any weakening of the endeavour to develop resources, but to the strengthening of the obstacles in its way. This situation has been brought about because some of the favourable factors arising from the Second World War, as well as from other causes, are progressively disappearing. Thus, the inescapable need to redouble efforts to achieve a more rapid rate of development once more becomes apparent. Not only is an improvement called for in domestic policy, but an intensification of international co-operation is also needed. Progress is as vitally necessary in the international as in the domestic sphere. And, internationally speaking, it is essential that the unity of the Latin American peoples, which in reality form one great nation, should find its expression in an ambitious co-ordination of their economies.

International economic co-operation must be strengthened primarily by the joint protection of those basic products, the export of which is vital to Latin America, without prejudice to increased financial and technical assistance. If the world of today is to be a just one, Latin American effort must be on an equal footing with that of other regions. For this reason, when speaking of the joint protection of the Latin American economy, I do not mean that it is the exclusive task of the countries of the region, since it is also incumbent upon the powers which purchase our export products. These nations have not only a responsibility, but also a true in-

terest, in maintaining equitable conditions for such commodities.

In the financial field, certain steps have been taken which warrant the attention of Latin American Governments. The most important of these measures is the plan to establish an Inter-American Bank, which is based partly on ECLA recommendations and which is at present being studied by the Inter-American Economic and Social Council. It is greatly to be desired that this idea, which has been under consideration for more than half a century, having been originally proposed during the first Inter-American Conference, be put into practice as soon as possible.

Just as society, in its own interest, seeks to reduce, rather than to increase, the differences between rich and poor, so the international world seeks to raise the underdeveloped regions to a level at which they may benefit from the achievements of the great industrial powers. The egotistical notions of the past have today been superseded by the concepts of co-operation and economic solidarity among nations. These modern ideas have found their best expression in the Foreign Aid programmes developed during the post-war period by the United States, a country which marches in the van of the free world, providing the most outstanding example of human solidarity that history has ever known.

ECLA is called upon to play an increasingly important role in the guidance of Latin American development. On the one hand, it lends its assistance in the practical implementation of the international co-operation required by present-day conditions, and on the other, advises on the adoption of economic expedients within national means. For these reasons, and because it is, in itself, a new type of Union, ECLA gives fresh life and strength to the close and friendly relations between twenty similar nations, and on this account deserves the favourable support and the constant and enthusiastic aid of all our governments.

It is my privilege and pleasure, as President of Colombia, to open the Sixth Session of this Commission, honoured as it is by the presence of the Secretary-General of the United Nations, Mr. Dag Hammarskjöld, whose exceptionally valuable efforts in defence of human ideals have earned our admiration. I am also happy to see the representatives of Member Governments and of those nations or institutions which are attending in a consultative capacity. In welcoming all Delegates and Observers on behalf of the people and Government of Colombia, I also wish to express every hope that, by the grace of God, this meeting may be crowned with complete success.

APPENDIX II

Address by Mr. Dag Hammarskjöld, Secretary-General of the United Nations, on 29 August 1955

It gives me great pleasure to have the opportunity to be present at this session of the Economic Commission for Latin America, meeting here in the beautiful city of Bogotá. We are all grateful for the gracious hospitality which the Government of Colombia has extended to the Commission and for its support and assistance in the organisation of the session. Over two years have elapsed since the last full session of the Commission. During that period its activities have advanced substantially. The Economic and Social Council, in considering ECLA's annual reports, has recognized the impact of its work upon the understanding and solution of the eco-

nomie problems of this region. This recognition reflects the interest and appreciation which the work of the Commission and its secretariat have elicited among all members of the United Nations.

At the recent session of the Council in Geneva, I had the privilege to have with me, during the debate on the world economic situation, your distinguished Executive Secretary, Dr. Raúl Prebisch, as well as the Executive Secretaries of ECE and ECAFE, who made valuable contributions to the debate on the world economic situation and introduced the reports of the commissions which

they serve. I had the opportunity, on that occasion, to emphasize the increasing importance of the Council's annual review of the work of the regional commissions as the regional approach becomes more effective and represents an increasing proportion of the economic activities of the United Nations. Acknowledgement of the value of the work of your Commission has also been evident in the General Assembly. ECLA's work has always received high praise and the funds proposed for its work are keenly and constantly supported by a great majority of the Member Governments. The Commission has thus been able to fulfil the tasks assigned to it in the knowledge that it has the full confidence of the Council and the General Assembly.

One reason for the high esteem which the Commission enjoys is to be found in the quality of its reports. It can indeed be said that ECLA's studies on economic development and industrialization—for example, the report on the technique of programming—have played a significant part in the formation of a new and practical outlook in this field.

Among the many other activities of your Commission, one of the most striking is the work which is progressing through the Committee on Economic Co-operation in Central America. In several respects this project throws an especially favourable light upon how various United Nations bodies can effectively assist a group of countries in their economic development. Firstly, there is inter-governmental co-operation, at a high policy level; secondly, there is close co-operation between the regional commission's secretariat, the Technical Assistance Administration and the interested specialized agencies; finally, and most important, all involved are moved by a common concern for the objectives of the programme.

ECLA's studies of economic development of individual countries, made with the encouragement and collaboration of the Governments concerned, are another example of fruitful co-operation between the secretariat and governments which may have a significant bearing on the development of technical assistance. They are also of broader interest to countries facing similar problems.

The subject of energy is rightly receiving increasing attention from your Commission. As you may know, I have recently returned from the International Conference on the Peaceful Uses of Atomic Energy. This Conference was organized by and held under the auspices of the United Nations as a first step in the exercise of its responsibilities in a field where mankind may well have reached a turning-point in its age-long struggle against poverty. We are only on the threshold of immensely significant developments in the harnessing of this new source of energy in the service of man and much exploration remains to be accomplished before the economic consequences can be fully assessed and its benefits realized. But it is already clear that the introduction of atomic energy may in the future become a primary factor in making possible the more rapid economic growth of regions like Latin America. As pointed out in the ECLA report on programming economic development, with the advanced techniques now becoming available, it should no longer be necessary for the under-developed countries to pass through all the stages of development which characterized the historical pattern of growth of the industrialized countries.

Financing of economic development was one of the many topics considered by the Economic and Social Council at its recent session. On the question of the

establishment of a Special United Nations Fund for Economic Development the Council had a long discussion on the report prepared by Mr. Scheyven and decided to ask the General Assembly, firstly, to request Governments to submit their comments on this report early next year and, secondly, to appoint an *ad hoc* committee to consider the replies and to report to the Council. The Council also expressed its appreciation of the progress being made in establishing the International Finance Corporation. This Corporation, it is hoped, will come into existence in the near future and play a significant part in the task of stimulating economic development.

Great emphasis was given by the Council to means of expanding international trade. Your Commission has before it a resolution adopted by the Council on inter-regional trade consultations. We have yet to see whether the technique of inter-regional trade consultations can be applied successfully to wider areas, and the Council in adopting a rather cautious resolution on the matter has, I believe, taken a wise step. Whether such consultations are held will depend in the first instance on the commissions themselves. At the same time it is provided that any such consultations shall be open to all Members of the United Nations and of the specialized agencies and countries participating in the work of regional economic commissions. The success of such trade consultations would largely depend, I think, on whether countries are prepared to stipulate in advance the particular trading problems they wish to have considered. On that condition, and given adequate preparation, inter-regional trade consultations may well prove a useful additional instrument for increasing trade.

The Council also gave close attention to the world social situation and the United Nations social programmes. I have every hope that the secretariats of the regional economic commissions will be able to undertake some activities in this field, and, to this end, I am planning to strengthen the secretariat with appropriate specialists.

The sessions of the Council and of the Technical Assistance Committee represented an important milestone in the life of the Expanded Programme of Technical Assistance. Both the Council and the Committee reaffirmed their faith in the Programme as one of the most effective methods of helping the less developed countries to promote their economic development, and there was a growing awareness amongst the Governments of the need to provide a greater measure of stability to it by longer-term programming.

Attention was also devoted to evaluation of activities under the Expanded Programme, and it was decided to address a questionnaire on different aspects of the Programme to countries to which TAB Resident Representatives are accredited, with a view to assessing the value of the Programme. A proposal of the Administrative Committee on Co-ordination to undertake a "forward look" study of the Expanded Programme in the light of the past five years' experience was welcomed.

It may be of interest to the Commission if I refer briefly to some of the preliminary findings of the survey which I have been undertaking of the organization of the secretariats of the regional commissions and of the Technical Assistance Administration, following last year's survey of the organization of the secretariat at Headquarters. The survey generally tends to the conclusion that there should be closer integration and greater

utilization of common resources in the execution of their respective responsibilities between the staff assigned to the Department of Economic and Social Affairs at Headquarters and the staff of the regional commissions.

In the field of technical assistance, it is felt that a more rational and efficient utilization of resources available to the Department of Economic and Social Affairs at Headquarters, the regional economic commissions and the Technical Assistance Administration would materially benefit the Governments which are being assisted through the Expanded Programme of Technical Assistance. Proposals are under consideration which would promote a closer working relationship among those secretariat units. But it is quite basic, first that the role of resident representatives of TAB and of the agency representatives, wherever they exist, should in no way be weakened, and secondly that the regional economic commission secretariats should not assume operational responsibilities or activities which would detract from the authority of the resident representatives or Headquarters in New York. I should add that the survey suggests that, subject to certain adjustments, the ECLA secretariat is well adapted to the work assigned to it by your Commission and that it should have at its disposal adequate staff resources for the fulfilment of its manifold responsibilities.

At the recent session of the Economic and Social Council referred to the measures taken, both nationally and internationally, to promote economic development, as constituting a demonstration of international co-operation without parallel in world history. For the first time we are witnessing a general and practical recognition of the fact that the welfare of each individual country is of concern to all. At the same time I emphasized

that the measures so far undertaken are on much too small a scale to overcome the heritage of generations of poverty.

We all know that the atmosphere of international tension which has dominated world affairs most of the time since the United Nations was established is the main reason for this past inadequacy. This year, however, there has been a succession of events indicating a trend toward a climate more favourable for the constructive work that the United Nations can do so much to promote. The Bandung Conference of Asian and African nations was notable for its expressions of strong support for the work and purposes of the United Nations as a world organization. At San Francisco, the Tenth Anniversary meetings were dominated by a universal spirit of re-dedication to the United Nations Charter. This summer the meeting of the Heads of Government of four great Powers at which the United Nations was host, the release by the People's Republic of China of the U.S. fliers, and the great United Nations atomic conference of which I have already spoken have, in succession, contributed to a better atmosphere.

I believe that new opportunities are now opening before us for more effective co-operation in the field of economic and social development. Within the United Nations every Member country can exert its influence in promoting a more determined and substantial international attack on the problem of poverty than before. In the regional economic commissions, you have a special opportunity and responsibility in this respect. Your own record constitutes ample evidence that you will be able to make a sound and imaginative contribution to a new common effort to meet this over-riding challenge of our times.

APPENDIX III

Statement by Dr. Raúl Prebisch, Executive Secretary, at the plenary session on 30 August 1955

I

It is a great honour for me to present to this Sixth Session of the Commission the reports previously entrusted to the secretariat by Member Governments. The number and scope of these reports reflect not only the comprehensive work programme carried out, but also the efforts of our economists to cover a wider field with greater thoroughness, a very laudable endeavour in so far as it does not affect the accessibility of the results nor cause any delay in presenting these background documents to Member Governments. I regret deeply that we were unable to avoid these shortcomings. If delegates will be tolerant in their judgment, recalling perhaps the sustained effort of our recent collaboration at the Conference of Ministers of Finance or Economy held at Rio de Janeiro, this tolerance will in no way weaken our firm resolve to prevent such shortcomings in future reports.

II

Our colleagues responsible for the committees into which this conference may decide to sub-divide its activities, will have an opportunity to comment on the documents assigned to each committee, always provided that delegates approve a continuation of this practice, which, in my opinion, is advisable.

On my part, I only wish to discuss some aspects of our reports which deal with development policy, because of

the interest shown in this subject at previous sessions, when the debates were focussed around the problems inherent in such a policy.

However, I should first like to associate myself with the Secretary-General of the United Nations in his expression of gratitude to the Government of Colombia for the hospitality shown to us. The collaboration of official circles has been truly magnificent. To the encouraging words we heard yesterday from His Excellency the President of Colombia, have just been added those of the Minister of Finance, Dr. Villaveces. I wish to express my sincere hope that he will be entirely successful in his efforts to reduce the external vulnerability of Colombia's economy by adopting domestic measures which, combined with opportune international agreements, will enable this country to maintain its vigorous rate of growth.

III

In addition to the material contained in our documents, I hope that — as on other occasions — delegations will make their own valuable contribution to the discussions. Among other matters of recent interest, there is one which will surely merit the careful consideration of the committee concerned, because of its significance and topical nature. I refer to the agreements recently established between Brazil, the United Kingdom and other European countries to ensure the free convertibility of

their respective currencies within these areas. The desire that some of the advantages of the European Payments Union should be extended to Latin America—an aspiration which has been expressed more than once at meetings of this Commission—has begun to materialize. It is to be hoped that the delegations concerned will be able to inform the Commission on the scope of these agreements and on the prospects of their extension.

IV

I said that I was going to touch on certain subjects pertaining to development policy. I do not intend to refer to this topic, in the abstract, nor to emphasize the need for such a policy, since Member Governments of the Commission have repeatedly agreed on this point. I want to discuss some of the difficulties hindering the practical implementation of such a policy, in the light of current developments in the economy of Latin America.

Fortunately, the adverse external factors which seemed to exert a depressive influence upon the economic activity of these countries appear to have been temporarily overcome; Latin America's gross income has continued to grow, without any contraction whatsoever. Nevertheless, the complacent attitude which these events may engender should not obscure certain causes for anxiety. The symptoms of weakness, which we have been observing for some time in the dynamic force of Latin America, have become increasingly evident. They have caused justifiable concern, as His Excellency the President of the Republic, Lieutenant General Rojas Pinilla, reminded us yesterday. The exceptional increase of 4 per cent annually in the average *per capita* income of Latin America during the period 1945-52 is a phenomenon of the past. The coffee-producing countries—where this increase continued until late in 1954—have, in common with the rest of Latin America, witnessed a deterioration in the terms of trade which will naturally tend to aggravate the weakness of individual rates of growth.

V

The course of events must therefore be followed with deep attention. External factors are not the only influence. To a greater or lesser degree, according to the country concerned, serious structural deficiencies and grave functional disturbances persist, which, although concealed in times of external prosperity, cause pronounced maladjustments as soon as circumstances abroad become less favourable.

A disequilibrium in the balance of payments then becomes apparent, without any possibility of a simple return to previous conditions as a corrective, since basic considerations of growth and stability stand in the way of such a measure. This disequilibrium is generally aggravated by inflation and, in some cases, by the repercussions of a policy which certain countries are gradually abandoning, albeit not without difficulty, and which implies the maintenance of a rigid price for the national currency, despite the inflationary rise in domestic costs, thus prejudicing valuable export possibilities. In such periods of tension in foreign accounts, some countries are handicapped by the heavy burden of foodstuffs and raw materials which must be imported, either because agricultural production did not develop sufficiently rapidly, or because timely trade agreements were not concluded which could reduce this burden through reciprocal trade. In other cases, again, it is clear that oppor-

tune measures for developing domestic energy resources could have reduced fuel imports which also weigh heavily on the balance of payments.

Thus, under the pressure of urgent needs, attention has had to be focused on the problems of the moment, in search of measures adapted to the immediate circumstances or of hasty solutions. In reality, such emergency periods are rarely beneficial for a development policy with well-defined future objectives that can be attained only through prolonged and sustained effort.

But is a period of world prosperity any more propitious? I think that I have travelled throughout the length and breadth of Latin America; I have for a long period observed its economic vicissitudes and have arrived at the disconcerting conclusion that periods of external prosperity are not in fact favourable to a development policy. What need is there for a development programme if the rapid expansion of the economy promises easy solutions?

Prosperity silences the prophetic voices that wisely advocate a rational policy for employing the greater inflow of foreign resources to correct the structural and functional shortcomings of the economy, by limiting non-essential consumption in order to promote investment. It is true that favourable periods of external activity usually occur so suddenly that no ground has been prepared for the absorption of such resources; and, when adequate forms of investment are eventually formulated and given shape, a new, unfavourable turn of external events, or a disproportionate expansion of public or private consumption to the detriment of investment, obliges such plans to be postponed for a more favourable occasion.

Such is the nature of the psychological obstacles which frequently prevent a concept such as that of a development policy, the need for which is fully recognized, from achieving practical reality and from finding expression in a programme for which the State establishes the basic conditions and offers the necessary incentives to induce private enterprise to help to fulfil the fundamental objectives of the programme.

VI

I do not wish to imply that these are the only negative factors of a psychological nature. The uncertainty of the future always weighs on the minds of those responsible for economic policy. During the last three agreeable weeks in Colombia, we have been able to appreciate the perplexing problems of future coffee prices. We brought with us, for discussion with local experts, a detailed report on the obstacles to Colombia's development and on future prospects. Projections of the possible rates of economic growth during the next twelve years have also been prepared, a preliminary estimate of investment requirements computed and an analysis made of the structural changes deemed indispensable to attain these rates of growth.

But all these projections are based on the assumption that coffee prices will not fall below a certain level. It might well have been assumed that a much sharper drop would take place. But such a hypothesis would imply the destruction of the bases for the long-term economic action involved in a development programme. It would indeed have been a very strange idea to programme a crisis in producer countries! Yet such crises represent the decisive factor. If the recent frosts in Brazil had not

curtailed the crops, over-production and a sharp price decline would have already set in. The problem has not been solved; it has merely been postponed. As a security measure for what may prove to be the not so distant future, discussions at a very high level, which have recently taken place between Colombia and Brazil, have begun to weave the subtle fabric of what at the right moment may become the international web of mutual understanding. The atmosphere of good-will thus created will take account of the interests of both producer and consumer countries, rejecting the misleading illusion of transitory advantages.

Only a few years ago, it was customary to accuse producer countries of failing to take full advantage of the possibilities of expanding production! Only a relatively small proportion of the resources of the main coffee producers has been spent on rehabilitating or extending plantations. What would have happened if a larger share had been used for this purpose, to the detriment of other types of investment?

There is another question which has more profound implications for the dynamic force of these countries. What would be the result of a sharp rise in the productivity of coffee plantations, given the present situation? Would the benefits deriving from greater productivity take the form of increments in wages and in other sources of national income? If this were so, it would be essential that the surplus labour resulting from higher productivity should not be employed in further production by extending the plantations. It should therefore be absorbed in industry and services in so far as it were not required in other branches of agriculture. But industrialization is only very slowly fulfilling its dynamic function, and in the meanwhile any technical progress in coffee production would be in danger of transferring its benefits to the international market.

There has thus been a lack of strong incentives for an improvement of techniques in coffee production. If economic development and the subsequent growth of real wages in the main producing countries should create these incentives, it would not be possible to forecast whether productivity would increase in the coffee sector as in other branches of agriculture. If this did not occur, the rise in real wages would give an upward impulse to the terms of trade for this commodity. Such was the process in the United States, the intensive development in that country causing a rise in real wages in all occupations, including those activities in which there has been no technical progress whatsoever. As Stuart Mill pointed out during the last century, in the final analysis, world prices for coffee are very low in relation to the large labour input required for its production. Consumer countries must therefore be prepared to face the possible consequences of a change in the values of human labour as a result of the economic development of the producer countries.

In any event, these are very long-term phenomena, and an analysis of the prospects for the international regulation of coffee can no longer be postponed, despite the substantial difficulties.

VII

These circumstances show that a rational economic development policy requires firm support from measures of international co-operation. The United Nations has devoted constant attention to this problem, in relation both to prices and to international technical assistance

and investment. Previous ECLA reports have underlined the need to expand the flow of such investment and, in the light of the explicit declarations on this subject at the Meeting of the Ministers of Finance or Economy held at Rio de Janeiro, it seems probable that suitable projects and well-conceived development programmes will meet with a favourable reception from international credit organizations.

But how can the hindrances to the preparation of these programmes be overcome? The longer I observe the actual state of affairs in Latin America, the more I am convinced that—apart from certain out-dated objections—a fundamental defect in administrative organization at the national level is involved. Some Latin American countries have already accumulated valuable experience in this connexion, which might lead to very useful conclusions.

Economic planning cannot be left in the hands of the same authorities responsible for solving the immediate problems of the economy. It calls for an independent group of technical experts, who must, however, work in close contact with the authorities in question, since the existence of a strict inter-dependence between immediate and long-term economic problems is corroborated by the fact that it is the responsible Ministers themselves who must take final decisions in both cases.

At the discussions just held in this country, we were gratified to observe that the way has been cleared for satisfactory programming concepts. The Minister, Mr. Villaveces, in a recent article, the *Contralor de la República*, Coronel Novoa, and the *Director de Planeación*, Dr. Ortiz Lozano, in the course of our own round table discussions, have all made categorical statements in this connexion. If such ideas are actually put into practice, Colombia's experience will constitute a source of profitable inspiration for other Latin American countries.

VIII

Another point is that these problems require a special methodology. And here I must again refer to the work of the secretariat. At the fifth session, held at Rio de Janeiro, we were entrusted with the task of continuing the analysis of the problems of development programming. The technique of analyses and projections presented at the meeting has therefore been put to the test in two specific cases, namely, that of Brazil and that of Colombia, to which latter I have already referred. A report on each country is being presented to this sixth session. In Brazil, we had the pleasure of forming a joint group with economists of the *Banco do Desenvolvimento Economico* and the advantage of utilizing the valuable information which this institution had at its disposal. I hope that the analyses and projections thus prepared may serve as an over-all framework in which the development plans for sectors or areas will be incorporated, until the formulation of a complete programme has been achieved.

In Colombia, we have been able to go still further. Apart from the data compiled on the public sector—where we met with unhesitating and stimulating co-operation—we have had opportunities for first hand observation, both of agriculture and industry, as well as of other vital domestic activities. If our report is a faithful reflection of the facts, this is largely due to the pains we have taken to acquaint ourselves with them directly.

We wished, however, to be sure that we had really succeeded in doing so. Together with the *Dirección de*

Planeación—to which we are particularly grateful—we organized a series of round-table meetings to discuss with eminent Colombians the conclusions we had reached. In the course of these conversations we received the benefit of criticism, comments and suggestions which will prove invaluable for the preparation of the final report. Moreover, we were also able to explain the nature and scope of our methodology and the significance of our conclusions for the practical task of economic programming. Our report is intended to assist in promoting Colombia's development, and this is what the authorities hoped when they offered us their invaluable collaboration.

What, then, are these practical conclusions? This is not the place to discuss them in detail. Suffice it to emphasize some which are of interest to other Latin American countries.

First among these are the inferences to be drawn from the tendency towards external disequilibrium involved in development itself. Even if favourable prospects are assumed for Colombia's exports, the reports show that there is likely to be a serious future disparity between the growth of demand for commodities at present imported and the country's capacity to import, which mainly depends upon exports and their relative prices. Consequently, so that Colombia's development may proceed without periodical external disequilibria, it appears essential to pursue a firm policy of import substitution. Such a policy, however, cannot be a mere repetition of what has been done in the past. Except for some agricultural commodities and a few manufactured products, the substitution process must evolve so as to include increasingly difficult and complex branches of production. Colombia has almost exhausted the possibilities of the simple substitution of domestically manufactured for imported consumer goods, and must progress, first to the replacement of raw materials and intermediate goods, and then to that of capital goods. For this last purpose the country already possesses an iron and steel industry for which the outlook is highly promising.

Secondly, reference must be made to the conclusions on agriculture, and particularly to those relating to the co-ordination of agricultural development with industry and other activities. An estimate was made of the effort required in agriculture, of the increases in productivity to be achieved and of the prospects for attaining them, so that this sector may not lag behind the country's other activities, within the various hypotheses of growth which have been postulated. The conclusion was also reached that the same labour force at present employed in Colombia's agriculture would be sufficient to meet this expansion and that any increment in the active population could be channelled towards industry and services.

Thirdly, the projections of growth contained in the report will enable the magnitude of specific investment programmes to be defined, particularly in the energy and transport sectors.

Clearly, aggregate projections cannot provide accurate statistics of investment requirements, since these can only be determined on the basis of a series of projects. But it is possible to give provisional figures for the capital required according to possible rates of economic growth, and for the contributions from foreign sources required to achieve a specific investment coefficient.

I do not believe that the last word was said at the round-table discussions on this preliminary report on Colombia's development. The time was too short and

the material too extensive. But I do consider that we are now in a position to revise the report and to eliminate many of its obscurities and defects.

A noteworthy characteristic of the round-table discussions was the absence of purely theoretical debate. Import substitution was discussed without the emergence of the traditional controversy on industrialization, which might, indeed be out of date in the case of Colombia; this situation acquires still greater significance when it is recalled that only a few years ago a report by a group of international experts opposed the establishment of the steel-making industry because its costs would exceed those of imports. Such a consideration cannot be allowed to act as a determinant. An import substitution policy must be based on a different economic criterion. Given specific substitution requirements, which replacement activities will lead to the maximum increase in national income, by absorbing both the increment in the active population and the labour force displaced from agriculture as productivity rises? It is ECLA's opinion that once the Paz de Rio steel mill has been enlarged, it would only be possible to consider this industry anti-economic if it could be shown that there were other import substitution activities which could yield a greater product with the same investment, even though its costs might exceed those of imports. From a longer-term aspect this possibility does not seem to exist, for, as I have just explained, the country will have to begin with the complex process of replacing certain capital goods.

In this connexion, I hope the research which is being carried out on Latin America's mechanical and metallurgical industries and on the prospects for their development in specific countries, including Colombia, may be of value to this country. The fifth session requested us to undertake this study, which will form the basis for a meeting of experts at Sao Paulo, Brazil, in 1956, similar to the pulp and paper conference held in Buenos Aires at the end of 1954. At both meetings, as at others, we have enjoyed the valuable collaboration of the United Nations Technical Assistance Administration.

Our satisfaction because discussion was concentrated on the practical problems of development does not mean that ECLA's economists are no longer spurred on by those theoretical aspirations which from the very outset have inspired our work. On the contrary, we are still intent on formulating theories of development which are in sufficient keeping with reality to serve as a rational basis for action; in other words, we want to deal with facts in accordance with a reasoned and systematic concept of economic policy.

X

The method of projections has also been applied to the first over-all description of the problem of energy ever presented to the Commission. This was an unfortunate gap in our studies, and the report in question is a first attempt to fill it. We have also lacked regular studies on transport, and I hope that the first analyses on this subject will be presented at the seventh session. As to the energy problem, the projections have enabled us to form a preliminary impression—still somewhat sketchy—of the growth of demand in Latin America for the next few years, as well as of the prospects for meeting it. For this purpose, an analysis of the known sources of energy was made, together with estimates of the capital

required to remedy existing deficiencies and to satisfy future demand. If the Commission deems it advisable, the description of the various aspects of the energy problem contained in this report might serve as a point of departure for further studies and, eventually, for expert meetings to clarify specific points, with the collaboration of the Technical Assistance Board, represented here by my distinguished colleagues, Messrs. Martínez Cabañas and Goldschmidt. Of these topics I wish to mention only the waste of energy, which in Latin America has attained disquieting proportions. The consumption of energy generally represents barely 3 to 4 per cent of industrial production costs, and there is consequently no strong incentive to lower this figure; but it implies such a heavy burden on the foreign accounts of many Latin American countries that I have no hesitation in ranking this among the productivity problems of Latin America to which the highest priority should be accorded. A similar priority should also be given, in my opinion, to a survey of available hydro-electric resources, the study of which is essential if the integral and co-ordinated utilization of these basis resources is to be planned in full awareness of all the factors involved.

XI

A special chapter in the present report was devoted to atomic energy, in so far as it was possible to deal with this topic before the memorable conference recently organized by the United Nations at Geneva. Yesterday the Secretary-General explained the vast significance of this subject as a whole for countries in process of development. Findings on the peaceful uses of atomic energy, whether obtained in government laboratories or scientific centres, will not remain exclusively in the hands of individual countries, but will be made available to all nations, so that they may reap the great economic benefits accruing from such discoveries. Moreover, the United States, with remarkable foresight, has even begun to give technical assistance to some Latin American countries and has signed agreements concerning the utilization of atomic energy; similar assistance has also been offered by the United Kingdom in its relevant publication. It seems probable, therefore, that the techniques for the peaceful use of atomic energy and the many applications deriving from nuclear fission will be available to the Latin American governments and private entrepreneurs alike, and according to the characteristics of each country, one or the other—or both—will be able to put them into effect. Private enterprise in the United States is already preparing to use atomic fuel in the production of electricity in cities such as New York. I see no fundamental reason why the Latin American entrepreneur, if aided by international resources, should not tackle this problem with the same determination, especially in those countries where the high cost and the shortage of the traditional fuels make the utilization of atomic energy an economic proposition. Of course this is not an immediate problem; it will be necessary to wait for some years until several economic aspects of the question begin to take clearer shape. But preparations must be made in good time and advantage must be taken of the possibilities of technical training which are already being so generously offered to the countries in process of development. In this task the United Nations Secretariat might collaborate to valuable effect.

XII

We are consequently at a significant stage in a far-reaching process, namely, the transfer of the modern

techniques of production from the more advanced centres to the periphery of the international economy, where a large proportion of the world's population works at a low level of productivity. The conviction that the flow of private economic activity in the international field was far from sufficient to attain this objective led the United Nations and the United States to organize their technical assistance services for the economically under-developed countries. The United States had actually solved this problem with exceptional efficiency within their continental territory. The Government had long ago become aware that farmers could not carry out their own technological research in the same way as large industrial units; it thus organized this activity for their benefit. A genuine process of socialization of agricultural techniques took place, whereby the new procedures—whether evolved in public or in private scientific centres—were made available to whomsoever cared to use them, and were thus placed at the service of private initiative.

The urgent problem of increasing Latin America's productivity can be stated in similar terms, although local conditions are more difficult and heterogeneous. And no less indispensable than technological research for agriculture, is a vast and organized effort on the part of industry and other activities to adapt and assimilate up-to-date production techniques at a much faster rate than that hitherto prevailing. This task is a complex one in all its aspects. It is still undoubtedly in its first experimental stages, both on account of the limited resources in play and because the best methods to be followed are still being energetically sought.

Soviet scientists are already discussing atomic radiation as a means of increasing the fertility of the soil. But in large areas of Latin America the primary stage of using simple fertilizers to restore the productivity of the soil has yet to be reached, or—and this is still more serious—the control of erosion is proceeding only on a very limited scale, while the pronounced depletion of the soil goes on apace. We shall therefore be seeking to adopt new techniques when we have not yet assimilated processes which have been available to us for a long time.

XIII

The magnitude of this problem is very great. It is not enough to recall how little has been done in relation to current requirements; it is also necessary to forecast inevitable future needs. Some days ago, while discussing the same subject at a meeting of the Economic and Social Council of the United Nations held in Geneva, I thought it opportune to quote some figures which, though only conjectures, do give an impressive idea of the extent of the problem of absorbing techniques. Latin America's active population will increase by about 50 million inhabitants during the next twenty-five years, and will thus exceed that of the United States. This labour force will not be employed in the same occupations as at present. Substantial structural changes will have to take place, the direction and nature of which have been repeatedly explained in our reports. The technical training of the considerable body of persons who will enter active employment poses a formidable problem. I do not believe that in our countries—save in some isolated cases—a clear and distinct notion of the size and significance of this problem has yet been attained. Broadly speaking, there is still a marked discrepancy between the technical training effort—at all levels—and the actual requirements of economic development. Usually, little is being done, and that little does not always involve wise provi-

sion for the future. In addition, there is another matter of serious concern. The 50-million increase in the active population will coincide with an aggregate rise in the population that may amount to 275 million inhabitants in the next quarter of a century. What will this mean in terms of the demand for foodstuffs for this additional population and for raw materials to supply industry which must develop considerably? Undoubtedly a vast degree of expansion. I hope that during the next session we shall be able to make some contribution towards solving this problem. In the meanwhile, it may safely be asserted that in the agricultural sector technological research is not being encouraged sufficiently to enable the land to be more fully exploited in Latin America in the future than during the past quarter of a century, when the nutritional standards of a large proportion of the population have scarcely improved at all. Nor will the impetus given prove adequate to cope with the large prospective increment in the population without causing serious bottlenecks, since it is expected that the rate of demographic growth may not decline for several decades, to judge by the historical experience of more advanced countries.

XIV

We are in full agreement with FAO as to the urgency of accelerating the technical progress of agriculture. Our viewpoints have been expressed in a joint report on the selective expansion of Latin America's agricultural production in relation to economic development, which is being submitted to your consideration. Apart from the intrinsic interest of its contents, this report offers clear proof of the close co-operation between both organizations. In this respect, I have the pleasure of calling attention to the presence of Dr. Boerma, Director of the Economic Division of the specialized agency in question. He and Mr. Saco, Chief of the Joint ECLA/FAO Programme in Santiago, will give their valuable assistance in the discussions of the Agricultural Committee.

XV

I must also express my pleasure at having with us Mr. Royer, Deputy Director of the GATT. It is the first time that such a distinguished representative of this international body has attended one of our sessions. Mr. Royer will be able to clarify more than one aspect of the problems faced by the GATT, which are outlined in the chapters on this subject included in our second report on inter-Latin-American trade.

This second report, requested at the fifth session, in addition to making a more detailed analysis of intra-regional trade and its possibilities, includes a preliminary but very significant analysis of the series of obstacles caused by maritime transport to the development of inter-Latin-American trade. All this seems to me to bring us nearer to concrete action, and I cherish the hope that our report will provide a solid basis for the discussion on international trade.

Emphasis has been laid on the fact that a policy of import substitution must be combined with measures aimed at facilitating inter-Latin-American trade. The agreements concluded in this respect in recent years hold out promising prospects, and it is to be hoped that advantage will be taken of this initial experience to widen the sphere of trade, while simultaneously constructing a progressively multilateral system. This is also one of the primary objectives of the Central American Economic Co-operation Committee, of which the Secretary-

General spoke yesterday in most encouraging terms, and a report on whose work is submitted for the consideration of the delegates.

I also take great pleasure in welcoming the President of the Inter-American Economic and Social Council and the officials accompanying him. Their presence among us strengthens those bonds of collaboration and mutual understanding which were so clearly manifested at the recent Conference at Rio de Janeiro.

XVI

To penetrate subjects of such importance is to incur the risk of becoming too prolix and abusing the patience with which delegates have listened to me, and for which I am most grateful. I will forestall this danger by bringing my remarks to a timely close. But I should feel myself unworthy of the trust reposed in me by this great international organization, if I did not once again allude here to a subject which is constantly in my thoughts. In the face of the urgent problems that I described at the outset, in the face of the critical situations that call for emergency remedies. I sometimes wonder if our attention is not straying too far from those fundamental problems of development whose solution takes time to implement and must therefore be sought without delay. There are current problems which can no longer be solved as satisfactorily as might have been the case in the past. This failure is irremediable. Every attempt must be made to ensure that it is not repeated in the future. Now is the time to anticipate the problems which already exist in embryo; and a development policy must be based upon such foresight. This does not mean that ECLA studies will disregard immediate difficulties; on the contrary, these will also have to be the object of careful attention, not only with a view to seeking solutions, but above all, in order to maintain the required contact with the facts as they are and not as we should wish them to be; to introduce, in short, an element of vigorous realism into the analysis of development problems.

To the fulfilment of our task we have brought earnest endeavour and profound convictions. Latin America is in the throes of the struggle to overcome the inhibiting complexes and to throw off the outworn formulae which imperil the free evolution of its vital impulses. For this reason our work is not confined to a dispassionate and objective attempt to ascertain the real state of affairs in the countries in question. ECLA's economists are inspired by something more than a mere technical zeal. In our research, in our practical action and in our work of persuasion, faced as we are with the formidable challenge of contemporary technique, we are moved by the profound desire to see our efforts helping to implant higher forms of economic life and better social relationships in the spacious terrain of Hispanic civilization. This ardent ambition can be realized, at the present critical juncture of Latin America's history, only if we succeed in grasping the great motive forces that sway economic development and learn to use them methodically, with intelligence and foresight, and without indulging in the beguiling improvisations which arbitrary impulses suggest. To this should perhaps be added that boldness to which allusion was made yesterday by our distinguished colleague Mr. Guillermo del Pedregal, to whom we offer our cordial thanks for his inspiring words; that boldness combined with discretion, I would add, and that selfless steadiness in the pursuit of the aims proposed, without which inevitable failure is wont to attend upon the great enterprises of community life.

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