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ECONOMIC COMMISSION FOR LATIN AMERICA

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ECONOMIC AND SOCIAL COUNCIL
OFFICIAL RECORDS: THIRTY-SECOND SESSION

SUPPLEMENT No. 4

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structures, when these have priority by virtue of being a retarding factor in agricultural development ;

2. To recommend to the ECLA secretariat and to FAO that the study on the problems of agricultural economy and land reform in Latin America which it has been agreed to carry out in collaboration with the OAS on the proposal of the latter, should make suggestions which will assist Governments in determining measures of national policy and of joint action at the regional level with a view to overcoming, without contravening the relevant political constitution of each country, the institutional obstacles to the development of the agricultural sector presented by existing agrarian structures, and promoting the rapid growth of this sector in the light of the requirements of the economy as a whole;

3. To request the ECLA secretariat and FAO to give special priority to the study of the problems connected with the regional integration of agriculture, and on the basis of their findings, to hold meetings, to be convened by the ECLA secretariat, of government officials and representatives of private economic sectors, for the purpose of formulating, at the technical level, specific proposals for multilateral action, and undertaking such other activities as will enable Governments to adopt pertinent decisions of economic policy in this field.

12 May 1961

183 (IX). Agriculture and balanced economic development

The Economic Commission for Latin America,

Considering that the adverse effect on overall economic development of the lack of balance between the development of agriculture and that of other sectors of the economy is recognized, and that the ECLA secretariat has mentioned in its various economic studies the negative repercussions on economic development caused by the slow rate of development of industry, owing to its deterrent effects on the growth of demand for goods produced by other sectors and on that of the productivity of labour,

Bearing in mind that the objectives of agricultural development include the fuller utilization of resources, the expansion of domestic production of foodstuffs and agricultural raw materials, an increase in productivity, and the adoption of measures to bring about a real improvement in rural living conditions,

Realizing that the attainment of these economic development objectives in respect of agriculture may be hindered, *inter alia*, by inefficiency and high operating costs in certain activities connected with the marketing of agricultural commodities and by equally high costs of some types of industrial production, which give rise to internal price structures unfavourable to the agricultural sector, from the standpoint either of the items which farmers must purchase if they are to intensify their production or of the direct consumer goods which the rural population needs on a large scale in order to improve its levels of living,

Considering that in certain cases such consequences derive from the application of policies to encourage

development which have not been devised in the context of a balanced economic development policy,

Recommends that the secretariat supplement the analyses it has undertaken in collaboration with FAO on the negative effects of unbalanced development in the various economic sectors by investigating the effects on agricultural activity resulting from uneconomic processes in other sectors or from the application of policies which lower the income of the rural sector or have not been devised in the context of a balanced economic development policy.

12 May 1961

184 (IX). Planning methods and experience

The Economic Commission for Latin America,

Having examined the secretariat document (E/CN.12/584) which contains a progress report on the work of the Advisory Groups and deals with practical problems of economic development planning,

Considering how useful it would be for member Governments to receive information on the experience of countries as regards the application of methods of planning economic and social development and with respect to administrative machinery for the formulation and implementation of plans, as well as for the preparation of measures of socio-economic policy,

Decides :

1. To take note with satisfaction of document E/CN.12/584, presented by the secretariat, on the experience of the Advisory Groups and the practical problems of economic development ;

2. To request the secretariat to amplify this document in order to provide information

(a) On methods of formulating and applying overall, regional and sectoral plans, mainly for agricultural, industrial and transport activities, and on experience therein ;

(b) On the various institutional, administrative and technical systems currently employed in formulating and implementing plans and in preparing measures of economic and social policy.

13 May 1961

185 (IX). Regional seminars and technical meetings on planning

The Economic Commission for Latin America,

Having examined the document on international co-operation for an economic development policy in Latin America (E/CN.12/582), and the document on the experience of the Advisory Groups and the practical problems of economic development (E/CN.12/584),

Considering the Latin American countries' need to exchange ideas on practical methods of planning economic and social development policy and to learn what progress has been achieved and what experience acquired by the various countries in these respects, not only

as regards the formulation of plans but also in matters relating to their implementation and supervision,

Taking into account how useful it would be for Governments to consider mechanisms for the formulation and execution of public budgets, so that these may become, where appropriate, efficacious instruments for putting Government investment projects into practical effect,

Bearing in mind the necessity for the analysis and exchange of experience in respect of the organization of governmental, administrative and technical agencies, so that the measures of economic and social policy which are formulated may be applied within a cohesive framework of overall policy, and it may be possible to evaluate on a continuous basis economic conditions and the efficacy of the measures designed to achieve the proposed objectives,

Decides:

1. To take note with satisfaction of document E/CN.12/582, on international co-operation for an economic development policy in Latin America, and of document E/CN.12/584, on the experience of the Advisory Groups and the practical problems of economic development;

2. To recommend to the secretariat that it organize, at the earliest opportunity, jointly with the Organization of American States and in collaboration with the United Nations Technical Assistance Programme, regional seminars and technical meetings to discuss the methodological and practical problems of planning;

3. To recommend that such seminars and technical meetings be attended primarily by representatives of national planning and budget offices or other agencies doing similar work or carrying out basic analyses for planning purposes, and by qualified experts;

4. To recommend that at these meetings priority be given to the study of the following topics:

(a) Mechanisms for the formulation and execution of public budgets, with a view to converting them, where appropriate, into effective and direct instruments for the implementation of development programmes;

(b) Administrative and technical organization for the formulation and execution of plans;

(c) Methods of formulating overall, regional and sectoral long- and medium-term plans;

(d) Planning of public expenditure and, in particular, of public investment and the provision of social services.

13 May 1961

186 (IX). Fiscal policy

The Economic Commission for Latin America,

Taking note with satisfaction of the preparatory work carried out by the secretariat, the Organization of American States and the Inter-American Development Bank, in co-operation with the Harvard University Law School International Programme in Taxation, with regard to proposals for a long-range programme for studying the bases for a reform of tax systems with a

view to using them as instruments of fiscal and economic policy,

Considering the need of the Latin American States for resources wherewith to undertake, as a matter of urgency, intensive capital formation in the basic sectors of the economy,

Bearing in mind that the tax system may be a valuable instrument of co-operation in a policy designed to promote the more equitable distribution of income and to facilitate the financing of economic development programmes,

Considering that such a system may be conducive to a more efficient use of the land, such as will increase its productivity,

Decides:

1. To request Governments to give their support to the studies which are being developed by the sponsoring agencies in connexion with the tax reform and fiscal policy programme, and, in particular, to collaborate to the fullest extent possible with the experts who will be appointed to carry out the work of study and research on the tax systems in force in the Latin American countries;

2. To request the secretariat that the above-mentioned tax programme make express provision for the need to improve tax administration and yields, as well as to study the bases for a tax system which will mitigate the external vulnerability and inelasticity of these systems, and will serve as an instrument of policy which may promote, in combination with others, the improvement of income distribution and land use, and, in short, may constitute a valuable adjunct to economic development programmes;

3. To request Governments that they facilitate the attendance of national experts at the two conferences which are being organized under the above-mentioned programme, one to be held in October 1961 on tax administration, and the other in April 1962 on fiscal policy.

13 May 1961

187 (IX). Population problems

The Economic Commission for Latin America,

Considering that the factors relating to population change, structure, redistribution and characteristics have frequent and complex repercussions on economic and social development, and that demographic studies make a substantial contribution to the body of information required for formulating economic and social development programmes,

Expressing its satisfaction at the work carried out by the Population Commission and the Population Branch of the United Nations in the field of demography, and at the co-operation established between the ECLA secretariat and the Latin American Demographic Research and Training Centre in respect of studies and assistance to Governments in that field,

Decides:

1. To recommend that the regional demographic programme of the United Nations be intensified, if