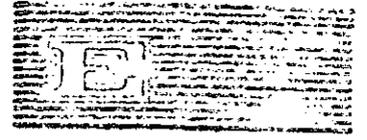


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LATIN AMERICAN CONFERENCE ON INDUSTRIALIZATION
Mexico City, 25-29 November 1974

REPORT

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BACKGROUND

1. The ECLA secretariat convened the Latin American Conference on Industrialization, in compliance with resolution 341 (AC.66) of the Eight Extraordinary Session of the Committee of the Whole of the Commission (United Nations Headquarters, New York, January 1974), to "examine and evaluate, in the light of Latin American experience and the internal and external difficulties experienced by the countries of the region, particularly those which are less industrially developed, the problems of industrial development in a regional context and the need for international co-operation with regard to industrialization and its prospects and in particular the role of UNIDO in this co-operation".
2. Another prime objective of the Conference was to help the Latin American countries to prepare a possible regional position for the Second General Conference of UNIDO, which will be held in March 1975 in Lima, Peru, in pursuance of resolutions 2952 (XXVII) and 3087 (XXVIII) of the United Nations General Assembly.
3. Subsequent to the adoption of the resolutions convening the regional and world conferences, the General Assembly adopted resolutions 3201 (S-VI) and 3202 (S-VI), which contain respectively the Declaration on the Establishment of a New International Economic Order and the associated Programme of Action. The latter says that "all efforts should be made by the international community to take measures to encourage the industrialization of the developing countries", to which end steps should be taken to bring about, inter alia, "a new international economic structure which should increase the share of the developing countries in world industrial production". In pursuit of this objective, "the developed countries and the agencies of the United Nations system, in co-operation with the developing countries, should contribute to setting up new industrial capacities including raw materials and commodity-transforming facilities as a matter of priority in the developing countries that produce those raw materials and commodities". The resolution also states that "all activities of

Part I

ORGANIZATION OF THE CONFERENCE

Duration of the Conference

5. The Latin American Conference on Industrialization was held at the headquarters of the Mexican Ministry of Foreign Affairs at Tlatelolco, Mexico City, from 25 to 29 November 1974.

Attendance

6. The Conference was attended by the representatives of 24 Member States of ECLA, observers from two non-member States, representatives of United Nations specialized agencies and other intergovernmental and non-governmental organizations (a complete list of the participants is given in Annex II of this report).

Opening Meeting

7. At the opening meeting, held on the morning of 25 November in the Tlatelolco Auditorium in the presence of H.E. Dr. Luis Echeverría Alvarez, President of the Republic, statements were made by H.E. Mr. José Campillo Sainz, Minister of Industry and Commerce of Mexico; H.E. Mr. Alberto Jiménez de Lucio, Minister of Industry of Peru, who thanked the Mexican Government for its hospitality on behalf of the participants and offered the hospitality of Peru for the forthcoming World Conference in Lima; Mr. Enrique V. Iglesias, Executive Secretary of ECLA; and Mr. François Le Guay, representing UNIDO.

8. After these statements, the President of Mexico called upon his Minister of Foreign Affairs, Mr. Emilio O Rabasa, to set forth for the participants the aims and principles of the Charter of Economic Rights and Duties of States and review the situation regarding the text and adoption of the Charter in the United Nations General Assembly. The President of Mexico then officially declared the Conference open.

/Election of

13. The Working Group was set up at the first plenary meeting and elected the following Officers:

Chairman: Jorge Ramírez Ocampo (Colombia)

First Vice-Chairman: Carlos Eduardo Echeverría (Costa Rica)

Second Vice-Chairman: Jorge Cárcamo Bravo de Rueda (Peru)

Rapporteur: Colonel Richelieu Levoyer (Ecuador)

Closing Meeting

14. At its closing meeting, the Conference took note of and approved the present provisional report and authorized the secretariat to give it its final form and subject it to suitable editing before distributing it to Governments.

15. Statements were made at the closing meeting by Mr. Vicente Diaz, Under-Secretary of Economy of Honduras, who spoke on behalf of the assembled delegations, Mr. François Le Guay, representing UNIDO, Mr. Enrique V. Iglesias, Executive Secretary of ECLA, and H.E. Mr. José Campillo Sainz, Minister of Industry and Commerce of Mexico.

1. Recent trends in Latin American industry

20. In their statements on recent trends in industry in their respective countries, several delegations said that although Latin America as a whole had attained growth rates rather higher than the target set in the IDS, Latin American manufacturing had not managed to increase its share of the world production of manufactures in the last decade and its levels of industrialization per capita had fallen behind with respect to those of the industrialized countries. It was noted that the data on this matter were of a very global nature and were influenced by the performance of the industrial sector of just a few countries.

21. One representative even questioned whether the true objectives of the IDS had really been reached. Even if the rate of 8 per cent had been exceeded, it might well be that the spirit of the Strategy was not being complied with, inasmuch as that rate had been achieved at the cost of the impoverishment and exploitation of the masses and was only to the advantage of a small minority of the population and a few transnational enterprises.

22. Several representatives agreed that in the past industrialization had been one of the most dynamic forces in the process of economic and social development because it was capable of achieving a high rate of growth, promoting and absorbing technology, passing on its effects to other sectors of the economy and raising the levels of income and employment. One delegation stated that at its meeting in March 1974, the Committee on Development Planning had emphasized the prime importance of industrialization as an instrument of economic development, thus dispelling doubts arising from the realization that industrialization could lead in certain circumstances to neglect of agriculture and did not necessarily bring solutions to the problems of poverty and underemployment, and in addition to provoking situations of external strangulation.

23. Another delegation said that, whatever significance was attached to the process of industrialization, it was a very noteworthy fact that the developed countries now represented, and had represented for

/the past

27. One delegation expressed the view that the fact that dependence on a single large power in the economic, financial, trade and political fields had been replaced by a number of different poles of power - especially the entry on the scene of the Arab oil-exporting countries, whose needs and motives were different from those of the great consumption economies - would have repercussions difficult to foresee on the Latin American industrial scene.

28. The representative of UNIDO stated that it was necessary to draw up a balance between the long-term prospects of Latin America and those that could be foreseen in the more immediate future, especially in the light of the problems of world inflation, the shortage of inputs for industry, and the recessive tendencies of the industrialized countries. The measures to be taken by the latter countries in order to overcome those problems would undoubtedly affect the prospects for industry in the developing countries.

29. On behalf of the member States of the Central American Common Market, one representative said that in the 1960s there had been significant changes in the production and trade in manufactures by those countries, but that advance had slowed down, partly because of shortcomings which had arisen in the integration process, and the efforts being made by the Central American governments were aimed at correcting those faults.

2. Industrialization policies

30. With reference to industrialization policies and strategies, the participants drew attention to the notable progress made in recent years in defining objectives and priorities, as well as in the formulation of a series of instruments for their implementation.

31. Many of the participants stated that industrial development was indissolubly linked with social justice. It should therefore be included in a global policy which envisaged economic and social structural changes covering also the agricultural, commercial and service sectors, as well as taking into account the interdependence between the developing

/and developed

resulting in the identification and formulation of specific projects. Studies of that type had the advantage of going more deeply into the analysis of programme presentation and making the programmes more specific in character, so that a link between individual producers and the more general plans could be established. They also served as a co-ordinating framework for international and interregional projects and programmes and helped to promote co-operation between the public and private sectors, while at the same time contributing to the improvement of the process of the development and transfer of technology, by improving the functioning of industrial policy, promotion and planning bodies and assisting the planning of specific industries.

38. The Conference received a wealth of information on industrial promotion laws from several participants, some of whom indicated the branches of industry and the types of products which were being given priority.

39. In describing the industrial policy of his country, one participant stated that, in essence, it consisted of planned, integrated and decentralized development in which four sectors operated in harmony: the public sector, which covered industries such as iron and steel, cement, paper, fertilizers, metal products, and basic chemical products; the self-managed sector, represented by a new sector of public ownership which received priority assistance from the State and was made up of enterprises owned by the workers; the jointly managed sector, made up of former private enterprises in which the workers now had a 50 per cent holding; and the private sector, made up of small enterprises.

40. Several representatives drew attention to the desirability of taking decisive steps at the Latin American level to define uniform principles governing the flow of foreign capital and the transfer of foreign technology. Among other things, such steps would help the countries of the region to improve their bargaining power by correcting their position of subordination vis-à-vis the supplier countries.

/41. Several

enterprises. Thus, while the direct foreign investment component of the total flow of resources for industrial financing gave rise to various kinds of comments, it was generally agreed that foreign private investment must play a role which was compatible with the goals and objectives of the economic and social development of the countries, and it must be complementary and favourable to greater participation by national and regional investors.

46. According to one delegation, foreign private investment not only failed to solve but actually aggravated the problems of underdevelopment. It could scarcely be said that transnational enterprises contributed really new capital for development, since their investments were made up of reinvestments of the profits of their own local branches plus capital obtained from local sources. That manner of operating had led to a growing process of denationalization of the economies, particularly in the manufacturing sector.

47. Another representative maintained that such negative experiences should not cause the conference to lose sight of the growing interdependent nature of the present world economy and the role which flows of capital consequently had to play. He suggested that what was necessary was to eliminate rigidities and adopt systems which, without impeding the flows of financial resources, enabled them to be channelled in accordance with national interests.

48. The observer of CICYP said that foreign capital had played an important role in the development of some countries when it had been clearly regulated and directed. The policy in that connexion, while it could not be one of indiscriminate opening of the economy to foreign capital under a laissez-faire system, could not be one of closed doors either.

49. Suggestions were made in the Conference that specific measures should be taken, especially at the regional level, to ensure that the investments made by transnational enterprises did not distort the development process. Among the suggestions made by various delegations were the unification of policies as regards the treatment of foreign investments and the transfer of technology; the adoption of systems to

/permit the

54. It was also stated that the import substitution process was showing clear signs of weakness which were reflected to varying degrees in different countries, and that because this process had evolved under conditions of excessive protectionism, structures tended to be rigid, costs high, and productivity low.

55. With regard to the export of manufactures, the pattern varied according to the size of the countries and the natural resources available. In the case of exports of goods from the more dynamic industries (metal, electrical and chemical products), the larger countries could take advantage of the opportunity to establish their industrial development on sounder bases and enjoy the multiplier effect of the latter throughout the economy. On the other hand, in the smaller countries, the export of manufactures was a means of establishing themselves as producers of special products; success in this respect would, however, depend on the quality achieved in these lines.

56. It was felt that a close examination of the contribution that each industrialization pattern could make to economic and social development was required in order to draw up the respective strategies and lay down the principal guidelines for the instruments needed for implementing them.

57. It was also stated that income distribution and the demonstration effect imposed patterns of consumption - and of industrialization - whose benefits did not extend to all sectors of the population but only to special groups and privileged areas which, in addition, acquired a high capacity for the consumption of luxury goods.

58. The conclusion was reached inter alia that the proper instrumentation of national industrial policy, the improvement of sub-regional integration schemes and the creation of stronger links between the different schemes would open up new possibilities for the import substitution of more technically complex products and greater economies of scale.

referred to the duty of all Latin American countries to defend and protect the interests of such countries of which there were so many in the region.

64. It was pointed out that certain characteristics were common to the productive structures of those countries. The external sector was predominant as a generator of growth: to greater or lesser degrees they were small export economies which depended on the processing of a few primary products for international markets. They also displayed a low degree of industrialization, a weak economic and social infrastructure, a negative balance of payments, limited State participation in economic development, and inadequate exploitation of natural resources.

65. In order to solve the problems facing that group of countries, it was indispensable that the international community grant them preferential assistance of the type provided for in the International Development Strategy and the Declaration and Programme of Action for the Establishment of a New International Economic Order.

66. In that connexion, a group of countries represented at the Conference requested preferential treatment from the agencies providing technical and financial assistance. They also voiced the desire that such special treatment should be provided by both the industrialized and the developing countries.

67. However, some participants insisted that, in the final analysis, the way in which those countries overcame the obstacles to their development, and their success in doing so, would depend on the level and nature of their individual efforts. Such efforts should include, for example, the more efficient mobilization of domestic resources and greater consistency in planning.

68. As far as national industrial development strategies were concerned these would have to reflect the conditions prevailing in each of the countries, and should define the appropriate combination between potential and actual resources, foreseeable demand for manufactures in domestic and regional markets, and the financial requirements and possibilities for widening the industrial base.

industrialized countries the limited access of Latin American manufactures to the markets of developed countries, and the problems and special conditions affecting the transfer of technology to developing countries.

74. One participant said that, in addition, the industrialized countries might have to resort to protectionist measures, in view of the difficulties which they themselves were encountering, with a consequent unfavourable effect on Latin American export flows.

75. A delegation stated that it would be necessary to make efforts of every kind and at every level of international co-operation to achieve a sustained rate of growth capable, as suggested by another participant, of bringing about a fair and equitable relationship between all countries. The point was made that this could obviously not be left to the free play of market forces.

76. International co-operation should be reorganized so as to meet its new objectives. Such readjustment should cover co-operation with developed countries, co-operation with developing countries - particularly within the framework of regional integration schemes - and co-operation from international agencies providing technical and financial assistance for industrialization.

77. Another delegation thought that the time was ripe to embark upon a reorganization of international co-operation, since a new era in international economic relations had begun. The approval by the United Nations of the Declaration and Programme of Action for the Establishment of a New International Economic Order was the most serious attempt ever made by the international community to establish a new economic structure which also took into account the fundamental principles for which the developing countries had been fighting for several decades.

78. The same delegation stated that the proposed measures should not only be directed towards mitigating the difficulties being faced by many developing countries but also aim at establishing an international economic system based on justice and security for all so as to enable the countries to enjoy accelerated and harmonious development.

79. However, the process of reorganizing the international economic order would be neither easy nor rapid, and both the developed and

/developing countries

86. The establishment of Latin American multinational enterprises as a means of strengthening the integration process received the support of several delegations.

87. There was also general agreement among the participants that special importance should be attached to integration as a means of substantially improving the bargaining strength of Latin America vis-à-vis the developed countries, transnational enterprises and financing institutions.

(b) Co-operation between developing countries

88. The Conference heard numerous views on the need for co-operation among developing countries. It was considered that this was necessary not only in the field of trade, but also in the fields of investment and joint industrial ventures either at the level of groups of countries or on a bilateral basis.

89. The joint project between Mexico and Jamaica, under which the energy resources of the former were combined with the bauxite and aluminium of the latter in an integrated mining/industrial complex, was cited as an example.

90. One participant felt that it was necessary to stress the duty of the developing countries to provide markets for their own manufactures so as to assist their industrial development processes.

91. Thus, it was emphasized that a considerable proportion of the purchasing power of those countries was being directed towards products of the industrialized nations and that a substantial part of such purchases could be made within Latin America itself or in developing countries in other areas. It was generally agreed that the developing countries were accordingly not using to the full an important factor of assistance for their own industrialization processes.

92. One delegation proposed that industrialization projects should be identified in which the countries of the Caribbean and of the remainder of the region could participate jointly, and that ECLA - in consultation with other regional bodies - should carry out studies indicating the specific branches which offered the best possibilities and should make the appropriate recommendations at a meeting to be convened for that purpose.

100. With regard to the problem of access to markets, one representative requested that, at the forthcoming Lima Conference, both UNIDO and UNCTAD should adopt the necessary measures for widening the preferential schemes applied by the developed countries, and that the countries currently meeting in Mexico should express their disapproval of, and reject, the attempts of any industrialized country to exclude any developing country from the benefits of its preferential scheme.

101. The application of the Generalized System of Preferences gave rise to various comments, all of which coincided in the opinion that the system should be strengthened and revised so as to constitute a major factor of assistance to Latin American exports.

102. The UNCTAD representative advocated the improvement and broadening of the system to make it more dynamic and to overcome its limitations, among which the quota system was mentioned. He also expressed his concern - which was shared by other participants - over the non-participation of the United States in the system.

103. The representative of the European Economic Community referred to the measures being taken in the EEC to promote the sale of manufactures from developing countries on its markets, and noted that such measures had been adopted even though the member countries were experiencing balance-of-payments difficulties.

104. With regard to possible links between integration systems, the representative of a member country of COMECON expressed his country's desire to act as a link between COMECON and a Latin American scheme which it could possibly join in the future.

(d) The New International Economic Order in the industrial field

105. There was general agreement that, if no changes were introduced in the existing structure of international economic relations, it would not be possible to remedy injustices, to narrow the gap, or to solve the problem of under-development, with the result that existing inequalities would continue indefinitely.

106. In this connexion, one delegation noted that the industrialized countries, with 30 per cent of the world population, generated 93 per cent of the world manufacturing product, which left only 7 per cent for the remaining 70 per cent of the population.

/107. It

114. Another participant stated that UNIDO should play an important part in identifying these possibilities and, in general, in co-ordinating industrial activity at the international level. Therefore, its autonomy should be increased, its functions reorganized, its powers widened and its resources augmented so that it could meet the new needs of the developing countries and, simultaneously, contribute effectively to the establishment of the New International Economic Order in the industrial field.

115. On the same subject, another delegation expressed the opinion that the establishment of the New International Economic Order would require the decisive and concerted action of all countries as well as that of the components of the United Nations family, particularly UNIDO. The latter, should therefore become a specialized United Nations agency and its capacity to provide technical and financial assistance to the developing countries should be strengthened.

116. The UNDP representative indicated that his organization was considering with interest the proposed strengthening of both UNIDO's structure and its functions and financial resources. With respect to industrial development, he also stressed the importance of finding new ways, through a Latin American/Caribbean technical co-operation system, of taking joint action on common problems with the human, technical, material, and financial resources available to the region.

117. Other delegations also indicated their support for more active participation by UNIDO in the promotion of industrial development, and requested ECLA to increase the scope of its action in the industrial field by uniting its efforts with those of that organization.

118. They also requested the ECLA secretariat to intensify its efforts aimed at the periodic evaluation of the industrialization process in Latin America and to co-operate in the formulation of the relevant strategies and priority programmes.

119. With respect to the establishment of the New International Economic Order, several participants stressed the need for the United Nations to adopt the Charter of Economic Rights and Duties of States and - also at the international level - to adopt a code of conduct governing industrial property and the transfer of technology.

the last plenary meeting discussed at length the text which had been submitted to it by the Working Group and which - although in general terms it received wide support among the delegations - gave rise to a number of reservations and alternative texts. The version adopted by the Conference appears in Part III of this report; however, several delegations requested that specific mention should be made of certain points of view which they expressed in the course of the debate.

125. The delegation of Colombia, which had proposed that the Working Group should include a paragraph (as point (f)) in the section relating to measures at the regional level later withdrew its proposal and merely requested that the text of the paragraph should be included as an observation in the summary of the proceedings. This text is as follows: "Promotion of transport (especially maritime transport) among Latin American countries, with the avoidance, as far as possible, of bilateral agreements with third countries and institutional obstacles that prevent, hinder or diminish the possibility of transport in ships bearing the flags of the region".

126. The Chilean delegation, which in the Working Group had expressed some reservations on points of terminology, stated that it recognized that in the course of the discussions many of its objections had been smoothed down, and for the sake of consensus and in order that the document should have Latin America's unanimous support, it would therefore express no reservations in that respect. More than as a reservation, however, it wished to formulate some points of concern regarding the process of industrialization which, in its view, were not brought out with sufficient force in the document, and requested the Chairman to arrange that the text submitted to him should be attached thereto (see end of Part III of the present report, page 45).

127. The representative of the United Kingdom submitted the following written text, which he requested should be recorded in the account of proceedings:

"The British delegation, in keeping with the United Kingdom's traditional policy of support for ECLA and for UNIDO, is attending this Conference to observe the preparations for the Second General Conference in Lima next year. As observers and as

/non-regional

the delegation of the United States and others had been excluded, and that it would be transmitted to the UNIDO meeting as a statement of the views of the Latin American countries.

132. He noted that some of the ideas expressed in several paragraphs of the document were unacceptable in their present form to the United States Government. It was not the time to go over the Declaration point by point, but the absence of any reference to international law or international obligations in paragraph 6 was a matter of some concern. He wished to make it clear that the attitude of his delegation at the Conference did not affect in any way the negotiations being conducted in the United Nations on the Charter of Economic Rights and Duties of States.

133. The Rapporteur, in reading the account of proceedings, said that the foregoing statements and reservations would be included in the final version of the report, together with the record of the last plenary meeting, and requested the participants to authorize the secretariat of ECLA to draft the section in Part II of the report that dealt with subjects discussed after the document had been presented. It was decided that the secretariat should wait one month to receive any observations or corrections ¶/ from the Governments of Member States, and the report presented by the Rapporteur was adopted.

¶/ All those received by the ECLA secretariat have been incorporated in the present revised version of the report. This last section was prepared on the basis of the actual words of the communications received at the last plenary meeting and of the taped version of the discussions; an attempt has been made to summarize, but the secretariat hopes that nothing important has been omitted.

social participation of their peoples in industry and in the benefits deriving therefrom, so as to achieve the objective of real social justice conducive to standards of living that are in keeping with the rights and dignity of human beings;

Recalling that international economic relations have experienced profound and repeated crises which have drawn attention to the shortcomings and limitations of the traditional systems of production;

Noting with concern the serious disruptions which are affecting the world economic system both in its monetary and financial aspects and in respect of the supply of food, energy, raw materials and capital goods, and which are all the more serious now that there is worldwide awareness of the urgent social needs which exist and expectations have been awakened as a result of the rapid evolution of technology which have shortened the deadlines for the elimination of such problems;

Bearing in mind that, despite the notable progress that has been made in recent decades, Latin America has in many cases continued to display external dependency as regards the export of a few primary products and the activities of the countries at the centre, and there has not been any profound and dynamic impact capable of changing the domestic socio-economic structures and thus establishing the bases for genuine development.

Taking into consideration the fact that some Latin American economies thereby attained a certain degree of growth but failed to achieve the genuine and self-sustaining development that the region requires;

Considering that while many of the obstacles to industrial expansion are of domestic structural origin, there are also numerous obstacles that derive from long-established or new forms of dependency on the developed world;

Bearing in mind the stagnation and even reduction observed in the public international technical and financial assistance provided by the industrialized countries for promoting the development and industrialization of the Latin American region;

/Aware that

3. That while Latin America's present share in world industrial production is only 3.4 per cent, they are resolved, in the light of the qualitative proposals made in the present Declaration, to raise this share to at least 13.5 per cent by the year 2000;

4. That it is necessary to reaffirm the significance of the process of industrialization as a means of promoting development; maintaining and raising the rate of economic growth, improving the standard of living of the Latin American countries and bringing about their more adequate participation in the international economy;

5. The need for the Latin American governments to improve their measures for promoting industrialization and mobilizing the region's human and physical resources both at the national level and within the framework of the economic co-operation systems;

6. That every State has the inalienable right to exercise effective control and permanent sovereignty over its natural resources, both terrestrial and marine, and to exploit them by any means suitable to its situation, including nationalization, in accordance with the legislation of each country, and that no State must be subjected to any kind of economic, political or other coercion designed to prevent it from enjoying the full and free exercise of this inalienable right;

7. That the effective control of natural resources and the harmonization by the developing countries, severally and jointly, of their policies for exploiting them are essential prerequisites for their industrial, social and economic progress;

8. That the international community, and especially the developed countries, must mobilize human and material resources to deal with the problems standing in the way of the conservation of non-renewable resources and the environment;

9. That the Governments of the developed countries must perform in full the responsibilities incumbent on them under the International Development Strategy and the Declaration and Programme of Action on the Establishment of a New International Economic Order facilitate the processes of trade liberalization, make a more decisive contribution

/to the

15. That the principles and guidelines contained in the present Declaration constitute the Latin American position in the international negotiations which are to be held, especially at the Second General Conference of UNIDO;

16. They therefore propose the following Plan of Action comprising the measures described below.

1. Measures at the national level

The objectives of the proposed national policies for the promotion of industrial activity are based on recognition of the fact that industrialization continues to be one of the fundamental factors in the development processes of the relatively less developed countries.

Real industrial development must take place within the framework of a process based - subject to the special features of each country - on the economic and social structural transformations which may be necessary in the agricultural, industrial and service sectors of the developing countries. The objective must not only be to secure and increase in production and productivity, but also to achieve social justice and a reduction of the social costs of production. Industrial development in the developing countries based on this new outlook should lead to an equitable redistribution of the means of achieving the material and spiritual well-being of society, to the improvement or, where appropriate, redefinition of the relationships of production, and to the creation of social models freely determined by each country in the light of its national objectives.

Domestic industrialization policies must therefore take into account the need for an adequate distribution of income, which, inter alia, will make possible the rapid expansion of domestic markets, so that industrial growth will also be conducive to the attainment of the objectives of raising the standard of living and eliminating marginality and unemployment.

Moreover, reference must be made to the urgent need that national industrialization policies should take into account action at the international level to permit genuine co-operation between the various

/nations and

- (f) Make sure that there is a suitable balance in the development of the various sectors of economic activity, emphasis being placed on the need to ensure that the promotion of industrialization does not take place to the detriment of primary sector activities;
- (g) Take care that the development of the industrial sector is carried out in a harmonious manner, with suitable links with the international market but without encouraging any forms of dependence;
- (h) Strengthen domestic machinery for the appraisal of the International Development Strategy and the Programme of Action for the Establishment of a New International Economic Order and for the general and industrial planning of each country;
- (i) Broaden the scope of financial and other machinery designed to protect and stimulate small and medium-sized industry and basic manufactures;
- (j) Intensify all levels of programmes for training available human resources;
- (k) Stimulate scientific research, technological innovation and industrial standardization within the context of national development plans and programmes.

2. Measures at the regional level

As regards the measures to be taken in Latin America, the following objectives should be taken into account:

- Harmonization and co-ordination of economic policies, especially in the industrial field, and the fullest utilization of the possibilities for industrial complementation, with due attention to economies of scale and specialization. Such complementation should be based primarily on the possibilities and needs of each country, so as to bring about more harmonious, balanced and rapid industrial development in the region as a whole.

/- Strengthening

research in collaboration with the governments of the region with a view to the detailed study and definition of the measures referred to in paragraphs (a), (b), and (c) above.)

- (d) Strengthening of machinery for the provision of financial support both for trade and for the various industrial co-operation instruments of Latin America. Such financial machinery should take into account the need to establish Latin American multinational enterprises in the basic sectors of industry and exports as soon as possible.
- (e) Establishments of differential treatment favouring the relatively less developed countries of the region in all decisions taken in the industrial field within the various regional and sub-regional economic integration schemes. In addition, the industrially more advanced countries of the region should make every effort to place their resources and experience at the service of the relatively less developed countries in such aspects as the following:
 - (i) Technical assistance in project preparation;
 - (ii) Transfers of know-how;
 - (iii) Joint research programmes on industrial matters of common interest;
 - (iv) Establishment of joint enterprises by developing countries for the exploitation of resources suitable for industrial processing and the transport of manufactured products;
 - (v) Financing of industrial projects in relatively less developed countries;
 - (vi) Granting of special facilities for the importation of manufactured products originating in relatively less developed countries.

4. Measures to be taken between the developed and developing countries

The reorganization of international economic relations on the basis of principles of equity and justice requires a new kind of relationship between the developing and developed countries. To this end, the following mechanisms and measures are recommended:

- (a) With regard to trade, the tariff and non-tariff barriers and sliding-scale tariffs applied by the industrialized countries which prevent the access of products from developing countries to their markets should be eliminated. In this connexion, the generalized system of preferences should be applied, expanded and improved by the incorporation of new products and the elimination of non-tariff barriers which prevent full advantage being taken of it. In addition, the developed countries should adhere to the strict principle that the system of preferences applied by them cannot be used as an instrument of political or other pressure on the developing countries. The multilateral trade negotiation in GATT must take account of the interests of the developing countries and be based on principles of non-discriminatory and non-reciprocal preferential treatment.
Furthermore, it must be recognized that it is perfectly legitimate for the developing countries to apply incentives to industrial production for export so as to make such production competitive at the international level.
- (b) As regards maritime transport, agreement should be reached that a substantial proportion of the industrial production of the world, and especially of the developing countries, should be carried by ships of the latter countries.
- (c) Agreement should also be reached that a substantial proportion of the ships constructed in the world should be built in shipyards of the developing countries.

/(d) The

- Technical assistance programmes for the benefit of the developing countries should be expanded.
 - Technological know-how or advanced technologies, whether patented or not, should be placed at the disposal of the developing countries, either free of charge or on equitable commercial terms, taking into account the specific development requirements of the recipient countries. In this connexion, greater information is indispensable in order to permit a suitable choice from the technologies developed in all the economic and social areas of the world.
 - An industrial and technological data bank should be set up.
 - An international code for the transfer of technology should be formulated and approved as soon as possible.
 - International legislation on patents and trade marks should be revised with a view to making this an authentic means of assistance for the developing countries.
- (f) Measures should be adopted by the governments of the developed countries to prevent investments made by those countries in developing areas (especially investments by transnational enterprises) from posing obstacles to healthy economic development. In this connexion, the approval of the International Code of Conduct for Transnational Enterprises currently being discussed by the United Nations is a matter of great urgency.
- (g) Special measures should be adopted for the least developed, landlocked and island countries at both the interregional and regional level, due note being taken that the principal responsibility in this process belongs to the highly industrialized countries.

Note

When the foregoing text was approved at the last plenary meeting of the Conference, the representative of Chile requested that the following statement should be appended to it:

"The delegation of Chile wishes to place on record the fact that, while in agreement with the general principles of the Declaration, it would have liked it to reflect a greater spirit of self-criticism in the analysis of the causes of Latin America's under-development and to include some mention of the lack of clear and original development models and of progressive locally-inspired projects that would enable decisive action to be taken against the efforts at penetration made by the various groups of developed countries vying with each other for the economic and ideological hegemony of the world.

"The Chilean delegation also notes that there is no mention of an aspect which it considers to be of basic importance in industrial development: namely, the managerial or entrepreneurial capacity to generate, propose, organize and put through new production projects. This capacity is of equal importance regardless of the political and economic models or systems which countries may decide to apply in exercise of their sovereign rights, and we consider that it is necessary to give maximum impetus to the training of personnel to this end and the establishment of machinery designed to make full use of this capacity where it already exists."

DRAFT RESOLUTION SUBMITTED BY THE LATIN AMERICAN CONFERENCE ON
INDUSTRIALIZATION AS A PROPOSAL TO THE SECOND GENERAL
CONFERENCE OF UNIDO (LIMA, MARCH 1975)

(Text approved at the last plenary meeting)

The Latin American Conference on Industrialization, meeting in Mexico City from 25 to 29 November 1974, proposes to the Second General Conference of UNIDO that it should adopt the following draft resolution on the link between permanent sovereignty over natural resources and the industrialization of the developing countries:

"The Second General Conference of the United Nations Industrial Development Organization,

Recalling United Nations General Assembly resolutions 523 (VI) of 12 January 1952, 626 (VII) of 21 December 1952, 3016 (XXVII) of 18 December 1972 and 3172 (XXVIII) of 17 December 1973 on permanent sovereignty over natural resources;

Recalling in particular resolution 2692 (XXV) of 11 December 1970 which "reaffirms the right of peoples and nations to permanent sovereignty over their natural wealth and resources, which must be exercised in the interest of their national development and of the well-being of the people of the States concerned";

Also bearing in mind that the above-mentioned resolution reaffirms that "the exercise of permanent sovereignty over their natural resources by developing countries is indispensable in order that they may, inter alia, accelerate their industrial development" and stresses in this respect "the important role of the appropriate organizations of the United Nations system in the promotion of specific industrial projects dealing with the natural resources of developing countries";

Recognizing that the exercise of the permanent sovereignty of States over their natural resources at all stages, from initial extraction to marketing and including their industrial processing, strengthens their economic independence and the maintenance of international peace and security;

/Affirming that

and 3016 (XXVII), but also to the functions entrusted to it in General Assembly resolution 2152 (XXVI);

1. Energetically reaffirms the right of States to permanent sovereignty over the totality of their natural resources, both on land and in the sea, including those which are located on or below the sea-bed and in the overlying waters within their national jurisdiction.

2. Recommends the Industrial Development Board of the United Nations Industrial Development Organization to include in its sessions a permanent agenda item on UNIDO's activities aimed at collaborating with the developing countries in the exercise of their permanent sovereignty over their natural resources and the effects observed on their industrial development.

3. Recommends in particular that the tenth session of the Industrial Development Board should be presented with a report prepared by the Executive Director of UNIDO on:

- (a) The function that the United Nations Industrial Development Organization can discharge in the application of resolutions 2692 (XXV) and 3016 (XXVII) regarding the permanent sovereignty of the developing countries over their natural resources;
- (b) The close link between the exercise of sovereignty over natural resources, and especially over mineral resources related with the industrialization of developing countries, and the opportunities for broadening their utilization and assisting their optimum and independent use to further economic and social development in general and industrial development in particular;
- (c) The most suitable forms and mechanisms for enabling the UNIDO long-term strategy to bring about the gradual broadening of the activities of that Organization, including assistance to developing countries in the exploration and utilization of their natural resources for the purpose of industrialization;
- (d) The co-ordination of the activities of the United Nations Industrial Development Organization with those of the Committee on Natural Resources and the Resources and Transport Division of the United Nations Department of Economic and Social Affairs.

ANNEXES

Annex I

ADDRESS DELIVERED BY THE EXECUTIVE SECRETARY OF ECLA,
MR. ENRIQUE V. IGLESIAS, AT THE
FIRST PLENARY MEETING

I have great pleasure in addressing this Latin American Conference on Industrialization, convened by the ECLA secretariat in compliance with an express mandate of the member Governments of the Commission, to serve as a forum for preparing the region's contribution to the debates at the Second General Conference of the United Nations Industrial Development Organization (UNIDO), which is to be held in Lima in March 1975.

It has been a great privilege for the secretariat to have had the opportunity of working to this end, and we deeply appreciate UNIDO's close co-operation and the hospitable goodwill shown by the Government of Mexico through its Ministry of Industry and Commerce.

The present meeting, moreover, is in line with the ECLA secretariat's policy of collaborating with the governments of the region in their preparations for those events of world interest in which Latin America is called upon to play a salient part.

Few topics can be of such importance for the region's present and future development as that of industrialization, and few have engrossed so much of ECLA's thinking and action in the past. Accordingly, in recent months the opportunity afforded us by the forthcoming UNIDO Conference has become a focal point of our research and reflection by which we set great store.

The international framework of the World Conference
on Industrial Development

1. The United Nations's proposed review of ideas on world industrial development and, specifically, international co-operation is to be made at a particularly crucial moment for the world economy. We are at a veritable turningpoint in the post-war course of events. The signs in the ascendant are doubt, uncertainty and radical change in the mise-en-scène in which we have been working and formulating our

economic and social development which takes into account the increasing interdependence of national development processes and the international situation.

In other words, discussion of the industrialization question is meaningful only if it is conducted within the framework of overall development strategy and of the corresponding policies determined and defined by each individual country, in accordance with its economic and social goals.

5. Unquestionably, in the last quarter of a century Latin America has made giant strides in the direction of industrialization; indeed, in some cases - as is strikingly exemplified here in Mexico - the advances achieved have been nothing short of spectacular. Who could deny that this robust industrial development effort has been a cornerstone of the region's economic and social progress?

I am not going to weary you with indexes of production, of capital formation, or of the share of Latin America's manufacturing output in the total regional product. Suffice it to stress the fact that - notwithstanding all the disparities between countries and sub-regions - these indexes far outstrip comparison with any in the rest of the developing world.

6. To reach this stage, Latin America has vigorously pursued a path along which "ideas" and "events" have been mutually complementary.

In the initial phase, events outran ideas. This happened after the Second World War, when industrialization theory was a mere rationalization of what had actually been taking place in most of the economies of the region. Such was the case with the industrial development based on import substitution that is so familiar to you all. In other instances, it was ideas that blazed new trails, which later became the beaten tracks trodden in the daily round. The same thing occurred in the next stage of the industrialization process, which integrationist theory aimed at promoting; and again in the current phase, which might be described as one of "internationalization", and in which the initial ideas regarding the need to open up the economy to the outside world have been assimilated

and concepts which urged the need for industrialization, and which gradually evolved in accordance with the changing internal and external circumstances of Latin America's development.

10. What is of interest is to take a backward look at the region's rich and varied history in order to reap the benefit of lessons which only the intransigence of dogmatism could ignore. It is as well to recall that they are all object lessons a posteriori, bodies of evidence which were not at the disposal of those who had to adopt the decisions and interpret the phenomena concerned ten, fifteen or twenty years ago; and that, moreover, current discussion of the problem is conditioned by the radical changes in the international scene, many of which were not anticipated or predicted either in Latin America or in the developed economies. For example, if any one had contended about halfway through the 1950s that the chronic shortage of dollars was to be replaced by what is known as the dollar glut, he would certainly have been confined in a sanatorium for raving-mad economists. As the saying goes, we are all wise after the event. The difficulty lies in the fact that those who have a given picture before them can catch only glimpses of the future and must necessarily base their opinions and verdicts on the indications afforded by the present and, above all, on the apparent guidance offered by the past.

After these brief preliminary reflections, let us proceed to a rapid separate assessment of each of the great "idées-forces" which gave impetus to Latin America's industrial development in the past.

Industrialization based on import substitution, cornerstone of post-war industrial development. First "idée-force" in the industrialization process

11. Immediately after the Second World War - when the "old international economic order" of Bretton Woods had already been established -, the peripheral countries were faced with two options supported by differing points of view. On the one hand, there were some who believed that the new circumstances counselled a return to former growth patterns, and therefore considered that industrialization

past, and that arduous efforts and the clearing-up of many misunderstandings and distortions were necessary before they could strike root in the collective consciousness. And, as always happens in polemics, other aspects were overlooked or points of discrepancy were too heavily stressed.

15. At all events, industrialization took place. As such it necessarily implied import substitution, either because it involved the elimination or restriction of purchases of certain foreign goods, or because it affected potential imports that might have been brought in if the alternative or substitute lines of production had not been developed.

16. In order to make industrialization possible, protectionist measures were applied, which pivoted upon the management of exchange controls, handled under the additional pressure of the chronic shortage of foreign exchange prevailing in almost all the Latin American countries. The aim of these controls was to make the available supply of foreign exchange compatible with demand for products from abroad, priorities being established in accordance with economic or social criteria. Of course, import substitution in Latin America did not involve a contraction of imports. On the contrary, because of its expansionist effects on income and its requirements in respect of external components, inward-directed development acted as a spur to demand for imports. Paradoxically, therefore, an apparently restrictive policy stepped up relations with the outside world, or - to view the problem from another standpoint - established a different system of dependence with respect to external influences.

17. Viewed from a distance, import substitution policies have been the target of a number of criticisms, many of them valid. Plenty of mistakes have been made. We have been gradually learning from experience, and today we are indubitably far better prepared than we were twenty years ago to pass judgement on the excesses of indiscriminate protectionism or the dangers of industrialization at any cost. But who could refuse to recognize that it was those

20. It is my honest belief - and world experience fully bears it out - that this was a false dilemma. It is perfectly possible to devise a system of economic policies in which the two processes (inward-directed growth and export expansion) complement and reinforce each other. Latin American development, however, might be alleged to have reflected a certain trade-off or quid pro quo between industrialization based on import substitution and outward-directed development. It is worth while to attempt a historical reconstruction of the stages through which Latin America has passed, in order to obviate the distortions caused by distance and situate the ideas concerned in the context in which they were generated.

21. It can be no surprise to anyone that at the end of the 1940s, with the consolidation of the post-war adjustments, the opportunities offered by the sale of primary commodities were viewed mainly in a rather pessimistic light. This opinion was based on still vivid recollections of the great depression and the years that followed it, as well as on apprehension as to what the superseding of the United Kingdom by the United States as the pivot of the world economy might signify, since - inter alia - the latter country was one of the leading producers of food and raw materials.

It must be frankly admitted that the growth of exports really did exceed expectations, although it was still far from sufficing to meet the needs of the peripheral countries. But it was offset or counteracted by the evolution of the terms of trade. The fact remains that over the whole period - except in the last few years - the share of Latin America as a whole in world exports declined, until by 1970 it had dropped from 11 per cent to little more than 5 per cent.

22. We are well aware that in Latin America various industrialization instruments and policies have been prejudicial to the commodity export sectors, particularly through the terms of trade. But "one swallow" - as I remember the proverb - "does not make a summer".

In our opinion, the essential point at issue is that world demand for primary exports - at least until the beginning of the

In other words - and with no intention to repudiate or ignore many criticisms and reservations respecting Latin America's industrialization process - the general conclusion may well be reached that substitution-oriented industrialization, far from having been an alternative or a hindrance to the opening-up of some economies, was envisaged in practice as a sine qua non for embarking upon the stage of broader and more outward-looking development.

Outward-directed industrialization: regional integration. Second "idée-force" in the industrialization process

25. In this second phase of the industrialization process, ideas up to a point preceded events. The initial tendency to shelve questions relating to the distribution and the role of non-traditional exports - which are certainly not dealt with in the analyses prepared in the early 1950s - was rectified before the decade closed.

In the first analyses of Latin American industrial development, up to 1953, ECLA called attention to the restrictive factors and other drawbacks implicit in a process which was carried out - according to the term coined by Mr. Prebisch - in "water type compartments". It indicated the limitations of closed import substitution, as well as of certain protectionist measures, the effects of which were bound to peter out as saturation point was reached in those fields of import substitution where the differences in productivity between the country concerned and the rest of the world were least marked.

26. In the report on the Latin American Common Market published in 1959 the following question was asked: "How, then, can the Latin American countries eliminate the bottleneck created by the shortage of foreign exchange?" There are in reality two ways open to them. One would consist in a considerable expansion of extra-regional exports of goods other than the traditional commodities; another would take the form of an expansion of inter-Latin American trade based on an accelerated substitution process in respect of imports from other parts of the world, but carried out at the regional level by means of more intensive trade in traditional commodities.

/"The first

In any event, the institutional mechanisms established still remain, together with the links that have been forged between the entrepreneurial sectors, and even the expansion of intra-regional exports - especially of manufactures - achieved by some countries.

The potential capacity of more flexible and imaginative integration systems is still a possible source of support for the industrial development of Latin America.

"Internationalized" industrialization: third phase in the industrial development process

28. In the late 1950s and early 1960s the ideas that advocated the region's broadening its relations with the outside world through its participation in the international export trade in manufactures were already beginning to take shape. Suffice it to recall ECLA's own analyses at that time in favour of industrial exports, and the institutional battle that was waged for the liberalization of trade flows and the opening-up of the developed countries' markets. All these found their point of convergence in the creation of the United Nations Conference on Trade and Development (UNCTAD) in 1963, with which the governments and the secretariat of our Commission were closely linked.

This whole approach was reflected in a number of recommendations and decisions relating to the establishment of market conditions and the promotion of preferential treatments which would make it possible to widen our industrial horizon. The events which followed, through the operation of these and other factors, gained a momentum undreamt-of in the original theories.

Latin America's capacity to open up new markets and diversify its industrial exports has been frankly remarkable. Cases in point are afforded by Argentina, Brazil, Colombia, Mexico and other countries of the region.

Several dynamic factors conjoined to this end: the energy and imagination of the Latin American entrepreneurs; the adoption of efficacious policies in the field of subsidies, and realistic exchange rates; the action of the great transnational corporations; and, in

29. Sensitiveness to outside influences is inevitable in outward-directed development, and enters into any policy of that nature. In countries still in process of development and with an economic structure not yet sufficiently diversified, foreign trade fluctuations and international circumstances make themselves much more acutely felt.

Given the new dynamics of the industrial sector, it was logical and necessary that the import coefficient should follow a rising trend. As can be observed in the development of Latin America as a whole during the last few years, the import/product coefficient, which declined from 12.3 per cent in 1950 to 8.4 per cent in 1965, had climbed again to 10.5 per cent by 1972. In Brazil, for example, the growth rate of imports has been almost twice as fast as that of the product; while in Argentina it is 1.8 times as high.

When the structure of imports is fairly rigid, export trends are of even more vital importance. And it is a well-known fact that the structure of exports of Latin America is still far out of line with the quality of imports, and that exports of primary commodities remain paramount in the region as a whole and in the most dynamic countries.

30. In these circumstances, such problems as the rise in prices of energy and inputs, the fluctuations in those of raw materials and the emergence of new forms of protectionism in the great industrial centres, in conjunction with the slowing-down of their growth rates, have a direct impact not only on the balance of payments but, above all, on the relations of the whole of Latin America's production system - and in particular its industries - with the rest of the world.

Industry has been especially sensitive to the external situation, in consequence of the great changes in financial flows resulting from the withdrawal of certain types of short- and medium-term credit - so necessary to an expansion process - and also from more or less temporary shortages of particular raw materials, essential inputs and capital goods.

33. But there is another basic source of vulnerability with which future industrial strategy must deal. I am referring to the actual "quality" of industrial development, in terms of its capacity to serve the social objectives of our countries' integrated development. It is a fact that in the domestic market in recent years, the mainstays of expansion have been supplied by the upper and middle strata of Latin American society, and not exactly by the broad masses of the population.

This is attributable, in first place, to the intensive concentration of income to which the growth patterns adopted gradually gave rise.

Consumption of the goods - durable and otherwise - for which demand emanated from the upper strata of society expanded much more rapidly than the rest, and absorbed large proportions of the incorporation of technologies, of new investment and of production. Although this industrial growth structure is not without its dynamic effects on employment and income in sectors of the lower population strata directly or indirectly linked to industry, manufacturing as a whole does not receive the impetus it might be given if the middle and lower strata of society participated more fully in demand.

Not only does this type of growth tend to wear itself out, but also it has social connotations which are at variance with the objective of extending the benefits of progress to ever-broadening sectors of society.

A much more dynamic participation of the Latin American masses, by virtue of policies for income distribution and for the combating of extreme poverty, besides being a basic objective of any development programme, is a formidable potential in reserve for the industrial sector, which can and must find in such participation a great source of future expansion.

Moreover, this retarded capacity to produce industrial equipment has also weakened a major dynamic factor in regional co-operation. It is these backward sectors that most call for economies of scale and technological potential which can only be found in a regional market.

Thus a vicious circle has been created. The internal sluggishness in the production of capital goods has undermined integration capacity in these basic sectors; and the sluggishness of the industrial integration process has deprived these same sectors of some of their external incentives.

The only alternative in sight, therefore, is for each country to work out a pragmatical combination which will make it possible to broaden the bases of the domestic market considerably in order to create a new source of industrial demand; to speed up regional complementarity and co-operation; and to continue diversifying and expanding Latin America's means of access to the markets of the developed countries.

A cornerstone for the expansion of the bases of internal demand is agricultural development. Apart from the fact that in the agricultural sector are concentrated those population segments that are lagging farthest in the rear of social development in our countries, there is an enormous potential for the expansion of production, with a view both to increasing domestic consumption and to continuing to step up exports of the raw materials and foodstuffs of which the world stands in such need today. The support which the agricultural sector is giving to the balance of payments in the present international situation more than confirms this assumption. It stands to reason that income distribution and employment promotion policies have a fundamental role to play in this enlargement of the map of industrial demand, and I will not press this point further.

36. The identification of new areas for import substitution - particularly in the field of capital goods and basic inputs - seems to be one of the most obvious reasons for action deriving from the current international economic situation. For these purposes let us

critical phase of the world situation, through the promotion of mechanisms to defend national enterprise, exposed as it is to the vicissitudes deriving from further protectionist measures or to the lack of the financial resources which the world market used to offer it in the past.

39. The encouragement of national enterprise in Latin America and the quest for new forms of co-operation between the State and private enterprise are essential tactics in the campaign of which we have just spoken.

As events are already demonstrating, the great challenge henceforward is the need to seek new patterns of relationship between private enterprise and the State whereby the activities of both can be multiplied.

40. We take a wholeheartedly optimistic view of the future of Latin America. It is worth recalling once again that in this region external difficulties have coincided with brilliant spells of internal endeavour. The present situation and the period of transition which lies ahead of us should serve to stimulate imagination and make flexibility the keynote of our action.

CHILE

Representative: Fernando Leniz, Minister of the Economy

Members of delegation: Ernesto Espinoza, Antonio Tuset,
Sergio Montenegro

ECUADOR

Representative: Alejandro Rubio Chauvin, Minister of Industry and Trade

Members of delegation: Richelieu Levoyer, Raúl Nieto Jativa,
José Martínez

EL SALVADOR

Representative: Manuel Antonio Robles, Under-Secretary for the Economy

Members of delegation: Ernesto Recinos, Guillermo A. Roeder

UNITED STATES

Representative: Douglas Forman, Assistant Co-ordinator for Multilateral
Development

Members of delegation: Edmond N. Parsons, Clint E. Smith

GUATEMALA

Representative: Gustavo Barrios Flores, Adviser, National Council for
Economic Planning

Member of delegation: Carlos Molina Woolford, Deputy Minister of the
Economy

HAITI

Representative: Fritz Bazile, Secretary of Embassy

HONDURAS

Representative: Vicente Díaz, Deputy Minister of the Economy

Member of delegation: Roberto Valladares Barrientos

JAMAICA

Representative: P. J. Patterson, Minister of Industry and Trade

Members of delegation: Fernando Casaretto Alvarado, Jorge Cárcamo Bravo de Rueda, Jorge Fernandini, Raúl Pinto Alvarez, José Luis Garaycochea Bustamante.

UNITED KINGDOM

Representative: J. E. Galsworthy, Ambassador to Mexico

Member of delegation: D. L. Hardinge

DOMINICAN REPUBLIC

Representative: Fernando Periche Vidal, Executive Director, Dominican Export Promotion Centre

Members of delegation: Heriberto de Castro Sánchez, Tomás A. Pastoriza, Manuel E. Gómez Pieters.

TRINIDAD AND TOBAGO

Representative: Hector McClean, Minister of Labour, Social Security and Co-operatives

Members of delegation: Corinne A. Baptiste, Frank Thompson

URUGUAY

Representative: Juan P. Amestoy, Ambassador to Peru

Member of delegation: Martha Fernández Barnadá

VENEZUELA

Representative: Omar Baralt, President, Venezuelan Development Corporation

Members of delegation: Jesús Alberto Fernández, Eduardo Soto, Beatriz de Majo, María Angélica González, Doña de Lázaro

2. Observers from other United Nations Member States

BELGIUM

Representative: André Fontaine, Chargé d'Affairs in Mexico

UNION OF SOVIET SOCIALIST REPUBLICS (USSR)

Representative: Vasili P. Gromov, First Secretary, USSR Embassy in Mexico City

CARICOM

Beverly Watson

Commission of the European Communities (CCE)

Leopoldo Giunti

Permanent Secretariat of the Treaty for Central American Economic Integration (SIECA)

Roberto Mayorga Cortés, Alfredo Guevara Borges

Central American Research and Industrial Technology Institute (ICAITI)

Jose María Uribe

Central American Economic Integration Bank (BCIE)

José Félix García Rizo

Andean Development Corporation (CAF)

Raúl Franco

5. Non-governmental organizations

ILATA

Francisco Serna, Rodolfo Cervantes

CICYP

Rodrigo Llorente M.

ADELA

Rómulo González-Zubieta

Nº 9

Preliminary Note for the preparation
of a plan of action on
industrialization (UNIDO)

Nº 10

Final report of the joint
AILA-UNIDO-ECLA meeting