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MEETING OF EXPERTS ON THE FORMULATION
AND IMPLEMENTATION OF STRATEGIES FOR
THE EXPORT OF MANUFACTURES

Santiago, Chile, 26 July to 4 August 1971

DRAFT REPORT

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INTRODUCTION

1. The Meeting of Experts on the Formulation and Implementation of Strategies for Exports of Manufactures which was organized by the Economic Commission for Latin America, was held at the headquarters of the Commission in Santiago, Chile, from 26 July to 4 August 1971.

2. At its thirteenth session, the Commission considered (resolution 289 (XIII)) that the expansion and diversification of exports was of primary interest to Latin America in the formulation of a concerted action programme as part of an over-all development strategy within the context of the Second United Nations Development Decade. It therefore requested (resolution 290 (XIII)) that the secretariat should give special attention to studies, research and advisory services designed, inter alia, for the development and diversification of the production of manufactures and semi-manufactures, and urged (resolution 291 (XIII)) that it should intensify its work in the field of export promotion, with special reference to the problem of supply, marketing and financing. In compliance with these resolutions, at its fourteenth session, the Commission approved the proposal to organize the Meeting of Experts on the Formulation and Implementation of Strategies for Exports of Manufactures.

3. This project also responds to the desire expressed by several Latin American Governments to include the expansion of industrial exports as one of the main objectives of their respective development programmes. In order to achieve this objective within a reasonable period, it has been deemed necessary to apply a set of measures designed to improve the efficiency of production, marketing and financial activities and to adapt the functions and structure of public institutions to the requirements of this new export drive.

4. The Meeting was attended by Latin American specialists in industrial development, institutional organization and commercial policy, as related to export promotion; experts from outside the region, especially in the field of export development; and officials from several divisions of the Economic Commission for Latin America and other international organizations dealing with this subject.

5. The experts were invited by ECLA in their personal capacity, not as representatives of their Governments or of industrial, commercial or educational institutions to which they might belong.

6. The aim of the Meeting was to place before the experts for their consideration, certain elements of a strategy for exports, particularly aspects connected with industrial development, commercial, administrative and institutional policy, in order to obtain their views in the light of their technical experience in these fields.

7. A full list of participants will be found in annex I to the present report.

8. Mr. Pedro I. Mendive, Assistant Executive Secretary, welcomed the participants on behalf of ECLA, and stressed the existing interrelationship between the external sector, export promotion and economic development, within the framework of the over-all aim of improving living conditions in the countries of the region.

9. At the opening meeting, Mr. Elvio Baldinelli was elected Chairman, and Mr. Gerardo Bueno was elected Rapporteur. In addition, the following agenda was adopted, which served to guide the discussions and provide the framework for the present report.

I. Concepts, models and methodology of an export strategy.

II. Industrial development policies in the formulation of an export strategy.

III. Trade policies in the formulation and execution of an export strategy.

IV. Institutional aspects in the formulation and implementation of an export strategy.

V. Coherent, well-integrated, action-oriented export strategy.

10. In order to obtain an integral view of the problems related to the formulation and execution of an export strategy for manufactures, the agenda reflected the multidisciplinary approach adopted by ECLA's Export Promotion Programme and therefore included aspects dealing with industrial and commercial policy and the administrative and institutional machinery needed to implement the various measures designed to develop exports of manufactured products. The concrete objectives were as follows: to identify

/and analyse

and analyse the methodological problems posed by the formulation of a strategy to export manufactures; to exchange views and obtain recommendations with reference to measures of industrial, commercial and institutional policy designed to implement such a strategy within the socio-economic framework of the various countries of the region; and to discuss ways and means of mobilizing the public and private sectors, as well as public opinion, behind a clear and significant objective of increasing industrial exports.

11. The discussions were based on twenty-five working papers and eleven information documents, together with a guide to the debate in the form of a questionnaire. The complete list of documents is given in Annex II.

12. The Meeting provided an opportunity for the experts to exchange views and experiences, as a means of clarifying the complex problems that were the subject of discussion. From the debate and the documents presented, guidelines emerged for appropriate future action at the national (both public and private), regional and international levels.

13. The different economic structures of the countries whose experience was examined at the Meeting and the differences in the technical background of participants, made it possible to obtain information on a wide range of policies and strategies that could be applied in the countries, and served to enrich the contents of the present report.

14. It is hoped that the results and conclusions contained in this report will be useful to Latin American Governments in planning and implementing practical export strategies for manufactures and that they will serve as a positive contribution to the deliberations of future regional and worldwide meetings, particularly the third session of the United Nations Conference on Trade and Development.

I. CONCEPTS, MODELS AND EXPERIENCE OF COUNTRIES IN RESPECT
OF STRATEGIES FOR EXPORTS OF MANUFACTURES

The need for an export strategy

15. The experts recognised that there was an urgent need in Latin America to expand the volume of exports and increase the share of manufactured products. That objective, which might generally be regarded as comparatively new in the development model of the countries of the region, called for consideration of the possibility of introducing changes with regard to: (a) the relative importance assigned to import substitution, which had thus far been the main tool for achieving industrial development; (b) the type of instrument used by the public sector to guide entrepreneurial activities, both public and private, national and foreign; (c) the criteria followed in assigning investment in infrastructure; (d) the agencies responsible for devising and applying those instruments and criteria; and (e) the bases on which the international economic relations between countries had thus far been defined, as regards transactions of goods as well as of capital and technology.
16. In the past, official programmes to stimulate exports had frequently suffered from a lack of clear objectives, imperfect co-ordination among official agencies, inadequate support from the entrepreneurial sector, and the absence of an "export consciousness". As a result, export results were frequently sporadic and temporary rather than persistent and cumulative. Hence, the main task currently confronting governments was the design and mobilization of resources to accelerate industrial export growth in conformity with national goals.
17. The systematic planning and mobilization of resources required an export strategy. An export strategy provided a purposeful approach to the expansion and diversification of industrial exports. By giving a clear direction to the national export effort, a strategy could mobilize government and private enterprise in a collective effort. Furthermore, a strategy could lead to a more effective integration of export policy, instruments and measures, and to better co-ordination among the institutions involved in export development.

/Definition of

Definition of an export strategy

18. The experts discussed several definitions of an export strategy. There was a general consensus that it should comprise the following basic aspects: (a) a decision at the national level to expand industrial exports to a considerable extent; (b) capacity to devise, co-ordinate and apply a set of consistent measures to achieve export and other objectives; (c) ability to adapt the instruments employed by the public sector and to orient the action of enterprises and relevant public bodies in line with dynamic world demand and supply conditions.

19. The nature of the strategy would, therefore, depend on the circumstances affecting each of these elements, on the process of their elaboration and execution, and on their relative position in the framework of general economic policy.

20. The participants considered that it was essential for the strategy to be formulated in such a way as to serve as a guide for decision-making in the public and private sectors.

Conceptual models of an export strategy

21. With regard to the conceptual models of an export strategy, the Meeting considered several alternatives. One approach was to consider national export strategy as a comprehensive plan conceived and initiated at the highest level of decision-making in order to attain specific export objectives. Such a model consisted of four functional aspects: (a) objectives; (b) policy (mobilization of resources); (c) programme (operations); and (d) control. According to this model, export objectives should be considered in quantitative terms and in as much detail as possible. The mobilization of resources required an evaluation of the obstacles to exports at the enterprise level and a definition of the measures needed to overcome those obstacles.

22. The programme of operation comprised two major categories: export promotion services on the production or supply side, and commercial services on the market or demand side. It was recognised that these two sets of activities are highly inter-dependent at the enterprise level and that, over the longer term, production capacity should be created in response to market forces.

23. A distinction was made between short-term, medium-term and long-term objectives in this type of strategy, and stress was laid on the need for a control mechanism to evaluate systematically achievements against established goals. The main function of this strategy would be stimulation and support of private enterprise, consisting basically of identifying and evaluating export market opportunities and determining the characteristics of the products required, their prices, channels of distribution and promotion policies required.

24. Another approach considered export development as a system that has a number of interrelationships and interactions involving government, business and other economic groups. One of the key questions in such an approach concerned the type of export promotion system which would induce industrial, financial and trading enterprises to undertake a determined export effort. Short-term, medium-term and long-term targets were also contemplated in the "systems approach", but it was held that, in order to be realistic, and export strategy should take into account the countries' existing political, economic and social conditions, considering possible changes in the future. In this connexion, it was felt that countries could adopt either explicit or implicit strategies with different degrees of comprehensiveness in order to achieve the most effective results under the particular conditions of each country.

25. It was pointed out that, in formulating an export strategy, the major obstacles to export development in individual Latin American countries had to be identified. These included the lack of export consciousness; difficulties in supplying products for international markets at competitive prices and of satisfactory quality; overlapping and lack of co-ordination between export agencies; and over-valued exchange rates in some countries.

26. The degree to which an export strategy became explicit, detailed and quantitative depended upon conditions prevailing in the individual country. An explicit strategy, by laying down specific goals and policies, could serve as an important stimulus to the enterprise sector and the different public bodies concerned with exports. On the other hand, in some situations it might lessen the flexibility of the public sector in the administration of export development.

27. Account should also be taken of the temporal horizon of the export strategy. In this respect, one could speak of short-range, intermediate and long-range export strategies.

28. It was agreed that both the design and implementation of an export strategy could benefit from the practical experience of participants, since through learning by doing government officials and enterprise managers could enhance their capacity to initiate and improve strategies and concerted export drives.

Differences between countries

29. Independently of the exact scope of the concept of export strategy, there was consensus that its content would necessarily vary according to conditions in the various countries. The main differences between countries would consist in the size of the domestic market, the stage of industrialization reached, the urgency of balance-of-payments problems, and the extent and nature of the public sector's participation in the economy.

30. Those differences would mean that the strategies would vary widely in terms of their general concept, the goals pursued, the policy instruments and institutional mechanisms used, the degree of participation of the public sector and the private sector, and the sequence in which the strategy would be implemented.

31. It was considered that a narrow concept of the strategy, in which exports were considered as an end in themselves, could be useful in specific circumstances, to promote their development in the short and medium term, but could hardly be taken as the point of departure for increasing the competitiveness of industry over the long term.

32. The foregoing considerations were based on the fact that the expansion of industrial exports did not necessarily help to attain other objectives included in the countries' economic development programme and policies. Therefore, it was important to evaluate, in each case, the cost of expanding exports. That point was all the more valid the greater were the country's possibilities of increasing its foreign exchange resources and the more comfortable was its position in that respect.

33. The Meeting concluded that indiscriminate import substitution should be replaced as the central development objective by an increase in exports accompanied by selective import substitution.

34. It was felt that the most suitable basis for formulating the strategy should be to consider exports of manufactures as an instrument for achieving development goals and, consequently, to evaluate their interaction with other elements of the system. In that integral approach to development, the expansion of industrial exports would be one of the variables that would have to be taken into account. It was recognized that industrial exports could be useful not only in obtaining foreign exchange earnings but also as a stimulus to improving the general efficiency of productive activities.

35. It was pointed out that the importance attached to the expansion of industrial exports in the development programmes of the countries reviewed had varied considerably in the past. Generally speaking, the countries outside the region - Korea, Denmark, India, Japan and Yugoslavia - had paid much more attention to that goal than the Latin American countries. Japan was an outstanding example, both because of the early start it had made on industrial development and the stage it had reached, and because of the emphasis placed on exports in its industrial policy. In Denmark and Yugoslavia exports has started to grow after the Second World War and currently stood at high levels. In Korea and India the campaign to promote industrial exports had gained momentum early in the 1960s, as a result of the third development plan in India (1961-1966) and the launching of an intensive export promotion programme in Korea in 1963. In Latin America, the need to diversify exports has assumed significance only in the last few years and their objective had been included in the recent development plans of the countries.

36. Mention was made of a number of common features: (a) every country had begun to assign high priority to exports among its national development objectives; (b) in accordance with that trend, it was deemed more desirable to favour an export promotion policy over indiscriminate import substitution at increasing costs; (c) all the Latin American countries had established an institutional framework for achieving that goal. Although the degree

/of co-ordination

of co-ordination varied considerably, there was a common desire to seek co-ordination at the government level and a common concern to establish support mechanisms, in such fields as quality control, assistance in marketing, credit, financing, etc.

37. The degree of success achieved was greatly dependent upon how long ago those measures had been adopted, but other important factors had been the decisiveness with which the different policies had been implemented and the stage of industrial development reached.

Determination to expand exports

38. This comprised two elements: the need to create a consciousness of the importance of expanding exports, and the definition of more or less precise export aims. It was agreed that the first element was a decisive factor in the success of an export strategy. Opinions varied on the question of establishment of targets, especially as regards work at product level. As an argument in favour of establishing quantitative objectives, it was pointed out that they could constitute a factor in the mobilization of the public and private sectors, hinging on precise, well defined targets, particularly if the enterprises were to participate in the establishment of such targets. This mobilizing effect would be all the greater, the more disaggregated the targets. These maintaining the opposite point of view argued that, precisely on account of the technical difficulties involved in estimating precise targets, there was a risk of arousing unjustified hopes, and the frustration of those hopes might to some extent debase the idea of a strategy.

39. The case of India was cited as an example of global targets for foreign trade; here, the objective was for the country to free itself of the need for foreign aid by 1981. Similar macroeconomic targets were included in the development plans of nearly all the Latin American countries. Mention was made of the need to break down global objectives into sectoral objectives, or even by products, so that the figures would have more practical significance for the management levels of enterprises.

40. The problem of acquiring the necessary technical capacity to make projections of this type was placed in the broader context of what is known as the "process of apprenticeship", at the government and enterprise levels, which all the countries of the region had to undergo.

/Sectoral approach

Sectoral approach of the strategy

41. In analysing the content of the strategy, the participants discussed the sectoral hierarchy of the measures to be applied for export promotion. First, the question was raised as to whether or not priority should be given to certain sectors in the matter of exports, and consequently, whether or not it was necessary for those priorities to be reflected in the application of instruments for export promotion.

42. Among the countries considered there were examples of very marked sectoral specialization and of countries where the whole range of industrial products were produced under similar conditions. Denmark and Japan, for instance, were distinguished by the sectoral specialization of their industrial policies. A group of special export-oriented sectors were designated in the fourth plan of Venezuela, and it was stipulated that this group of sectors would have priority in Government decisions in respect of investment, and that suitable stimuli would be provided for their rapid expansion.^{1/} In Brazil, however, the country with the highest growth rate of industrial exports in the region in recent years, sectoral priorities had not been assigned in the use of instruments of promotion.

43. It was considered a reasonable prospect that, after the completion of the first stage of indiscriminate promotion of a wide range of export products, with similar incentives, more selective measures could be introduced. The first stage was essential to the "apprenticeship" of the public and private sectors. It was also suggested that this first stage, free of sectoral priorities, was of greater importance in those countries with a large industrial park which could be partially reconverted for export. In those countries, a hierarchy of sectoral priorities could perhaps begin to be established as the need to finance the expansion of enterprises became apparent, in the light of prospects on the international market. In small countries, where industries were hardly in position to compete on the international market, notwithstanding the grant of considerable incentives, export prospects appeared to be heavily dependent on a change in the nature of industrial supply. In those circumstances, the need and the prospects for selecting priority sectors were much more clearly identifiable.

^{1/} See, for Japan, ST/ECLA/Conf.37/L.30, page 2, and for Venezuela, ST/ECLA/Conf.37/L.29, page 5.

Relations between Government and enterprises

44. The possible participation of the public and private sectors in the establishment of product priorities was also discussed, in the more general context of the definition of the role that each of those sectors would have to play in the formulation and implementation of the export strategy.

45. It was pointed out that, although the main responsibility lay with the Government, which had the power of final decision, consultations with the enterprise sector were essential. Close and systematic co-operation between the two sectors had a number of advantages; (a) it would make it easier to identify the obstacles to exports at the enterprise level, and the export potential of enterprises, which in turn would facilitate the task of devising the necessary instruments of promotion and identifying products with real export potential; (b) such co-operation would be valuable from the point of view of the administration of services in the areas of quality control, technical assistance and technological research; (c) it would permit the establishment of a realistic foreign trade policy; (d) this relationship is of decisive importance for the strengthening of the commitment of both these sectors to the objectives of the strategy.

II. INDUSTRIAL DEVELOPMENT POLICY IN THE FORMULATION OF AN EXPORT STRATEGY

Introduction

46. In the course of the Meeting it was pointed out that the analysis of trends in the world market for manufactures and of the mechanisms that were used to achieve industrialization in Latin America brought to light a series of obstacles to the achievement of export targets.

47. First of all, given the continuance of the type of international relations that had characterized the world market for manufactures since the end of the Second World War, an improvement in Latin America's position in that field was not to be expected. It was, therefore, necessary to make important changes in the system of transactions involving goods, technology and financial resources between Latin America and the rest of the world.

48. Moreover, industrial policy objectives and the mechanisms of the industrialization process had led to the establishment of an industrial structure whose levels of efficiency practically precluded its being competitive on the international market. High tariff barriers - which were compatible with the aim of import substitution - the growth of international enterprises, and technological dependence were factors that explained the need to re-direct the process of industrialization so as to bring it into line with the aim of incorporating industry in the international market for processed goods.

49. Notwithstanding the benefits that accrued from exports of manufactures, it was recognized that this was only one of the aims pursued in the economic policy of governments. Other goals of equal or greater priority included increased employment, more equitable income distribution, and the mitigation of regional disequilibria.

50. Exports of manufactures could give fresh impetus to industrial growth, which had been stagnating in recent years; they would lead to improved efficiency not only in export activities but in production for domestic consumption, through the interconnexions of the system; it would also be possible to turn to good account the advantages of market expansion - economies of scale, greater variety of products and use of more modern techniques.

51. Stress was laid on the need to consider the particular characteristics of each country when studying ways of restructuring the industrialization process.

52. The first distinction to be made concerned the level of development achieved by industry. In countries where industry had achieved high levels of development, it would be necessary to consider the possibility of partially or totally restructuring specific sectors or branches of the existing industrial park. In countries where industrial activity was still at an incipient stage, however, reorientation would probably consist in establishing new lines of activity to create future industrial supply.

53. Another factor was the size of the domestic market. The larger it was, the better the chances of exports being based on established production lines and the more definite the possibility of their being competitive on the international market. In the smaller countries, it seemed essential for industries to be conceived in the light of the needs of the international market.

54. It was also necessary to take account of the availability of natural resources. In countries where they were scarce, their ability to compete on the international market would depend on whether there existed an industrial system capable of transforming efficiently the natural resources which had to be imported to a large extent. In the early stages, the low cost of labour could make some sectors competitive. In the longer term, for social and political reasons, it would be necessary to employ techniques whose relative efficiency would make up for the lack of raw materials. In countries well endowed with natural resources, which hitherto had exported them with a minimum of processing, it could be assumed that industry would increasingly process those products.

55. As regards the role of international enterprises, it was pointed out that their attitude towards the export market could be a decisive factor in the success of exports of manufactures. In countries where such exports accounted for a large part of industrial activity, the norms established by governments to regulate their production could help to shape export policy. In other countries, legislation on foreign capital would be appropriate in so far as it guided the export activities of international enterprises.

56. With regard to regional or subregional integration agreements, it was pointed out that they were of greater significance for countries in the early stages of industrialization, where access to an expanded market could be an effective incentive to devising new projects. Customs exemptions encouraged increased production by established industries, as was the case in the larger and more developed countries, and in addition, enabled them to project future industrial supply on a larger scale than existing supply on the domestic market.

57. Another important factor was geographical location (economical transport lines, proximity of industrialized countries and pooled use with other countries of specific natural resources or communication lines).

Structure of industry ^{2/}

58. It was pointed out that Latin America occupied a marginal position as a supplier of the markets of the developed countries, and its share of those markets had remained virtually unchanged.^{3/} This was explained by the following reasons: (a) Latin American exports of manufactures to those markets were made up of no more than five or six traditional manufactures which underwent relatively simple processing, and the expansion of those exports on world markets was less than that of exports of manufactures as a whole; (b) Latin America had lost markets for some goods (iron, steel, textiles, timber, furniture, beverages and tobacco); and (c) the increased demand of the developed countries was for goods of a sophisticated technological level or with higher value added, which Latin America was not in a position to produce, at least not on competitive conditions of cost and quality.

59. The projection of future trends would show a gradual deterioration in Latin America's share of the world market; a weakening of its competitiveness; decreasing ability to obtain more income from exports because of the more

^{2/} See ST/ECLA/Conf.37/L.24 and ST/ECLA/Conf.37/L.26.

^{3/} In 1968 the developed countries purchased 100,000 million dollars' worth of manufactures, 1.2 per cent of which came from Latin America. (This share was 1.1 per cent in 1963).

marked downward trend in prices of simple manufactures compared with more complex manufactures; and the limitation of its economic development prospects following the reduction of its import capacity, which would force the region to depend increasingly on external financing.

60. Consequently, the need was recognized to introduce radical changes in the composition and nature of trade. The greater participation of manufactures that had shown more rapid growth on the world market appeared to be the first priority, subject to the parallel growth of manufactures that had traditionally accounted for most Latin American sales, for which the region had large stocks of raw materials and other comparative advantages. It would also be necessary to place Latin American manufactures on markets other than traditional markets and to obtain new conditions of access to the markets of the developed countries.

61. Industrial protection based on import substitution satisfied the aim of providing the countries of the region with a broad industrial base. The manufacturing industry accounted for between 13 and 34 per cent - according to the country concerned - of the gross domestic product in 1967, and in the biggest countries manufacturing production was on a par with certain European countries, such as Austria, the Netherlands and Sweden.

62. Nevertheless, this same factor in the success of the industrialization process had created obstacles to the promotion of exports of manufactures, because of the influence of industrial promotion measures on prices and systems of production.

63. Protection was not granted as a temporary incentive until industries could compete on the world market; it was a permanent advantage and, for that very reason, it did not contribute to raising efficiency. Moreover, the profitability of transactions on the domestic market did not encourage entrepreneurs to seek opportunities on the international market.

64. Small units predominated in the manufacturing sector of the region, but their share in the value added of the sector was low; large-scale industry accounted for between 50 and 70 per cent of this value added and on a per capita basis it was two or three times greater than that of small enterprises. Yet they were less efficient than similar enterprises in the industrialized countries.

65. The small-scale enterprises had out-of-date or inadequate equipment, and their technical, financial and management capacity, and the quality of the labour they employed were often deficient. This situation prevented them from operating on the international market, and their survival was often dependent on high tariff barriers and the malfunctioning of the mechanisms of the domestic market.

66. The utilization of equipment and plant designed for developed countries in restricted and highly protected markets gave rise to situations of monopoly and oligopoly which hardly encouraged industrial productivity. That type of structure was also characterized by the emergence of high levels of idle capacity in the factories together with restrictions on financial resources in the economy as a whole.

67. The narrowness of domestic markets, together with the degree of diversification discouraged entrepreneurs from introducing technological innovations and taking full advantage of possible economies of scale. Thus, one of the deficiencies in the region's competitive capacity seemed to be the lack of autonomous development of technology and scant efforts to adapt and match imported technical know-how. Technological know-how had generally been geared to the import substitution process, while there had been no special concern to use it to improve competitiveness in external markets and to make better use of existing raw materials. There was also a lack of precise knowledge of the techniques best suited to the conditions of the region, and of the conditions for their transfer.

68. The region had spent an almost insignificant amount on scientific and technological research compared with the industrialized countries. Moreover, although the region often employed about the same amount of resources as the industrialized nations to import technology, investment in adapting or perfecting such technology was considerably less. Fresh impetus had been given to technological research by the more industrialized countries at the beginning of the decade, with the adoption of provisions for greater support and financing. There had also arisen an awareness of the importance of the autonomous development of technology, despite the fact that there appeared to be no regional co-ordination of research activities, which would enable their cost to be reduced and more efficient use to be made of available human resources.

69. It was pointed out that in many Latin American countries, international enterprises ^{4/} played an important role in the more dynamic sectors of industry. However, the policy of industrialization adopted by the countries apparently made no provision for the utilization of the potential of those enterprises for exporting manufactures for which, in theory, they were outstandingly equipped, as they had the necessary financial resources to take full advantage of economies in production and distribution.

70. Moreover, those resources enabled them to carry out research projects to improve products and processes. Thanks to excellent planning and administrative methods, they were able to decentralize production in specialized, complementary plants. In the last analysis, all of the above resulted in levels of efficiency which, together with the establishment of systems of promotion and marketing, enabled them to expand on the national and international markets.

71. However, those firms' plants in Latin America were smaller than they should be, even given the smallness of the domestic markets. This was due to the fact that, given the internal prices permitted by protectionist policy, there were possibilities of profitable investment for many foreign enterprises. In some sectors, such prospects were more numerous than in the countries of origin, particularly in industries producing automobiles, electronic equipment, electrical household appliances and pharmaceutical goods. Moreover, indiscriminate protection prevented subsidiary firms established in the region from carrying out specialized production in different factories producing on an efficient scale. This was true both for horizontal diversification and vertical integration. In other words, plants were normally better integrated vertically and produced a broader range of products than firms in the developed countries.

72. In so far as most of their output was directed to the domestic market, the international firms did not take advantage of the international marketing networks which they possessed for export purposes. Their potential for technological innovation hardly benefited the subsidiaries of the region

^{4/} See also paragraphs 105-122, below.

since their products, equipment and production processes were not usually the most modern; this had obvious repercussions on the export prospects of those enterprises.

73. Few countries in the region had attached importance to the systematic selection of manufactures with good export prospects. In this connexion, it was pointed out that some countries offered broad incentives to exports, with the aim of bringing to light those that offered favourable prospects over the short term in the first place, so that efforts could be concentrated on the most important of them at a later stage. In other cases, the first step had been to define those products with the best export prospects, and later resources and export efforts had been concentrated on a smaller number of products.

Elements of a policy for the promotion of
industrial exports

74. It was made clear at the Meeting that partial measures were not enough; in order to achieve a broad and permanent share of world exports of manufactures it would be necessary to improve the competitiveness of industry through an over-all, partly outward-looking economic development policy. Such a policy should cover exchange, fiscal, credit and tariff instruments and measures that directly influenced the enterprise.

75. The participants considered that it was unrealistic to try to raise competitive capacity in all sectors and in each individual enterprise at the same time, and it was thus necessary to establish a sectoral and regional hierarchy of requisite measures.

76. It was agreed that there was a need to combine instruments in a consistent and selective policy, but some differences of opinion arose as to the order of priority in such a policy and the concrete methods for its implementation. Thus, for instance, the problem was cited of the compatibility of an export promotion policy with an import substitution policy. Although some countries had decided to exhaust the substitution process before beginning with the promotion of industrial exports, the possibilities of carrying out both policies at once were of particular interest to those small and medium-sized countries where the substitution process could not be abandoned because industrialization was still at an incipient stage, and which wished to prepare themselves to enter the world market for manufactures.

/Size of

Size of enterprises

77. In order to compete on the world market it was necessary to invest in activities marginal to the production process proper, so as to establish marketing networks abroad and maintain permanent teams of scientists and technicians specializing in research and development work who could supervise the quality and design of new products. All these investments called for an increase in the physical and financial resources available to enterprises.

78. Such an increase took various forms according to whether it took place in sectors dominated by national enterprises or subsidiaries of international firms. In the first case, the increase in size could be obtained by mergers. In the second case, it would be necessary to consider the possibility of reducing the number of subsidiaries operating in the country.

79. In the course of the Meeting, it was pointed out that several Latin American governments had begun to show a resolve to achieve the growth of enterprises in the above manner in various sectors. As an example of private sector mergers encouraged by the public sector, mention was made of the loan of 7 million dollars to be granted by the Fund for the Modernization and Reorganization of Industry of the National Economic Development Bank (BNDE) of Brazil for the merger of eight private textile firms. In the same country, efforts were being made to combine three large State-owned steel companies.

80. The motor-vehicle industries in Peru and Chile were cited as examples of government action to restructure sectors in which subsidiaries of international enterprises operated. In Peru, international bids had already been called for on new conditions and the firms that were to be allowed to operate in that sector in the future had already been designated. In Chile, the conditions of such bids had been publicized. The aim was to reduce the number of firms and achieve the participation of the State as a majority share-holder in all of them.

81. In addition to increasing the size of enterprises in the sectors of production, mention was made of the need to search for mechanisms to facilitate the integration of financial intermediaries and productive enterprises so as to increase smoothness and efficiency in the channelling of savings. This would imply encouraging the merger and rationalization of the industrial and financial sectors through credit and fiscal measures; for instance, groups of complementary industries could be set up together with financial groups capable of providing the necessary financing. Those groups would be backed up by internal and external commercial services and could compensate for the inferior size of the Latin American enterprises.

82. Lastly, as a means of increasing the size of Latin American enterprises, mention was made of the advantages of setting up multinational enterprises, by pooling capital assets and integrating markets in different countries of the region. Such enterprises would promote intra-regional exports, encourage competition with foreign enterprises, stimulate the co-ordination of the economic policy of different countries, and improve the countries' bargaining position in relation to foreign suppliers of technology and financial resources.

83. It was stressed that the increase in the size of enterprises would not have the desired effect on exports if current tariff barriers were maintained, for the result would be simply that the profits of the enterprise on the domestic market would rise, and its ability to meet foreign competition would be weakened. On the other hand, if those enterprises were export-oriented and exposed to foreign competition, it was feasible to expect both an internal rationalization and an improvement in their external competitiveness.

84. Emphasis was placed on the fact that concern for strengthening the larger enterprises did not imply any disregard for the export potential of small firms. In Japan, for instance, such firms made a considerable contribution to exports. When such firms acted as suppliers of inputs for the larger enterprises, their level of efficiency would depend on the degree of rationalization achieved by the latter. When they produced final products, their export prospects depended on the existence of marketing firms or channels responsible for co-ordinating the activities of small enterprises and ensuring that they met the standards set by the international market.

/Levels of

Levels of protection

85. In the analysis of the effects of the establishment of high tariff barriers, it was pointed out that they were one of the fundamental causes of the lack of exports of manufactures. The possibilities of reforming the system of protection would vary according to the stage of development reached by industry, for the greater its development, the greater the inertia it would have to overcome. An even more serious problem than the opposition of specific groups would be the social implications, which would lead to the possible closing down of some enterprises or to changes in the site of others.

86. An understanding of the situation of industry as a whole and of each individual enterprise was deemed essential in order to foresee the results of changes in the levels of protection. One of the aspects that would influence the analysis of the changes in the structure of protection would be the ratio of the prices of industrial products to primary - particularly agricultural - commodities on the domestic market. In the course of the debate it was pointed out that one of the factors that could have influenced the decrease in exports of agricultural products by certain countries of the region was the persistent decline in the prices of those products compared with industrial products, which was reflected in the channelling of domestic resources - both public and private - into industry.

Investment projects

87. It was pointed out that the future prospects for industrial exports would be defined by and large at the moment when investment projects were drawn up. At that stage, the size of the enterprise, its products, inputs, technical processes and site were all established. Although it was true that enterprises conceived in the light of the needs of the domestic market could, under certain circumstances, export production surpluses or better utilize their plant to that end, it was equally true that such exports, which were marginal and dependant upon changing circumstances, would not be enough to achieve access to and a permanent place on the international market for manufactures.

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88. Thus, the criteria employed to evaluate investment projects acquired great significance. The establishment of a complex system of incentives to exports and foreign trade institutes and ministries would be of little use if future industrial supply continued to be a function of patterns on the domestic markets. Generally speaking, the public sector bodies in Latin America played a cardinal role in evaluating private sector projects, in so far as they provided financing, guaranteed purchases abroad, approved customs exemptions, and administered all kinds of incentives that affected private sector activities.

Development of technology

89. It was considered that action to improve technology so as to make industry competitive on the international market should be carried out on two fronts, with a view to: (a) changing the attitude of entrepreneurs towards the question of efficiency; and (b) improving the supply of national and imported technology to enterprises.

90. It was assumed that the demand for technology in the private sector would increase in so far as it implied greater profitability or ensured that there was no decline in profits. Consequently, the success of measures aimed at stimulating such demand would depend to a large extent on the creation within the enterprise of an environment in which efficiency would be a condition of profitability. The following are some of the measures that could fulfil that purpose: decrease in the effective protection of domestic markets; export incentives; use of technological criteria in evaluating projects financed by the public sector and in granting import privileges; indexes of nationalization which would take account not only of the share of local value added in the production of each good, but also its technological content; promotion of enterprises of a size enabling them to invest in research and development activities; and fiscal exemptions and incentives for enterprises introducing innovations that resulted in increased efficiency.

91. The public sector could choose from a number of measures to expand the supply of technology. One way, which had not been used systematically so far, was to use the purchasing power of the public sector and of semi-public enterprises as an instrument to promote and develop competitive national enterprises. In certain sectors the public sector was the

main user of technology, as in the case of the capital goods industry. The public sector could exert its influence by purchasing equipment (generation, transmission and distribution of electricity, telecommunications, extraction and refining of petroleum, steel industry, machinery for mining); through machinery purchased for Government-financed projects (as in a large part of the manufacturing industry), and the machinery used by enterprises working for the Government (public works).

92. Similarly, the Government could promote the establishment of national teams of technicians to develop projects for strategic sectors, with a view to their carrying out part of the work to start with, and then taking on more and more responsibilities as their experience broadened.

93. It was recognized that Governments would not have sufficient resources to develop research and improve technology in all sectors. It was, therefore, necessary to select priority sectors. A primary criterion for their selection might be the endowment of natural resources, and in that connexion, it was suggested that specialized research institutes could be set up, with the collaboration of several countries. Engineering enterprises and capital goods industries, which could be set up as multinational enterprises, could do their own research.

Criteria of selection

94. In choosing those sectors to which special attention should be devoted over and above the priorities assigned on general export promotion policy, it was suggested that existing industry should be analysed from the following points of view: (a) short-term and long-term demand prospects in the different markets; (b) degree of interconnexion within industry and with the rest of local production; (c) share of national and foreign enterprises in each sector, and (d) labour, capital and foreign exchange needs (with a view to establishing elements that constituted a possible comparative advantage).

95. Taking account of these points of view, it was considered that priority should be given to exports that were based on comparative advantages enjoyed by the country concerned and that export policy should be consistent with general development objectives. If the cost of foreign

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exchange, labour and capital really reflected the relative scarcity of those factors, it could be recommended, as a general criterion, that efforts be concentrated on obtaining foreign exchange at the lowest possible over-all cost to society. In practice, however, the cost of society was not known, and it was necessary to work with distorted market prices. The difficulties inherent in that task made it advisable to use more pragmatic methods, which would be both dynamic and flexible. Indeed, excessive rigidity in the structure of exportable products would cause commercial opportunities to be lost as new products appeared. On the other hand, the needs of specific products in respect of factors of production changed with time. During the periods of the establishment and diffusion of productive capacity there were greater needs for scarce factors in the developing countries (scientists and entrepreneurs) and those needs diminished during the period of operation. Close co-ordination was recommended between the private and public sectors in the task of product selection.

96. The need for the prior selection of export products was bound up with the level of development of each country, and was of secondary importance in countries with a diversified industrial park. Countries whose markets were not sufficiently developed to constitute an "industrialization unit" should sign subregional co-operation agreements to be able to specialize in products of high commercial value.

III. TRADE POLICY IN THE FORMULATION AND IMPLEMENTATION OF AN EXPORT STRATEGY

Incentives for exports

97. On the basis of the documents presented,^{5/} which included an inventory of the main instruments that could be used by governments, with their advantages and disadvantages, it was suggested to the Meeting that the different stages in the formulation and execution of a programme of incentives for exports might be as follows: (a) establishing the targets for the export sector; (b) checking the nature of disincentives that currently hindered exports; (c) determining the nature and levels of the direct and indirect incentives for the private sector of the economy, and determining specific amounts and allocation of public investments; (d) appraising probable economic and social costs and benefits of the incentives, in the light of other objectives and other programmes; (e) preparing a draft programme of incentives and the rules for its implementation; (f) studying and revising the draft programme and introducing conditions to safeguard the programme and make it more flexible, to ensure that it does not come up against practical difficulties; (g) implementing the programme to be carried out; (h) appraising the working of the programme regularly and introducing any necessary changes.

98. Another incentive for Latin American exports was offered by the growing scarcity of manpower in the industrialized countries. Even in the clock and watch industry in Switzerland, some activities were being shifted to other countries. The manufacture of Italian shoes in Mexico was another example. In India there was a plan to establish a factory near Bombay airport to produce electrical components, which it was hoped to export to developed countries.

99. The utilization of those export prospects should not conflict with the wish to export products of the highest possible technological level; the Latin American countries should not, therefore, use technological methods that did not minimize production costs if there were no

^{5/} See ST/ECLA/Conf.37/L.9 and L.10.

compensatory benefits to justify such action. Nor was it advisable to think in terms of a dual structure of the economy, where a stagnant internal sector would exist side by side with an external sector using modern technology. Although it was true that exports of manufactures could serve as an instrument for modernizing the structure of industry, it was equally true that the requirements of full employment and the advantage enjoyed by Latin America in the form of abundant manpower could not be disregarded.

100. Export incentives should not lead to a regressive redistribution of income; on the contrary, the increase in exports of manufactures should signify the transfer of natural and human resources from the primary to the tertiary sector, with a corresponding rise in the productivity and income of those factors.

101. Conflicts between import substitution policy and export promotion should also be avoided. To that end, it was necessary to harmonize the structure of tariff protection with the incentives adopted. In that connexion, studies were being carried out in Brazil on tariff protection in relation to the value added in different branches of industry.

102. There was consensus on the need to avoid excessive administrative costs in incentive programmes, and it was suggested that fiscal incentives were a relatively economical method (compared with subsidies) of stimulating the external sector, and at the same time they were less exposed to various kinds of fraudulent practice. Direct incentives were preferable, however, from the point of view of simplicity of administration, since they prevented delays in the return of indirect taxes and the resulting red tape. In any event, it would be as well to consider the budgetary implications of incentives, which tended to multiply in the light of the needs of exporters.

103. Lastly, the Meeting examined the possible role of exchange rates as an incentive or disincentive to exports. In countries that mainly export traditional primary commodities, exchange rates often did not act as an incentive to the non-traditional sectors. Thus, for instance, an undervalued exchange rate raised the costs of producers and exporters who depended on imports of raw material, intermediate products and other

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inputs for the manufacture of their export products. The current exchange rate did not necessarily reflect the evolution of foreign trade, particularly as regards exports of manufactures. It was deemed advisable to harmonize objectives relating to essential import policy, traditional exports and exports of new products.

104. As regards the experience of individual countries, mention was made of the difficulties some countries had experienced in maintaining an adequate exchange rate in terms of the level of domestic prices, and of the important implications for others of rises in the cost of imported inputs as a result of any devaluation of the national currency. In certain countries which suffered from severe inflation, provision had been made for the systematic adjustment of exchange rates, and this had had favourable effects on industrial exports.

Marketing channels

The role of international manufacturing companies in the Latin American countries

105. It was pointed out that about a hundred manufacturing companies in the United States and Europe had reached the multinational stage so far, but many more would do so in the decades ahead. The big international companies were likely to be the chief architects and builders of a world-wide pattern of trade in technologically intensive goods from the 1970s onwards, as intra-corporate transactions between subsidiaries would account for a rapidly growing share of world trade in manufactures.

106. It was possible that conflicts of interest would arise between the multinational enterprises and the governments of the countries in which they operated (and sometimes between the enterprises and their countries of origin), since the enterprises viewed national markets as global market segments. The strategy of the international enterprises was one of marketing and they did not always understand the aims of the governments of the countries in which they operated. The latter often did not have the necessary background material for a systematic evaluation of the activities of the international companies. An important motivation for international manufacturing companies to invest in Latin America would

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continue to be the penetration and development of markets in the region. But to gain access to regional markets, some international companies should be willing to commit part of an affiliate's production for export to extra-regional markets.

107. For negotiations between the international companies and the countries in which they were active to be fruitful, the lack of information on the operations of those companies that had hitherto prevailed had to be remedied.

108. In the studies presented to the Meeting ^{6/} it was pointed out that, in a large number of Latin American countries, international enterprises were currently one of the principal agents in the process of industrialization, and that they tended to play an important role in the most dynamic sectors. A similar situation arose in connexion with the transfer of technical know-how. International enterprises were perhaps the most important, although not necessarily the most efficient, means of transferring such know-how.

109. Because of the growing need for firms to invest abroad, the consolidation of regional groupings in which efforts were made to equalize the conditions for the entry of foreign capital, and the governments' increasing concern about the gradual take-over of their industries, it might well be that the balance in the foreign capital market would gradually incline in favour of the governments of the countries in which the enterprises were operating. International firms were now willing to accept much more ample conditions than had hitherto been believed.

110. Favourable conditions existed in Latin America for inducing international enterprises to expand their exports. Negotiations between enterprises and governments on the question of the installation and expansion of new plants were of particular importance, since they would make it possible to define their competitive capacity on the international market.

^{6/} See ST/ECLA/Conf.37/L.5 and ST/ECLA/Conf.37/L.2.

111. To date, the know-how introduced by international enterprises had consisted in transferring techniques that were already widely known in the developed countries and not in developing the ability to improve them and to create new processes and products. If the countries of the region wished to be able to compete on the world market for manufactures, the know-how thus acquired would be inadequate.

112. Nevertheless, it was pointed out that exports of technologically complex and traditional goods were interdependent, and so the question did not arise as to whether a country should export one or the other type of goods, as both types of exports were complementary and beneficial.

113. The activities of international enterprises in relation to exports had followed different trends in the individual countries. Their main characteristics had been: the establishment of factories destined to supply the regional market; the establishment of enterprises in countries with cheap and abundant labour; the installation of firms in neighbouring countries to the country of origin in order partially to supply the domestic market; their installation in countries that had important natural resources that were difficult to find on the world market and which showed interest in processing those materials locally for export; and the establishment of plants that would supply the local market and the world market with products that were no longer being manufactured by the parent company or subsidiaries in the developed countries (e.g. spare parts). It was suggested that exports by international enterprises would not necessarily guarantee the attainment of the objectives of ensuring that exports grew at a steady and increasing rate, promoting local industrial technology and improving the efficiency of industry and giving the countries more freedom of action in handling their foreign trade.

114. The case of Yugoslavia was analysed during the Meeting as an interesting example of one country's relations with international enterprises. Its experience in this field dated back four years and differed from the experience of the Latin American countries in two fundamental respects: (a) Yugoslavia did not begin with import substitution, as it had already reached a sufficiently high level of development to be able to place its

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relations on a different footing; and (b) the share of foreign capital had hitherto been practically non-existent. Its main motive in embarking upon joint ventures with international companies was to take advantage of modern technology and to expand exports, particularly to difficult markets.

115. A condition regulating the activities of joint enterprises was that the foreign partner could transfer profits only in proportion to the level of development and the increase in exports. He was also obliged to carry out research and development work in the national company.

116. At the end of April 1971, thirty-four agreements had been signed for the establishment of joint enterprises in Yugoslavia, most of them with Western European countries, but two with Eastern European countries and one with Japan. Some of these agreements were on an experimental basis. None of them provided for the initiation of new productive activities, and in that respect they differed from the Latin American pattern.

117. There had been some conflicts between the two parties, but economic and political differences had not been a major barrier. As the country gained experience, legislation had been amended to broaden the base for the transfer of capital and profits abroad. A law had been passed which provided firm guarantees for companies wishing to form joint enterprises in Yugoslavia. The country did not wish to exaggerate the position or influence of foreign investors but it did wish to reconcile interests; thus, any change in the agreements should improve the position of foreign partners and in no case work to their detriment.

118. It was suggested at the Meeting that an international convention could be drawn up on the activities of joint ventures, based on the experience of Yugoslavia, particularly as regards the guarantees that country offered to such enterprises. It was pointed out that some means should be found of protecting national interests, subject to provision of the stability and guarantees needed to attract the foreign investment required to change the structure of production.

119. As drawbacks to the operation of international enterprises, mention was made of the fact that the aim of promoting the industrial exports of a country might conflict with other aims established by the enterprises, such as those relating to technological research. It was recognized, however, that the promotion of exports had brought benefits to the developing countries, such as the improvement of the steel industry in Australia and the chemical and food industries in Brazil.

120. Another problem was the concentration of world trade in the hands of a few enterprises, which had been discussed in OECD, and the possibility that they might purchase imports at prices that were not necessarily the most advantageous to the importing country.

121. On the other hand, it was stressed that competition was growing among those enterprises and their structure and system of ownership was changing, in so far as they were becoming less bound to the interests of one single country and were beginning to decentralize their decision-making functions.

122. One participant expressed the opinion that international enterprises had often been used as scape-goats to shift the blame for other deficiencies. Another considered that such enterprises disseminate only moderately advanced, internationally known technology to developing countries, but that this might be more convenient for a country that could not employ more advanced techniques because it was still at an early stage of development or because costs were too high to justify economic benefits. On the other hand, it was recalled that not all those enterprises operated in the same manner and not all of them were monolithic structures.

Trading companies

123. The Meeting took note of a study on Japanese trading companies ^{7/} which handled 70 per cent of that country's exports and 80 per cent of its imports.

124. The basic functions of those companies were business, financing, transport and marketing and they also carried out activities relating to

^{7/} ST/ECLA/Conf.37/L.20.

the promotion and organization of investment at home and abroad and to intermediation in the transfer of technology. They were organized on a decentralized basis, according to groups of products, but with the guidance, supervision and collaboration of management and services departments.

125. It was considered that it might be worth studying Japanese trading companies with a view to deciding on the advisability of setting up similar institutions in the developing countries, particularly as regards their functions and organization, since the Japanese companies had proved themselves to be efficient in expanding exports, thanks to their large scale of operations, their multiple functions and the wide diversity of products and markets.

126. It was considered that a more detailed study of the structure and operation of these companies was called for, in order to discover, among other things, whether they enjoyed a monopolistic position and whether they could effectively control imports and exports, and prices too. It was also recognized that it might be difficult to apply Japanese experience in Latin America because conditions were so different. Participants agreed on the importance attached by those enterprises to complementarity between marketing on the domestic and external markets, but it was pointed out that the staff and means available on the domestic market were sometimes not suited to marketing abroad.

127. There was no consensus on the advisability of forming State trading enterprises in Latin America. Private trading companies were already being set up in the region and the results so far had been very positive. Moreover, even in Yugoslavia, a country with a centrally planned economy, 1,300 private export companies were operating, although some articles were exported through State organizations. Although the experience of export companies in Latin America was still limited, they were already operating in several countries, such as Brazil, Mexico, Colombia and Argentina, and projects were under way in Peru and Chile.

Other formulae for international marketing

128. Other types of marketing methods were mentioned, in particular consortia grouping together producers of exports. In this connexion, it was mentioned that in Western Europe the producers' associations whose exports had developed most rapidly were those dealing in more specialized products, those that included enterprises with common foreign trade characteristics, and those that had made the greatest technological progress. Most of these companies traded in products from a single industry, and although they had drawn up agreements on prices, very few had established a common system of quality control. Few associations had established common trade marks, although there was generally some means of identifying the articles of different groups of producers. European experience showed that administration and financing were decisive factors in the success of these associations.

129. Export consortia for a small number of products had been set up in Latin America. There was consensus on the need to set up export consortia in the developing countries, mainly for the benefit of small and medium-sized enterprises.

130. Moreover, the process of integration, through a system of regional tariff preferences, offered Latin American enterprises an area of training and an opportunity to acquire experience in the channelling of international trade which would prove useful to them when they came to export to countries outside the region.

131. Mention was made of the possibility of using the services of export management organizations which assumed full responsibility for the exports of their associate companies. They managed the exports of their producer clients and saw to all their marketing needs, in return for a sales commission; they also provided financing in some cases. These organizations had promoted the exports of many industrial firms, although once the latter had acquired experience and gained access to markets, many of them began to operate independently.

IV. INSTITUTIONAL ASPECTS OF THE FORMULATION AND
IMPLEMENTATION OF EXPORT STRATEGY

132. There was a consensus in the Meeting that, from the conceptual standpoint, export institutions should develop a formal basis for standards governing the legal, technical, commercial and financial aspects of relations between regions and countries, and between the State and the private sector; and that they should be able to adapt these standards on a continuing basis to the changes arising as a result of the development process.

133. The extraordinarily rapid growth of international trade, particularly that of exports of manufactures, over the past two decades was largely attributable to the vigorous establishment of institutions set up throughout the world after the Second World War. This process gathered momentum through the regional integration movements and as a result of State support to private sector activities in the market-economy countries as well as the sustained development of the countries with centrally-planned economies.

134. In the case of Latin America, whose share in world exports is shrinking, it is necessary to develop the kind of institutions that can help to reverse this unfavourable trend. The Meeting considered what changes should be made, at the regional and the national levels, to achieve this end.

Regional institutions

135. The various integration movements in the region have demonstrated that they do not possess the institutional capability to meet the new needs arising out of the progress of integration, namely harmonizing the economic policies of the individual countries with the development of the particular integration group as a whole; encouraging exporters to take advantage on a continuing basis of such new opportunities for trade and development as are agreed upon; preventing the accumulation and encouraging the settlement of financial imbalances resulting from trade between countries; and promoting the infrastructural and industrial investment required to facilitate integration.

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136. Some participants attributed the lack of progress achieved in integration to weaknesses in the institutional structures of the integration movements. In their view, their integration institutions had inadequate powers and decision-making authority, and used outmoded or unsuitable instruments and negotiating procedures.

137. It was also stated that, while the structure and operations of the integration agencies might well be improved, the slow pace of integration could not primarily be considered an operational problem. The basic difficulties were political in nature and stemmed from the fact that the benefits of integration were not equitably distributed among the countries concerned. It was noted, for example, that the special measures in favour of the least developed countries had not in practice achieved the results expected, which might be due to the inequitable distribution of investment in relation to complementarity programmes, or to a contraction of customs revenue in countries which had made comparatively less progress in import substitution. In the latter case, a fiscal loss may have taken place, reducing investment and hampering the expansion of the tertiary activities coming under the public sector.

138. Other participants, on the other hand, considered that the most probable reason for the problems arising in the Latin American integration process was the trend towards replacing imports from countries outside the integration movement rather than increasing exports to such countries. The integration process had been a success within the European Economic Community because the economies of all the member countries steadily expanded after the Treaty of Rome had come into effect, and thus there had been no reason for friction on the grounds of an inequitable distribution of the benefits of integration.

139. The Latin American Free Trade Association and the Central American Common Market, however, by not promoting the expansion of manufactured exports to other regions, only derived benefits from integration to the extent that import substitution occurred within their respective regions. That was why countries had not been able to take equal advantage of the benefits of the expanded market, and the reason for the present crisis. It was therefore necessary to promote the expansion of exports from

/integration movements

integration movements to third countries by taking advantage of the possibilities for setting up new industries offered by an expanded economic space, as a means of ensuring the economic growth of all the countries of the region and thereby exorcising the spectre of slow and limited growth that accompanied programmes based on import substitution on a regional basis.

140. Participants agreed that the integration movements, despite all the limitations that had been noted over the years, had provided a strong stimulus to inter-regional trade and had given medium- and small-scale entrepreneurs an opportunity to try their hand at exporting non-traditional goods. They recognized, however, that it was necessary to forge stronger links between technological institutes and integration agencies, and considered that it would be useful for each integration system to possess an agency specializing in the promotion of exports to third countries.

141. Progress had been made in creating institutions to promote activities to take advantage of the new possibilities for trade and development offered by integration, particularly as regards the financing of investment and the operation of clearing mechanisms to settle the financial balances arising in trade between countries. In this connexion, it was thought that structural imbalances could also be reduced to the minimum if the benefits of integration were more equitably distributed.

142. No exclusively Latin American organization existed that was capable of promoting integration among ALALC, CACM, CARIFTA and the Andean Group, or of expanding these groupings to include the developing countries in the region that were as yet not really part of any movement. There were great possibilities for stepping up integration at the level of the region as a whole, in particular to facilitate the replacement of a wider range of manufactured imports and to strengthen Latin America's bargaining power. If the Latin American countries wished to use the power of their joint import capacity to achieve better export prospects for their products in the world market, they should consider setting up a body with enough authority and technical facilities to co-ordinate and derive full advantage from their bargaining power.

143. The Meeting considered that it was important to reconcile national development policies, plans and strategies with the objectives of regional and subregional integration in Latin America, and that it was necessary to develop and organize transnational institutions and administrative procedures capable of achieving these objectives in an efficient manner. It was essential for countries to agree upon guidelines for integration in advance, so that they could be used in the formulation of development plans, policies and strategies, since co-ordination a posteriori was ineffective and inoperative.

National institutions

144. In considering national institutions, the Meeting examined matters relating to the co-ordination of foreign trade policy with over-all economic policy; the problems of programming and financing industrial investment; the creation of the infrastructure, particularly the transport infrastructure; the marketing of manufactures and semi-manufactures; and the training and motivation of personnel engaged in foreign trade activities.

Information institutions

145. With respect to the formulation of export strategy for manufactures, participants noted that the countries of the region were markedly weak at the functional level in the collection, processing and dissemination of the necessary data. In order to be able to formulate an export strategy, it was necessary to undertake a painstaking analysis of potential demand for the goods which a country could produce at a comparative advantage. Such knowledge of the prospective demand would determine the appropriate level of investment and, in consequence, the measures needed to tap domestic and external savings, allocate resources, prepare and evaluate projects, purchase technology, train manpower and create and adapt the infrastructure.

146. The agencies traditionally responsible for collecting and disseminating such data were not properly structured in Latin America, and needed to be strengthened and modernized. Experience outside the region appeared to indicate that information activities were best undertaken by autonomous decentralized bodies in which entrepreneurs were well represented. It was thought that they should be semi-public bodies, with

a good supply of capital, and that they would sell their services to national public and private enterprise or to foreign entrepreneurs interested in investment. They would also provide the financial institutions with advice on the profitability of projects requiring loans for investment or pre-investment studies. Lastly, they would provide information on a permanent basis regarding trade opportunities, trends of the main exports and imports in the different markets, etc.

147. To set up and maintain bodies that could provide this kind of information at reasonable cost would probably be beyond the financial and technical capacity of many Latin American countries. Such bodies would, for example, have to have offices in the principal countries where there were large potential markets and would have to keep a close eye on import trends, the development of international competition and other factors, bearing in mind the potential comparative advantage of the Latin American country it represented. It would also have to be capable of giving advice to consultancy firms on project engineering studies and other matters; suggesting suppliers of equipment and installations; advising on sources of financing, legal requirements and other conditions attaching to exports to the different markets, etc. It would also have to be authorized to enter into contracts abroad covering all these areas.

148. Given the above, some participants argued that in several cases it would be advisable to organize the information institution as a multinational Latin American enterprise. In this connexion, it was stated that a multinational enterprise might not inspire enough confidence among its member countries, since in its bargaining it might favour one of them to the detriment of the others.

Institutions for the formulation of foreign trade policy

149. It was stated in the Meeting that the formulation of foreign trade policy and strategy should be the responsibility of a high-level collegiate body composed, at least, of the Ministers most concerned with foreign trade and the President of the Central Bank. In some cases, depending on the organizational structure of the country concerned, official credit institutions should be represented, and also the entrepreneurial sectors of industry, commerce and agriculture. In the view of some participants, organized labour should also be represented.

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150. This kind of body was necessary because responsibility for all the many aspects and sectors involved in foreign trade policy was usually split up among autonomous bodies and Ministry departments, which tended to concentrate on immediate problems and act without proper co-ordination. In some cases, for example, the Central Bank, which was preoccupied with short-run problems, took measures that restricted credit or exchange support for industrial investment, or for promoting manufactured exports, or for importing the necessary inputs; alternatively, the Finance Ministry, for budgetary reasons, might not favour the adoption or application of fiscal exports incentives; or the political line followed by the Foreign Ministry might make it difficult to conclude trade agreements or treaties. There was agreement in the Meeting that a vertical type of administrative organization tended to isolate the units responsible for complementary functions and make them more vulnerable to pressure from groups with conflicting interests.

151. This was the reason given for the fact that collegiate bodies had not always been able to operate satisfactorily in the region. Greater co-ordination flowed, not solely from a formal organizational structure, but also from the power of an idea, from the formation of awareness, from the decision-making capability of leaders. It was therefore recommended that more training should be provided for officials, as a means of improving decision-making and the implementation of decisions and promoting national export-mindedness. The purpose of this latter recommendation was to counteract the divisive influence of pressure groups and to provide a rational basis for the general support required for the implementation of policy measures.

Institutions for the implementation of export policy

152. The high-level collegiate body described above would not alone suffice for the implementation of export policy unless it was supported by specialized agencies. In some countries outside the region working groups had been created within these collegiate bodies that had executive functions and were responsible for formulating and controlling the application of practical measures designed to promote exports from particular sectors of industry or of particular products. In some countries of the region, autonomous

/institutions had

institutions had been set up to co-ordinate the work of the public sector agencies responsible for various foreign trade activities; to promote liaison between the private and the public sectors; to undertake studies and research connected with export promotion; to assist export companies; and even to arbitrate in disputes between national exporting companies and foreign importers. In view of their performance in export promotion, especially as regards exports of manufactures, it was recommended in the Meeting that special attention should be devoted to the possibilities offered by foreign trade banks and similar institutions.

Support for national export enterprises

153. The Latin American model of outward-directed growth contains passive public institutions designed basically to record and supervise exports and exchange operations, or to protect trade marks and patents which are generally of foreign origin and concern imports. As regards exports of manufactures, there is an administrative vacuum, coupled with an entrepreneurial apparatus that either has no experience of selling abroad or is reluctant to do so because it does not wish to enter into competition with foreign parent companies.

154. It was stated in the Meeting that there should be differential treatment for national and international enterprises as regards export promotion. In addition to receiving the same incentives as national enterprises, international enterprises should be encouraged to export in order to cover the remittances it made abroad in respect of its investment and operations, and if possible achieve a surplus. This approach was reasonable because international enterprises had experience of external markets and had better access to the technologies developed by their parent companies; they normally possessed their own marketing network and their products were generally known world wide. In contrast, as a general rule the national enterprise did not enjoy any of these advantages and by definition did not remit large sums abroad in respect of profits.

155. As a primary means of supporting national exporting enterprises, it was suggested that financial institutions should be set up for purposes of industrial investment. Unless proper financing was available to help build up an exportable supply, all other incentives for exports of

/manufactures would

manufactures would be unsuccessful. It was also indicated that measures should be taken to ensure that domestic savings were channelled towards financing national or regional enterprises, whether public, semi-public, or private.

156. Given that industrial enterprises in Latin America were frequently weak both financially and technically in relation to the cost, risk and other problems involved in winning world markets, it was advisable to set up marketing companies to handle manufactured exports. While this point is covered in another section of this report (see paras. 123-131), two aspects were considered worth while examining in connexion with institutional support for national enterprises. The first was that such marketing companies should in principle be national, in order to minimize the potential adverse effects of any price manipulation of the goods produced by medium- and small-scale industrial enterprises and in order to prevent any increase in remittances of profits abroad. The second aspect was that the association of medium- and small-scale enterprises should be provided with an institutional framework so that such enterprises were better equipped to protect themselves against price manipulation by the large marketing enterprises.

157. Since there are frequent changes in quality requirements, specifications, prices, etc. on the international market, the marketing enterprises should be closely associated - through an exchange of information - with producer enterprises so that the latter can respond efficiently and in good time to any changes in requirements regarding product characteristics.

158. With respect to technological research, participants indicated that it was advisable to adopt institutional measures to encourage entrepreneurs to use technologies that were economic for the enterprise and country concerned. The official institutions set up to provide technological support for national enterprises had not managed to develop as rapidly as required owing to the scale and urgency of the problems they had to face.

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159. The main problems were financial. Stepping up financial support for technological research would encounter less resistance if it were associated with the prospects of greater profits for enterprises. It was therefore suggested that such research could be financed in part out of contributions payable by enterprises as a precondition for obtaining loans for industrial investment from official development banks and corporations. Another incentive might be to allow deductions from income tax in respect of sums paid for technical assistance services, subsidies to technological institutes or for purchasing capital stock in such institutes.

160. The Meeting particularly recommended that there should be greater links between state agencies and the private sector, not only as regards policy formulation but also as regards various matters relating to implementation policy, particularly machinery to protect intellectual property and the creation of techniques, that might help to stimulate institutions or individuals to develop new techniques.

161. If technology institutes were to be organized as enterprises with the participation of private capital, their relations with producing and exporting enterprises might well improve spontaneously. This would be of assistance in building up a more objective picture of the nature of external demand and of the potential of domestic industry to meet it. As a result, technical standards would tend to become more realistic, and control of their application smoother. In addition to these advantages, delegating control might provide an additional source of financing for technological research.

162. The objection was raised that this form of semi-private control might have the effect of relaxing legal or contractual standards covering the characteristics of export products and might affect the prestige of domestic production abroad. In order to prevent this, it was suggested that commercial intelligence services should be set up, under a specialized public agency, which, on the basis of disputes between exporters and importers, would investigate the reasons for failure to comply with legal or contractual provisions. This kind of body would have a supervisory function which might lead to administrative sanctions, such as withdrawal of government incentives for the exports concerned, fines and other

/other penalties

other penalties. The private or semi-private agencies responsible for controlling the application of standards, and their agents, would also be subject to administrative sanction.

163. The intelligence and intermediation service would have to combine its supervisory functions with the provision of legal assistance to national exporters if they had clearly acted in good faith, particularly when suits were tried abroad. In addition, it should seek amicable solutions to disputes.

164. Such intelligence agencies would also have the function of checking shipments at periodic intervals to make sure that quality control systems were operating properly and that enterprises were fulfilling their contractual obligations.

165. Lastly, participants stressed the need for streamlining and simplifying the procedures and methods of the public administration connected with export and import activities. In the developing countries above all, this could only be achieved by means of pressure from interested groups outside the public administration. It was therefore considered that an institutional basis should be provided for co-operation by the export sector in government efforts to reduce the cost, number of stages and deadline requirements of procedures for supporting or controlling export activities. This would probably involve setting up machinery linked with the private sector at different levels of the administration: technical assistance services for organization and methods, regulatory bodies and executive departments.

V. CONCLUSIONS

166. This chapter presents, in summary form, the main conclusions emerging out of discussions at the Meeting.

Need for an export strategy for manufactures

167. There is definite awareness in Latin America of the need to increase the volume of exports and also the share of manufactures in total exports.

168. The objective of expanding exports of manufactures must become one of the principal targets of industrial development. Selective import substitution must accompany, and as far as possible support, the objective of gradually achieving levels of efficiency compatible with those prevailing in the world market. In most countries of the region, this objective has only recently been made part of the development model and raises the need for changes in the following: (a) characteristics of industrial structure; (b) instruments used by the public sector to guide the activities of enterprises; (c) the bases for defining international economic relations between the Latin American countries and the rest of the world; and (d) the agencies responsible for working out and applying the instruments used to achieve the objectives that are to be included in industrial policy.

169. It is necessary to include all the measures, and the institutions responsible for developing and implementing them, within the framework of export strategy for manufactures, the implementation of which involves decisions at the highest level to commit efforts and resources with a view to increasing the volume of manufactured exports; to develop and apply a consistent set of industrial, commercial and infrastructural measures; and to adapt measures and institutions in the light of the changing conditions of supply and the world market.

170. Such a strategy can only be worked out on the basis of an analysis of the industrial development and special characteristics of each particular country. The factors to be borne in mind include size of the market, level of industrial development, degree of urgency of balance-of-payments problems, natural resource endowment, existence of international enterprises, and share of the public sector in the economy.

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171. One of the key elements in implementing the strategy are the links between the central government and enterprises, both public and private. Co-operation on a systematic basis between the two sectors would help to shed light on the obstacles within enterprises that make exporting difficult and also on their export potential; to identify the most suitable instruments for achieving the objective of expanding exports; to establish measures for quality control, standardization and technological research; and, lastly, to strengthen the commitment of the various economic agents to the objectives of the strategy.

Content of export strategy for manufactures

172. The content of the strategy consists in the incentives that the public sector can provide in order to expand exports of manufactures. The possibility of providing incentives and the importance ascribed to each particular type, and also the specific timing and means of their application will depend on the political, economic and social objectives that countries have set themselves and on the way each country has chosen to achieve these objectives.

173. These incentives include direct support to enterprises to help them increase their efficiency, scale, technological development and industrial financing; the modification of some of the parameters of industrial structure that determine the behaviour of entrepreneurs vis-a-vis the world market (level and structure of tariff barriers, exchange policy, fiscal incentives, and legislation covering foreign enterprises); and the creation of a suitable set of national and regional institutions.

Direct support to enterprises

174. (i) Scale of enterprises. One problem that is coming more and more to the fore is that of encouraging the installation of much larger enterprises than those currently existing in order to meet the requirements of the world market, particularly as regards the capacity to design products that fulfil international specifications, the establishment of marketing networks abroad, and the maintenance of highly specialized expert teams in research and

/development activities

development activities and in quality control. This might involve measures to facilitate mergers of a number of national companies. In the sectors in which international enterprises are predominant, it might be necessary to reduce the number of enterprises by means of international bidding.

175. It would also be advisable to develop methods of organization that would make it possible to integrate the collection of financial resources with goods-producing activities, in the domestic private sector as well as the public sector. Lastly, an effort should be made to establish links among enterprises in different countries in the region (multinational enterprises) since this would be of particular value to the smaller countries, especially those moving towards the formation of subregional groupings.

176. (ii) Technological development. What is needed is to create the kind of conditions that will encourage enterprises to step up their demand for technology and the corresponding supply. The success of any such measures will depend to a large extent on the degree to which efficiency in enterprises is a determining factor in profitability, specially in the private sector. Tariff protection occupies a special place among these measures.

177. The following measures were suggested to improve the supply of technology.

178. As regards technology acquired abroad, the activities of the public sector may consist in defining priorities for each sector; providing guidance for enterprises on the most suitable sources of technology and their terms; ensuring that costs do not exceed international levels; evaluating the actual use made of technology acquired abroad; and preventing the inclusion in contracts of restrictive clauses that might have the effect of raising costs and reducing export possibilities.

179. As regards the development of domestic technology, the public sector can constitute a powerful means of promoting improvements in industrial technology. It can use its purchasing power to stimulate the manufacture of the capital goods required, for example, to develop domestic natural resources; to encourage the formation and consolidation of engineering enterprises specializing in the preparation of projects for key sectors;

/to associate

to associate such enterprises with technological research institutes specializing in the same sectors; and to stimulate, through public financing, co-operation among the producing enterprises, the engineering enterprises, and the technological research institutes.

180. (iii) Financing for industrial projects. The export potential of industry is to a large extent determined at the moment when investment projects are prepared. There is not much point in setting up a complex system of export incentives and establishing foreign trade institutes if industrial supply is closely associated with the development of the domestic market. In this connexion, the public sector agencies have a key role since they usually provide much of the financing for industrial projects. Among the criteria used in evaluating projects, the export side should be ascribed as much weight as it is given in development plans and programmes.

Modification of the structure of industry

181. (i) Level of protection. In order to redirect the industrial process towards the international market, it is necessary to promote gradual and selective reductions in protective tariffs; in this connexion, special consideration should be given to the relationship between the protection of manufactures and the protection of agricultural products, chiefly because there are interesting export prospects for agricultural and agro-industrial products. In order to determine what changes should be made, it is essential to gain a more detailed idea of the structure of industry, even to the extent of analysing individual enterprises.

182. The problem is more serious in countries that have a sizable industrial base, where, in addition to possible opposition from certain groups, account must be taken of the social problems that restructuring industry may bring. In the countries that have comparatively little industrial activity, an effort should be made to redefine the bases for future industrialization so that they do not repeat any of the mistakes that some of the other countries in the region may have made.

183. (ii) Exchange policy. Decisions concerning exchange policy may have a decisive impact on the activities of the private sector in international trade; hence, it is essential to ensure a high degree of integration between exchange policy and export incentives policy, since what matters to enterprises is the final result of the two policies.

184. (iii) Export incentives. When determining the level of incentives, particularly as exports of manufactures expand, it may be useful to undertake an evaluation of their fiscal costs and the benefits they generate in terms of additional foreign exchange. This is closely linked with the establishment of sectoral priorities in export strategy, which must be consonant with the greatest possible stability in the incentives programme so that production for export can be planned.

185. The structure of incentives and the formalities for their application should be simple and in line with the administrative capability of the country concerned.

186. (iv) Legislation covering foreign enterprises. The objectives of such legislation should be to enable foreign enterprises to expand their exports on the basis of existing capacity; to project future exports in line with world market trends; and to allocate to the plant established in the region the kind of productive techniques that will have the effect of disseminating technology among local industry. As regards the destination of exports, what is important is not only trade flows among the countries of the region but also the establishment of export flows towards the developed countries. As a means of promoting this, it might be useful to consider ways and means of linking the treatment given to remittances of profits with the level of export-mindedness of enterprises.

187. Increasing competition among such enterprises; the tendency to standardize the treatment accorded to foreign capital; and the fact that countries are now getting to know more about the influence of foreign enterprises - all these are factors that help to strengthen each country's bargaining position.

188. (v) Selection of key sectors. In certain circumstances it may be advisable, when applying the measures outlined above, to assign the highest priority to the producer sectors with the best export prospects. In these sectors, export prospects would have to be assessed from the following standpoints: (a) demand prospects over the short and long run in the various markets; (b) degree to which each sector is interconnected with the rest of the production structure; (c) proportion of national and foreign enterprises in each sector; and (d) labour, capital and foreign exchange requirements.

The institutional framework

189. Success in the application of these measures will largely depend on the ability of the various agencies responsible for implementing them and on co-ordination between them. Reforming some institutions and consolidating others is a problem that arises at both national and international levels.

190. (i) Formulation of foreign trade policy. The agencies responsible for formulating trade policy must have a clear and functional relationship with the government departments responsible for relations with other States; with the offices of the planning system; with industrial promotion agencies; with goods-producing and services enterprises; and with financial institutions. This relationship must be devised in such a way that the objective of expanding manufactured exports is a criterion for decision-making in these various agencies. This suggests that the location in the chain of authority of the central trade offices is a key factor; and that collegiate bodies may play an important role in policy formulation.

191. (ii) Information requirements for trade. In order to formulate foreign trade strategy, it is necessary to improve the institutions responsible for collecting, processing and disseminating the necessary data. With this in mind, the Meeting considered the possibility of setting up autonomous decentralized agencies, and also whether information functions might be entrusted to multinational enterprises.

192. (iii) Trade policy implementation. The agencies responsible for implementing trade policy should include the following among their functions:

/(a) Providing

(a) Providing exporting enterprises with financing for establishing new plant, expanding existing plant, and for export operations proper. The institutions responsible for these matters should be able to influence the producer sectors on questions relating to productive efficiency, especially technological improvements in their processes and products.

(b) Providing technical assistance to enterprises in the design of products and processes and in export operations proper. Such activities could be financed in part out of contributions from enterprises. An important factor is the existence of close links between the public sector and enterprises.

(c) Provide guidance for international marketing activities, which is of vital importance for small and medium-scale enterprises. In this connexion, it was considered advisable to provide an institutional framework for the association of such enterprises so that they would be better able to protect themselves against manipulation of the prices of their products by the marketing companies. It was recommended that more detailed studies should be undertaken of the experience of other countries with marketing organizations, particularly that of Japan.

(d) Provide commercial intelligence services. These services would supervise foreign trade operations, and would be able to apply administrative sanctions against any economic agents that infringe existing legislation. This service should be the responsibility of public agencies. The intelligence and mediation service should combine its supervisory functions with the provision of legal assistance to national exporters, particularly when they are involved in suits being tried abroad.

193. Regional bodies. The bodies operating at the regional level bear the major responsibility for speeding up the regional integration process, which is of key importance in expanding exports of manufactures.

194. The effectiveness of their activities is to a large extent dependent on the political determination of countries to tackle the process. This political determination has to be demonstrated in the efforts that countries make to co-ordinate their over-all economic policies, in particular their foreign trade policies.

195. Progress has been made by the institutions financing investment and also as regards machinery for settling the financial balances outstanding on trade between countries. At present, consideration is being given to possibilities of setting up multinational Latin American enterprises, which could play a very important role in the process of regional integration.

Annex I

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Annex II

LIST OF DOCUMENTS

<u>Document number</u>		<u>Author</u>	<u>Language</u>	
ST/ECLA/Conf.37/L.1	Background and provisional agenda (WP) <u>1/</u>		E	S
ST/ECLA/Conf.37/L.2	Industrial Strategy and international enterprises (WP)	F. Fajnzylber, ECLA	E	S
ST/ECLA/Conf.37/L.3	Export promotion in Japan and its application to Latin America (ID)	Trade Policy Division, ECLA	E	S
ST/ECLA/Conf.37/L.4	Special studies (ID)	ECLA Secretariat	E	S
ST/ECLA/Conf.37/L.5	Reflections on the international company and its role in the development of Latin American exports of manufactured products (WP)	F.R. Root	E	S
ST/ECLA/Conf.37/L.6	Conceptual models for export promotion strategy at the national and enterprise levels (WP)	F.R. Root	E	S
ST/ECLA/Conf.37/L.7	Industrial policy in Latin America (ID)	Industrial Development Division, ECLA	E	S
ST/ECLA/Conf.37/L.8	The main instruments of industrial policy in Latin America (ID)	Industrial Development Division, ECLA	E	S
ST/ECLA/Conf.37/L.9	Formulation of incentive programmes within the framework of a strategy for exports - Summary (WP)	Trade Policy Division, ECLA	E	S

1/ Abbreviations: WP - Working paper
 ID - Information document
 E - English
 S - Spanish
 Eo - English only
 So - Spanish only

<u>Document number</u>	<u>Title</u>	<u>Author</u>	<u>Language</u>	
ST/ECLA/Conf.37/L.10	Formulación de programas de incentivos en el marco de una estrategia de exportación (ID)	Trade Policy Division, ECLA		So
ST/ECLA/Conf.37/L.11	Export strategy: formulation and implementation (WP)	W. Dymrza, ECLA	E	S
ST/ECLA/Conf.37/L.12	Institutional aspects of exports of Latin American manufactures (WP)	N.C. Ramalho, ECLA	E	S
ST/ECLA/Conf.37/L.13	Methodological criteria and bases for the selection of exportable manufactured products (WP)	R. Rivera, ECLA	E	S
ST/ECLA/Conf.37/L.14	Industrial Policy in Latin America - Summary (WP)	Industrial Development Division, ECLA	E	S
ST/ECLA/Conf.37/L.15	The Jamaica National Export Corporation (ID)	The Jamaica National Corporation	E	S
ST/ECLA/Conf.37/L.16	Exports of manufactures: prospects and problems (WP)	Elvio Baldinelli	E	S
ST/ECLA/Conf.37/L.17	The industrial system and exports of manufactures: analysis of Brazil's experience - Summary (WP)	F. Fajnzylber, ECLA	E	S
ST/ECLA/Conf.37/L.18	Orientation of industry towards exports: contribution of the private sector in Brazil (WP)	J. Mindlin	E	S
ST/ECLA/Conf.37/L.19	Export effort of India (WF)	H.D. Shourie	E	S
ST/ECLA/Conf.37/L.20	Las empresas de comercialización integrada en el Japón (WP)	Trade Policy Division, ECLA		So
ST/ECLA/Conf.37/L.21	Elementos para la formulación de estrategias de exportación de manufacturas (ID)	F. Fajnzylber, ECLA		So
ST/ECLA/Conf.37/L.22	Criteria used in the selection of products for the export market (WP)	D. Tunik	E	S
ST/ECLA/Conf.37/L.23	Las estructuras institucionales de la integración latinoamericana y la exportación de manufacturas (WP)	R. Oviedo, ECLA		So
ST/ECLA/Conf.37/L.24	El mercado de los países desarrollados para productos manufacturados americanos (ID)	Industrial Development Division, ECLA		So

<u>Document number</u>	<u>Title</u>	<u>Author</u>	<u>Language</u>	
ST/ECLA/Conf.37/L.25	Tax incentives for export(WP)	I. Gal-Edd	Eo	
ST/ECLA/Conf.37/L.26	Las tendencias recientes de las exportaciones latinoamericanas de manufacturas y algunos de sus factores explicativos (ID)	Industrial Development Division, ECLA		So
ST/ECLA/Conf.37/L.27	Exports of Argentine manufactured goods: some answer and several questions (WP)	A.J. Pazos	E	S
ST/ECLA/Conf.37/L.28	Considerations for the formulation of strategies for exports of manufactures - Summary (WP)	F. Fajnzylber ECLA	E	S
ST/ECLA/Conf.37/L.29	El desarrollo industrial y la promoción de exportaciones en Venezuela (WP)	E. Iturbe de Blanco		So
ST/ECLA/Conf.37/L.30	Fomento de las exportaciones en el Japón y la aplicación de esa experiencia a América Latina - Summary (WP)	Trade Policy Division, ECLA		So
ST/ECLA/Conf.37/L.31	Algunas experiencias recientes en exportaciones de manufacturas	ILPES		So
ST/ECLA/Conf.37/L.32	Export marketing and production structure as factors in international industrialization	Yap Kie Han	Eo	
ST/ECLA/Conf.37/L.33	Some annotations on the Export Trade Pattern of Latin America's Iron, steel and engineering industry to the markets of industrialized countries	Yap Kie Han	Eo	
ST/ECLA/Conf.37/L.34	Winning world markets for developing countries	H.L. Jacobson (ITC)	E	S
ST/ECLA/Conf.37/L.35	Some trade policy issues relating to the export of manufactures	C.R. Greenhill (UNCTAD)	Eo	
ST/ECLA/Conf.37/L.36	La exportación de manufacturas y el papel de la mediana y pequeña industria	A. Monti (IDB)		So
ST/ECLA/Conf.37/L.37	Draft Report		E	S

