



ECONOMIC COMMISSION FOR LATIN AMERICA

ANNUAL REPORT

(1 May 1972-30 March 1973)

**ECONOMIC AND SOCIAL COUNCIL
OFFICIAL RECORDS: FIFTY-FIFTH SESSION**

SUPPLEMENT No. 8

VOLUME I

UNITED NATIONS

New York, 1973

Considering that according to the Strategy for the Second Development Decade there is a need for a substantial transfer of resources to the developing countries,

Requests the secretariat to prepare a study on the external debt of such Latin American countries, as so request, analysing its causes and structures, its implications for the development of the region, and such measures as might be adopted to prevent and reverse its adverse effects.

179th meeting
30 March 1973

337 (XV) NATURAL RESOURCES

The Economic Commission for Latin America,

Recalling United Nations General Assembly resolutions 626 (VII), 1803 (XVII) and 3016 (XXVII) on permanent sovereignty over natural resources,

Considering that the International Development Strategy, adopted in United Nations General Assembly resolution 2626 (XXV), establishes that "full exercise by developing countries of permanent sovereignty over their natural resources will play an important role in the achievement of the goals and objectives of the Second United Nations Development Decade",

Further considering that the natural resources of the developing countries constitute one of the bases for their economic and social development in general and their industrial progress in particular, that those resources are limited and in many cases not renewable, and that their proper exploitation constitutes one of the factors giving impetus to the countries' economic development and self-sustaining growth both now and in the future,

Reaffirming United Nations General Assembly resolution 2625 (XXV), which lays down the principle that "no State may use or encourage the use of economic, political or any other type of measures to coerce another State in order to obtain from it the subordination of the exercise of its sovereign rights and to secure from it advantages of any kind",

Recalling that some Latin American countries have been the target of measures by some developed countries aimed at restricting the full exercise of their sovereignty over their natural resources,

1. Energetically rejects any legislative measure or economic action which represents a form of coercion against countries which are trying to protect and utilize their natural resources in their own interest to promote their development, and considers any such measures or action as a flagrant contradiction of the aims and principles of the United Nations Charter and a violation of the IDS as far as co-operation with developing countries is concerned;

2. Calls upon the secretariat to include in future appraisals of the application of the IDS a chapter on the utilization by the Latin American countries of their natural resources and on possible obstacles to the full and unrestricted utilization of such resources.

179th meeting
30 March 1973

338 (XV) PLACE AND DATE OF THE SIXTEENTH SESSION

The Economic Commission for Latin America,

Bearing in mind paragraph 15 of its terms of reference and rules 1 and 2 of its rules of procedure,

Considering the invitation from the Government of Trinidad and Tobago to hold the sixteenth session of the Commission in Port of Spain,

1. Expresses its gratitude to the Government of Trinidad and Tobago for its generous invitation;

2. Decides to hold its sixteenth session in Port of Spain at whatever date is considered to be most convenient, following consultations between the Executive Secretary of the Commission, the Secretary-General of the United Nations, and the Government of Trinidad and Tobago.

179th meeting
30 March 1973

339 (XV) EFFECTS OF THE ACTIVITIES OF TRANSNATIONAL CORPORATIONS

The Economic Commission for Latin America,

Considering that the countries of Latin America are deeply concerned about the activities carried on in the region by certain transnational corporations which, because of the immense economic power concentrated in them, may interfere with national interests, and in some cases have already done so, especially as such global-level corporations do not depend on any State and their activities are not controlled by any institution representing the public interest,

Bearing in mind that in the view of the Latin American countries these corporations' decision-making centres, which are located outside the region, have taken and may continue to take decisions on such matters as capital formation, prices and the transfer of technology independently of the development objectives which may be adopted by the countries in accordance with their national interests,

Bearing in mind further that the Latin American countries are also concerned about the outflow of capital and about operations by transnational corporations which represent illegal transfers of foreign exchange and limit the opportunities for capital accumulation in the countries where such corporations operate, such as under- or over-invoicing, the collection of royalties on patents which actually belong to the same patent firm, etc.,