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STUDY OF INTER-LATIN-AMERICAN TRADE

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NOTE

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

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EXPLANATION OF SYMBOLS

The following symbols have been used throughout this Survey:

Three dots (. . .) indicate that data are not available or are not separately reported

A dash (—) indicates that the amount is nil or negligible

A minus sign (−) indicates a deficit or decrease

A full stop (.) is used to indicate decimals

A comma (,) is used to distinguish thousands and millions

A slash (/) indicates a crop year or fiscal year, e.g., 1954/55

Use of a hyphen (-) between dates representing years, e.g., 1950-54, normally signifies an annual average for the calendar years involved, including the beginning and end years. "To" between the years indicates the full period, e.g., 1950 to 1954 means 1950 to 1954, inclusive

References to "tons" indicate metric tons, and to "dollars" United States dollars, unless otherwise stated

The term "billion" signifies a thousand million

Details and percentages in tables do not necessarily add up to totals, because of rounding

Chapter I

SUMMARIZED FINDINGS OF THE RESEARCH

1. Introduction

The time is clearly ripe to adopt a planned policy for inter-Latin-American trade. This would have a healthy influence on the transformation imposed upon the regional economies by the complete failure of the capacity to import to keep pace with demographic growth. Problems of investment, raw material supplies, import replacement and low productivity would be less difficult to solve if the Latin American States pooled their efforts to facilitate the circulation of certain essential primary products and in addition ensured that particular commodities would be traded over an area wider than that of their country of origin.

Intra-regional trade in foodstuffs shows a tendency to decline, while that of manufactured articles is rising only slightly. In contrast, there is a considerable expansion in the trade in liquid fuels and raw materials. But this advance is apparently only a first step towards what might be achieved, if the wide diversity of natural products in different areas of Latin America, together with the continuous increase in the demand for semi-finished and manufactured goods caused by the rise in income, were steered into trade channels suited to their potentialities.

Limitations resulting from the contractual and tariffs systems, as well as from costs, rates of exchange, credit and transport, prevent certain Latin American countries from making full use of their exportable surpluses to purchase within the region commodities essential to their economic development which other countries in the same area are placing on the world markets. Again, the lack of agreements which would pave the way for the benefits of specialization, by a selective expansion of intra-regional trade in industrial products, narrows the margin for replacing imported goods by similar articles of domestic origin. Although the size of the Latin American countries differs and the basic demand necessary to ensure normal production varies widely from one article to another, in some republics the process of substitution already covers most of those goods whose domestic consumption capacity is sufficiently high to attract investment in their manufacture. In most countries the restricted nature of national demand is an obstacle to the establishment of enterprises constructing certain types of equipment and machinery highly necessary to economic development. Owing to the diminutive size of the markets, prospects of profit are usually too limited to tempt investors to risk the heavy financial resources required for the installation of such industries. In this connexion, the Latin American economies are characterized by an isolation which in many cases is reflected in the absence of capital-goods industries and thus in inability to extend the substitution process to the degree demanded by the stagnation of the capacity to import. A number of industries turning out durable consumer goods are already beginning to feel the want of a trade and payments policy which might help to reduce the difference between their costs and those of more advanced countries, by offering encouragement to the expansion of reciprocal trade between nations whose level of productivity, apart from being lower than that of the great industrial centres, does not vary over much from one country to another.

The Latin American Republics are clearly concerned about this situation, the gravity of which is obvious. Their anxiety was evidenced at the fifth session of the Economic Commission for Latin America (Rio de Janeiro, April 1953), when the problems resulting from the lack of an appropriate commercial organization to expand inter-Latin-American trade were analysed.

During the discussion of the preliminary report presented by the secretariat on this subject,[1] there was unanimity on one point. The rise in the rate of investment and the use of advanced techniques are unlikely in themselves to enable Latin America's economic inferiority to be overcome, or in any event will have but scant effect upon it, unless there is built up at the same time an area of trade sufficiently large to offset the drawbacks encountered by certain industries as a result of the present small markets and their rapid saturation. On the same lines, in accordance with resolution 20 (IV) of the fourth session (Mexico, 1952) and bearing in mind the *Study* already mentioned, the fifth session adopted resolution 60 (V), which recommended that the ECLA secretariat should carry out more thorough research into the situation of Latin America as a whole, so as to examine the reasons why inter-Latin-American trade reaches levels lower than might be expected from the complementary nature of several of the economies concerned, and define the possibilities of contributing to economic development by means of planned inter-Latin-American commercial payments and maritime transport policy.

In the preparation of the present *Study* it was first of all necessary to overcome the difficulties inherent in statistics on commodity trade. Direct information was then sought from government officials responsible for the formulation of trade, exchange and sea transport policy, as well as from central and commercial banks, representatives of chambers of commerce and other professional bodies, export and import firms, producers and industrial establishments. The material collected — though in-

[1] *Study of the Prospects of Inter-Latin-American Trade (Southern Zone of the Region)*, (E/CN.12/304/Rev.2) United Nations publication, Sales No.: 1953.II.G.4.

complete from several points of view — made it possible to ascertain with a reasonable degree of accuracy the practical significance of inter-Latin-American trade agreements, to weigh the most important of their positive aspects against their lacunae, to interpret the movements recorded by statistics and to learn the views held in official and other competent quarters on the underlying causes and possible solutions of intra-regional trade problems. In the text which follows, the findings of this research are summarized, though it should be noted that in some connexions the available data allowed of only a preliminary analysis.

2. Principal facts

The relevant statistics (chapter II) show that during the last 20 years there have been no major alterations in Latin America's share in world trade, of which it represents about one-tenth. The growth of this proportion on account of the increased demand for raw materials during the Second World War ceased almost entirely once the years of emergency were over. On the other hand, the transformations effected by the war have persisted to this day, thus accentuating a process of some antiquity in the geographical distribution of Latin America's foreign trade. The outcome has been the replacement of Europe by the United States as the primary consumer of Latin American exports. But the shift is taking place largely on the basis of commodities which differ from those traditionally sent to the European market. While the increase in United States purchases mainly benefits the products of mining and, in some cases, of tropical agriculture, the dwindling of the European market affects agricultural products of the temperate zone similar to those which the United States produces in excess of its own consumer needs. The structure of United States demand is thus exerting a decisive influence on the course of Latin American trade movements, and also has repercussions on intra-regional commerce. In fact, some Latin American countries, finding it difficult, if not impossible, to place certain products on the United States market — which is highly attractive because dollars are convertible — are obliged to seek other outlets, one of which is the area they themselves constitute.

Reciprocal trade between the Republics of Latin America, representing in itself about one-tenth of the region's total world trade, has since pre-war days been showing a tendency to increase somewhat more rapidly than the latter. During the period of chaos into which the Second World War flung the classic trade relations between Latin America and the larger markets, inter-Latin-American trade revealed a remarkable capacity for expansion. The return of peace caused it to fall to lower levels, — although these were somewhat higher than before the war — but it seems clear that the progress made as a consequence of the conflict corresponded to intrinsic possibilities which, if realized in connexion with a suitable trade and payments structure, would lead to a permanent advance. In addition, as was the case in 1953, the heavy quantitative restrictions imposed on imports in countries with an unfavourable foreign exchange balance had less effect on intra-regional purchases than on their trade with the rest of the world. Since the basic object of such restrictions is generally that of reducing the outflow of convertible currency, this fact is understandable when it is recalled that in South America a major part of the area's trade is carried out by the system of clearing accounts,[2] from which no more than two products of prime importance to trade — petroleum and sugar — are excluded, and those only partially.

A prominent feature of inter-Latin-American trade is the concentration of its operations in a small group of countries, to so high a degree that five Republics — although not the same five in each case — absorb 85 per cent of the entire intra-regional export and import trade. In the two groups — the exporters and the importers — only three countries are of substantial importance as suppliers and purchasers alike: Argentina, Brazil and Chile. To these are added, as main exporters, Venezuela and Peru, and as principal importers, Uruguay and Bolivia. The pronounced diversifying effect of geography and climate on the natural output of essential primary products; the existence of long-established shipping lines plying from the Brazilian coast to the shores of Peru and vice versa, via the Straits of Magellan; and the shortage of convertible currency common to the majority of South American countries, are the chief factors that contribute towards placing the hub of inter-Latin-American trade in South America, particularly its more southerly territories. Although of lesser significance for the area as a whole, there is another local nucleus in the northern zone — Mexico, Central America and the Carribbean area — the figures for which represent rather more than 6 per cent of the value of total regional trade.[3]

Another important characteristic is the severe disequilibrium constantly affecting most of the bilateral trade channels. If 1953 is taken as an example, it can be seen that of the twenty Latin American Republics, ten recorded net trade balances, debit or credit, which exceeded the total value of goods traded with the area in that year by more than 40 per cent. A glance at the evolution of the same balances before the war will show that for many countries they were repeatedly more than 70 per cent higher than the value of the intra-regional trade registered in both directions.

The marked disequilibrium inherent in inter-Latin-American trade still persists, the negative position of the chief debtor countries being almost always due to purchases of foodstuffs and petroleum within the region. There are signs, however, of some improvement in the ability of these same countries to compensate in kind for the value of the foodstuffs they receive from the supplier nations. Favourable as these symptoms are to the strengthening of inter-Latin-American trade, they extend little or not at all to the growing volume of business related to petroleum and petroleum products, since this has now reached such proportions that it is very difficult to cover a substantial part of the price with products which have an economic value for the supplier country comparable to that of the liquid fuels. In addition, strictly speaking, inter-Latin-American trade in petroleum is usually con-

[2] 1953 statistics.

[3] 6.4 per cent in 1952.

fined to that portion of the output retained by the producer countries as royalties, under the terms of the contracts concluded with the concessionary enterprises.

3. Commodity trade

Chapter III shows that the principal motive of inter-Latin-American trade relations is to satisfy food requirements, since the movement of goods for this purpose — especially wheat, coffee, fresh fruit, sugar, cattle and meat, oil and fats — represents rather more than half the total value of intra-regional trade. Although this share is high, a comparison with earlier figures clearly indicates that it is tending to decrease, since in pre-war days it accounted for about 60 per cent of the aggregate. The possible effect of such a decline on the level of foodstuffs available for national consumption can be inferred from the fact that between 1934-38 and 1953 apparent food consumption grew by 56.9 per cent, while the area's gross income increased by 104.7 and its population by 44.2 per cent. According to these figures, the per capita availability of foodstuffs appears to have risen by only 8.9 per cent in 17 years, an expansion which corresponds to an income-elasticity of consumption of barely 0.2 per cent. On the other hand, in certain countries — Brazil and Colombia — during specific periods for which it was possible to ascertain this ratio with certainty, the income-elasticity of the demand for foodstuffs would seem to have been three times that figure. As regards each individual country's supplies, inter-Latin-American trade is only one of several factors influencing — to a very different degree in every case — the level of available stocks of food. But the relative decline indicated by the figures for the regional food trade appears to be one aspect of a phenomenon to which attention has already been drawn; domestic consumption, in countries which export temperate-zone foodstuffs, grows faster than their production of the same articles. Incidentally, it should be recalled that in countries which import this class of goods the development of a policy to increase self-sufficiency fails to match the stimulus given to domestic demand by the growth of population and the rise in income.

The transformation which is taking place in the structure of the Latin American economies is beginning to be reflected in the volume and composition of the intra-regional traffic in raw materials. Before the war this represented hardly one-tenth of inter-Latin-American trade, and today it amounts to almost a fifth. Nevertheless, if the course followed by each branch of this group of products is examined in detail, it will be seen that the progress achieved mainly results from the behaviour of only three such branches, i.e., cotton, timber and copper. Of these, the first gives rise to a relatively diversified trade throughout the Latin American region. In the other two there is a marked concentration in the southern zone, a feature which is also, although to a lesser degree, characteristic of intra-regional traffic in sodium nitrate, lead, tin and certain other raw materials of mineral origin.

Although trade in most raw materials of importance to industry shows a moderate expansion in comparison with pre-war days, this is generally less than the increase in similar imports from other parts of the world. A noteworthy case in point is that of sulphur, whose comparative costs, together with the influence of maritime freight charges to its markets of destination, keep the exploitation of the existing deposits in the South American countries of the Pacific coast at a low level; on the other hand, the ever-increasing demand for this commodity is heavily swelling the tonnage purchased from other regions, particularly by Brazil.

The trade in liquid fuels — the value of which, almost equal to that of wheat, also accounts for about one-fifth of inter-Latin-American traffic — displays certain unusual features. Faced by a demand which continually grows under the twofold stimulus of economic development and the inadequate use of alternative sources of energy, Latin America increased its total imports of petroleum products to rather more than 19 million tons in 1953, or four times the 1934-38 figure. Of these, about 7 million tons came from Latin America itself.

Imports from the region are derived only to a limited extent from royalties and other domestic resources — 18.4 million tons in 1953 — which the producer countries are in a position to use for their own foreign trade. Despite frequent and sometimes successful attempts at concluding intra-regional arrangements whereby part payment for such royalties takes the form of commodities produced in the purchaser country, circumstances connected with their price, customs treatment and transport, make the traffic in both directions difficult and help to maintain the rather unilateral character which is the most prominent feature of the petroleum trade within the area. Negotiations of this type are usually affected by another factor, connected with the grades of crude oil which make up the royalties, each one in an amount generally proportionate to the total extraction of the same grade. Since the predominant grades in Latin America are low gravity hydro-carbons, the processing of which results in a high percentage of heavy products, and since most of the refineries at present existing in the area appear to prefer crude oils capable of yielding a higher proportion of light derivatives, the types of petroleum required by the purchaser country are not always reconcilable with those of which the vendor's royalties are composed, unless special arrangements are made with the concessionary companies.

4. Trade policy

(a) Principal characteristics

The interdependence between contracting parties in the region resulting from trade agreements is usually very pronounced, if regarded from the aspect of the limitations imposed by treaties with the larger nations, with which most trade is maintained, upon the subsequent use of tariffs for purposes of economic development. In theory, there are no insuperable obstacles to a reconciliation of the basic interests of these agreements with the already well-defined objective of a considerable number of Latin American countries, namely, to seek the necessary outlet for some commodities by building up regional markets broader than those of a purely domestic nature. These countries have learnt, however, from many years' experience of individual agreements, that only the establishment of effective inter-Latin-American co-operation in the field of trade policy could achieve this purpose. The conclusions to be drawn from the data given in chapter IV of the present report are very positive in this respect. In accordance with the pattern outlined in resolution 69 (V), chapter IV describes those events and experiences which have had the greatest effect on trade treaties and similar agreements of this type between the Latin American Republics. They are also analysed from the angle of the possibilities they seem to offer for establishing inter-Latin-American trade policy on a basis adequate to encourage the economic development of the region. In addition, the chapter gives the results of a survey made for this study in the course of the compilation of the basic data, by means of which it was possible to obtain authoritative Latin American-opinions upon experiences, problems and prospects in the field of trade policy.

Before proceeding to summarize the principal characteristics of this policy it should be emphasized that chapter IV touches upon a fact whose importance is not always realized. Any complementation of national economies which may be considered to be necessary, regardless of its scope, can be achieved only through trade policy measures or, in other words, by agreements which in the final issue are nothing more than commitments to allow or to promote the movement of certain goods and services under predetermined conditions. The technique of such agreements, as well as their practical combination with prevailing contractual, customs and exchange systems thus becomes of prime importance in the pursuit of the desired results. The examination made in chapter IV therefore covers the procedures in which Latin America's trade policy finds or might find suitable expression.

The chapter begins by pointing out that until the world depression, the main objective of the region's trade policy was to safeguard its exports of primary goods, so as to ensure that in the market for which they were destined they would receive the same treatment as similar products of different origin. This was achieved by means of bilateral agreements between the Latin American Republics and the principal purchasers of their goods. In these agreements the contracting parties extended mutual tariff concessions such as exemption from customs duties on certain goods, or the consolidation or reduction of such duties. Recognition was also accorded to non-discriminatory treatment under the most-favoured-nation clause, which prohibited, save in expressly specified cases, the application to the parties' reciprocal trade of any duties or taxes greater than those in force when the agreement was signed, or introduced in the future, for goods from third nations.[4]

In addition to the basic agreements with their principal customers, Latin American countries contracted a considerable number of other bilateral agreements, often confined to establishing the most-favoured-nation clause, in either its unlimited or its unconditional form, as the rule governing their mutual trade relations. Because of the automatic nature of this clause, the reciprocal tariff concessions defined in the basic treaties and detailed in the schedules of commodities affected, by virtue of the same clause, imparted to the agreement a multilateral instead of a bilateral structure, with both beneficial and adverse consequences for Latin American interests. The former mainly affected the export of primary goods, since the most-favoured-nation clause offered possibilities for the diversification of markets, by increasing the number of countries which extended the same tariff treatment as that laid down in the basic treaties. By means of the same clause, the Latin American Republics were also able to avoid almost exclusive dependency upon the countries with whom they had agreements of this kind.

The adverse consequences of this treaty system upon Latin America, in contrast, were considerable. As the most-favoured-nation clause extended the system of tariff concessions to a greater variety of goods, so, logically, the capacity for further contracts giving effective bilateral advantages diminished. Experience has shown that at the same time this caused an excessive reduction of that flexibility which the countries of the region feel to be necessary if their customs tariffs are to serve as an instrument in the economic adjustments imposed by changes in the world markets, or by internal factors. Briefly, except in particular cases, the ruling characteristic of Latin American agreements up to the world crisis was the most-favoured-nation clause, ensuring the countries of the region full enjoyment of the equal rights that enabled them to compete, on a basis of mutual non-discrimination, for the trade opportunities offered by world markets.

Under these conditions, Latin American exports increased at a higher rate than the population before the world crisis; later, this trend was reversed. The contribution made by external resources to national per capita income was thus weakened, which deflected trade policy from its traditional course to serve a two fold end, since it had to endeavour to reduce or avoid the disequilibrium which this phenomenon would cause in the balance of payments, and at the same time support the programmes for the development of new sources of production.

The altered circumstances accentuated the unfavourable aspects of Latin America's contractual system. The process of transforming trade policy into an agency for the efficient re-modelling of import structure, in order to adapt it to the readjustment requirements of the national economy, met with difficulties in the inflexibility imparted to customs tariffs by the factors mentioned. The tariff treatment extended by purchasers of Latin American exports appeared to exert an ever-decreasing influence upon the sale of primary goods in the world market; at the

[4] An examination of the treaties shows that the most-favoured-nation clause in agreements between Latin American countries, although of varying characteristics, generally corresponds to one or two of the following models: (*a*) the unlimited type, from the effects of which no class of merchandise is excluded, be it expressly covered by the treaty or not, unless its exemption is definitely stipulated in the text; (*b*) the limited, which covers only given products; (*c*) the unconditional, which automatically covers all commodities, without any special compensation; and (*d*) the conditional, in which the right to make use of the clause is dependent upon the granting of somewhat burdensome equivalent concessions. Although the text of the agreements frequently fails to define with sufficient clarity the scope of the clause (which in most cases consists of a commitment on the part of the contracting parties to grant each other any favour, privilege or immunity conceded by them to a third country), it usually combines, in actual fact, as no limitation or condition is specified in its text, the characters of (*a*) and (*c*) above.

same time, in certain countries the value of the tariff as an instrument of trade policy was weakened. The cumulative effects of the many negotiations to which it had been subjected left but little margin for its use as a means of correcting external disequilibrium, and of varying the composition of imports. In countries where this situation prevailed, the use of tariffs to assist manufacturing activity was hampered by the system of consolidated duties which the basic treaties had established, and to which the most-favoured-nation clause had imparted a multilateral character. Again, the theoretical equality of trade opportunity which the most-favoured-nation clause offered to semi-finished products and manufactured goods produced by the new Latin American industries, could not in practice become a concrete reality. Low productivity, reflected in costs temporarily higher than in other countries, apart from other important factors, such as the difficulty of determining the volume of exports which could be attained in each line without heavy investment risks, necessarily prevents Latin American manufactured goods from competing with those from countries where productivity is higher. The repeated devaluation of the national currency, which has occurred in most of the countries of the region in the course of the last 25 years, and the use of selective measures in foreign trade, other than the tariff (multiple exchange rates, quotas, barter of products similar in importance for equal values and within predetermined periods, etc.), are closely linked to the contractual limitations which prevented any close approach to the objective sought by variations in customs tariffs.

(*b*) Effects of the General Agreement on Tariffs and Trade (GATT)

For more than seven years a new instrument has been influencing Latin American foreign trade: the General Agreement on Tariffs and Trade. This Agreement represents the efforts of governments in the field of active trade policy since the signing of the Atlantic Charter in 1941, towards the building up and co-ordination of world trade relations in the interests of economic growth and of a higher standard of living in the member countries. Three of the four main international agreements aimed at normalizing the post-war economy — the International Monetary Fund, the International Bank for Reconstruction and Development and the United Nations Food and Agriculture Organization (Bretton Woods and Hot Springs Conferences) — were ratified and came into force. This was not so in the case of the fourth agreement, which aimed at creating an International Trade Organization, to be responsible for the administration of a multilateral pact to increase world production, trade and consumption of goods and services. Under the name of the Havana Charter, the delegations of 53 countries taking part in the United Nations Conference on Trade and Employment in 1948 subscribed to this agreement, but later events showed that there was little chance of its ratification. In 1948, however, when it appeared fairly certain that the international preparations for the implementation of the Havana Charter would be successful, a group of 23 countries, which later increased to 34, agreed to model their mutual trade relations on some of the regulations of that Charter, and furthermore to negotiate the tariff concessions it envisaged. Thus the GATT came into being.[5]

The GATT constitutes a practical step towards reconciling the trends of trade policy in each country with the general desire to improve the world level of employment, and therefore of social conditions. It was established on the basis of precepts designed to give the most-favoured-nation clause widespread application and to exclude from international trade practices not only discrimination, but also any controlling, selective or restrictive procedure not arising from tariffs, such as, for instance, prohibition to import, quantitative restrictions, bartering of products similar in importance, etc. On the assumption that the existing financial difficulties in world trade might be temporary, the regulations of the GATT made fairly liberal concessions in favour of the provisional, but non-discriminatory, application, under certain conditions, of trade policy methods unconnected with tariffs, when such measures were indispensable in order to offset the disequilibrium in foreign accounts, and, although in a more restricted degree, to protect certain phases of economic development. With these exceptions to its basic rules, and others permitting the continuance of preferential systems which existed in the reciprocal trade of certain groups of countries, the GATT aims at the liberalization of world trade.

From the beginning, the GATT gave rise to two main doubts in the region, on account of its omission, firstly, of the regulations contained in the Havana Charter for encouraging the study and solution of problems related to the instability of world markets for raw materials and basic foodstuffs, and, secondly, of precepts which, in the opinion of the Latin American countries, satisfactorily facilitated the adaptation of the structure of the region's imports to the necessities of growth and industrialization. In addition to these anxieties, another has arisen in recent years, originating in the lack of any system of regional markets within Latin America similar to that previously existing in groups of countries in other regions. When the GATT recognized the validity of these preferential groups, it was apparently easier, according to Latin American opinion, for their component countries to reconcile national commercial policy with the multilateral and non-discriminatory policy of the General Agreement, since certain appreciable sectors of their foreign trade remained

[5] The idea of embarking upon a world reduction in customs tariffs, without waiting for the approval of the Havana Charter, was already under consideration in 1946, during the first session of the Committee which drew up the preliminary plans. In 1947, during the second session of the same Committee, 23 countries concluded agreements for the lowering and stabilizing of tariffs. In order to ensure that these commitments were not in fact annulled by the use of restrictive measures unconnected with the tariff, the contracting parties agreed that their trade relations should without delay conform to a considerable number of the regulations established in the preliminary project for what came to be the Havana Charter. In this temporary form, the General Agreement on Tariffs and Trade came into effect in January 1948. At the same time as the Havana Conference, the first meeting of the member countries of the General Agreement was also held. To the text of the Agreement were added certain new regulations which the under-developed countries had succeeded in introducing into the Havana Charter during the final discussions, for the protection of their development programmes.

outside the scope of such regulations. The contrast between the special situations thus consolidated and the position of Latin America — which in its commitments with the GATT made reservations only on behalf of certain bilateral preferential treatments of no great substantive value, arranged between some of the countries of the region — seems to be becoming more marked as new agreements apparently strengthen the system of individual tariff régimes, which in certain cases seems to restrict the prospects for Latin America's export trade. In this respect the most recent exception to the precepts of the General Agreement is contained in a resolution adopted at its ninth session, held at Geneva, from October 1954 to March 1955, which authorized the United States, for an indefinite time and for reasons to be indicated later, within the regulations of the GATT, to increase customs tariffs or impose quantitative restrictions on foreign agricultural products, even when such measures affected goods whose tariff treatment had been the subject of agreement with third nations. Another recent exception, which expressly emphasizes the importance of market expansion for economic development, is the authorization of the United Kingdom, at this same session, to concede special preferential treatment to agricultural and industrial imports from the Commonwealth.

Faced with the alternative of participating in the GATT or not, the individual Latin American countries followed divergent courses. Each one decided independently what line of conduct it would pursue, and the difference between the positions adopted, some of them affected by purely circumstantial considerations, proved inadequate to alleviate or solve the regional difficulties of adapting foreign trade relations to the interests of economic development.

Reliable data from almost all countries in the region (chapter IV) give first-hand information as to why some participate in the GATT and others do not. Those who joined probably did so mainly for the following reasons:

1. Within the combined advantages and limitations of the General Agreement, countries exporting basic products can better defend their interests by becoming members of a world organization for international trade, which also includes the principal purchasers of these products.

2. Anxiety is felt to consolidate or to improve the tariff treatment accorded by the larger buyers to certain exports of primary products. (Brazil and Chile probably provide the two best examples of adherence for this and the preceding reason.)

3. Countries with low tariffs could be authorized by the GATT to make an over-all increase in their customs duties before joining, subsequent negotiations being based on this new tariff.

4. Republics whose tariffs were bound by bilateral treaties, would be able to negotiate, within the GATT, with the parties to such treaties for a reduction of the import schedules covered by consolidations or tariff concessions. In this way, membership of the GATT would reduce rather than increase tariff commitments. Cuba and Uruguay both appear in this category.[6]

[6] Negotiations carried out through the GATT by these two countries resulted in a reduction of their customs commitments with the United States.

5. The objects of the GATT coincide with traditional national trade policy. Peru is the country that most probably became a Contracting Party for this reason, since its capacity for foreign payments is derived from the export of a number of essential agricultural and mining commodities for which productivity conditions are satisfactory, and whose prices are therefore competitive. Haiti was also influenced by the similarity between its trade policy and certain basic principles of the GATT.

The following points probably decided those that abstained from joining:

1. Membership of the GATT entailed tariff negotiations leading to mutual concessions, whose results, for various reasons, appeared of dubious value from the standpoint of an effective expansion of national exports; furthermore, it was doubtful if the economic value of the benefits obtained for exports would compensate for the possible restrictive effects of such membership upon economic development, since the text implied dependence on international approval for the application of certain protective measures covering industrial production.

2. The commitments of membership — reduction of tariffs through bilateral negotiations, and extension of the resulting concessions to the other Contracting Parties through the most-favoured-nation clause — were believed to be incompatible, despite the exceptions permitted under Article V, with the inclination of some countries to reduce the dependence of tariffs on external commitments, in order to use them as an instrument in the diversification of the national economy and in the stabilization of the balance of payments. This is chiefly true of Ecuador, Colombia and Venezuela, whose trade policy in recent years has been characterized by a trend towards a reduction in the number or scope of bilateral agreements covering consolidations or tariff concessions. Colombia is an outstanding example, since, apart from frontier concessions to Ecuador and Peru, this country's tariff relations with other countries are governed entirely by the most-favoured-nation clause. The same feature appears in the case of Mexico.

3. The contractual limitations of trade policy might be intensified if to the commitments involved in bilateral agreements were added a new obligation entailed by membership of the GATT, and rarely included in the treaties concerned, namely, that of refraining from adopting measures to restrict imports of scheduled goods.

4. The persistent disequilibrium in foreign accounts generally compels the maintenance or the increase of selective measures of various kinds, whose operation within the regulations of the GATT might be neither so far-reaching nor, above all, so well-timed and rapid as governments deem necessary. In this same connexion, it would not be wise for countries whose external payments situation depends to an appreciable extent upon the income from certain exports, and on the proportion of convertible exchange received, to incur commitments which might hamper the adaptation of their trade policy to changing conditions in world markets.

5. In the opinion of some countries whose exports are definitely at marginal levels within the volume of world supply, the most-favoured-nation clause on which they

had already agreed with the consumer markets would suffice to enable them to participate automatically, without new tariff commitments, in any exemption, consolidation or concession which these markets accord to their major suppliers, whether Contracting Parties of the GATT or not. Some countries thought that, if they joined the GATT, circumstances might compel them to conclude customs agreements of no real value to their export trade, although causing a reduction both of fiscal revenues and of the margin within which tariffs could be modified by unilateral action.

Since the carrying-out of the survey whose findings are summarized above, a possibility has been opened up of changes within the GATT, provided that certain readjustments in its basic regulations, which were proposed at the Ninth Session of the Contracting Parties (Geneva, October 1954–March 1955), obtain the number of ratifications necessary for their adoption. In addition to the creation of a permanent body, the Organization for Trade Co-operation, to be responsible for the administration of the General Agreement on Tariffs and Trade, for the facilitation of inter-governmental discussions, for the encouragement of negotiations, for the elucidation of problems of trade policy and for the formulation of recommendations, three resolutions were prepared containing various amendments to the text of the GATT, some of which intimately affect Latin American countries.

Despite the rejection of a proposal by this region that the amendments should incorporate in the text of the General Agreement those parts of the Havana Charter which covered the establishment of preferential trade systems in the interests of economic growth, the significance of the modifications for Latin America still seems to be considerable. According to the approved amendments, those Latin American countries whose economies are in the early stages of development[7] and can support only low standards of living would follow a separate pattern, which, under given circumstances, would permit them to make use of protectionist measures covering certain items of production, and at the same time to safeguard their balance of payments by tariff procedures or quantitative restrictions, to be revised every two years by the Contracting Parties. Similarly, the amendments also allow for the restriction of imports in order to build up foreign exchange reserves whose object would be to preserve the continuity of development programmes.

In conformity with the principles of reciprocity inherent in an instrument based on equivalent concessions, as is the GATT, the facilities granted to countries in the early stages of development may, in some cases, involve the loss of certain tariff benefits obtained for their exports in previous negotiations. For other Contracting Parties whose economy is in process of development, but does not fall within the previous definition,[8] the elasticity and liberality of the regulations is considerably less.[9]

The question arises as to whether or not the number of the Latin American countries that become contracting parties of the GATT affects the possible incidence of this instrument on the solution of the region's special problems. If the answer is in the affirmative, it is worth pausing to consider the practical importance for the possibility of increasing this number which might attach to the separation of these developing countries into two groups, each to be offered different facilities for the protection of their growth. As is well known, per capita gross income varies so widely from one Latin American country to another that in some it stands at more than double the regional average whilst in others it does not reach even half of that figure.[10] Although the explanatory notes covering the new GATT regulations contain certain indications as to this classification, they do not for the moment clearly define the final position of countries where gross income is notably greater than that of other countries in the region. If, in the future, to decide whether they should or should not become members of the GATT, the Latin American countries continue their past practice of assessing how far it would help them to protect their economic development, the category in which they are included would seem likely to become a factor in this decision, and therefore, one which will help to determine the ultimate extent of Latin America's participation in the General Agreement.

(c) Agreements between countries of the region

After describing the outstanding characteristics of Latin America's foreign trade, chapter IV goes on to outline the aims and methods of inter-Latin-American trade policy. It is notable that, with the passing of the years, intra-regional tariff agreements are taking a secondary place. Recent agreements do not even take tariffs into account amongst possible means of enlarging the volume of trade. This may be explained by the fact that the traditional agreements concluded with the larger countries generally leave but little scope for similar agreements between the Latin American Republics. It may also be partly attributable to the limited character of the reservations introduced in these same agreements into the most-favoured-nation clause, which, for this reason, often automatically extends the bilateral benefits mutually conceded by Latin American countries to others outside the region, thereby neutralizing the efficacy of tariff concessions as a stimulus to inter-Latin-American trade.

On the other hand, reciprocal trade pacts between countries of the region have been prolific in barter agreements for commodities of similar importance. Although this system could never have any great effect upon the stability and expansion of trade currents, it has helped to maintain their level, especially when both contracting

[7] Article XVIII, 4 (*a*) and (*b*).

[8] See the text of the revised Article XVIII 4(*a*) and 4(*b*), supplemented in this section by explanatory notes 1 and 2.

[9] See in particular Article XII and section (*d*) of Article XVIII.

[10] In 1950, the most recent year for which complete figures are available for all countries in the region, per capita gross income in Latin America averaged 244 dollars. During this same year the individual figures for each country were: Argentina, 496; Bolivia, 103; Brazil, 195; Chile, 289; Colombia, 206; Costa Rica, 235; Cuba, 365; Dominican Republic, 164; Ecuador, 125; El Salvador, 151; Guatemala, 167; Honduras, 159; Mexico, 210; Nicaragua, 158; Panama, 324; Paraguay, 95; Peru, 111; Uruguay, 382; Venezuela, 550. In 1954, the per capita average for Latin America — although calculated on the basis of some countries only — may have reached 258 dollars at 1950 prices. Definite figures for the following countries were: Argentina, 451; Brazil, 220; Chile, 305; Colombia, 252; Cuba, 328; El Salvador, 182; Guatemala, 157; Honduras, 142; Mexico, 217; Peru, 130; Venezuela, 642.

parties are countries which control their foreign trade by selective measures not dependent on tariffs. The situation is changed if the agreements are between a country where imports are not subject to quantitative limitations, and another where each case is decided by the exchange control authority. The absence of any contractual technique to prevent the frequent violations of agreements provoked by this difference of methods, is one of the chief reasons for the repeated failure of agreements of this kind.

The system of barter is closely linked to that of clearing accounts, since this supplies the administrative means of liquidating the value of the products exchanged. So many agreements of this type have been concluded that, in 1953, they covered — if petroleum is excluded — about 90 per cent of total inter-Latin-American trade[11] in the Southern Zone. Clearing agreements, apart from their wide variety and the rigidly bilateral character which they impart to trade, are generally regarded in Latin America as a useful means of preventing the scarcity or total lack of convertible currency from interrupting mutual trade.

Like barter agreements, clearing accounts have made no contribution to enlarging the volume of trade, but rather have helped to maintain or protect existing levels. Nevertheless, in two of the principal intra-regional trade channels — Argentina–Brazil and Argentina–Chile — results are better. The considerable expansion of trade between Argentina and Chile during 1953/54 in consequence of the improvement introduced in 1952 into the clearing instrument concerned, shows that even on a bilateral basis more rational methods may also give more dynamic force to the system of payments on account.

In recent years, almost all the countries of Latin America's Southern Zone where reciprocal trade is based on clearing accounts have concluded so-called economic union or economic integration agreements. These aim at promoting the gradual and co-ordinated development of their respective national economies, and are directed towards the expansion of trade in traditional products, the strengthening of the demand for raw materials essential to industrial development, and, at the same time, the encouragement of trade in new products of Latin America's metallurgical, mechanical and chemical industries. The signatories hope that the increased trade which may be achieved by means of national commissions established to promote the application of these agreements will benefit both the diversification of their economies and their real income. To this end, it will also be necessary in due course to find formulae which will make these agreements compatible with the commitment not to discriminate against countries of other regions. From the contractual point of view, the assistance given by intra-regional trade to the economic development of Latin American countries appears still to be linked to the solution of the problem which up to now has limited the setting-up of the special systems necessary for its expansion.

From the specific data analysed in chapter IV, it may be gathered that there is little possibility of the introduction, within the classical contractual framework, of any sufficiently flexible system of exclusively Latin American liberalization. The agreements resulting from basic treaties with the larger countries to a substantial extent immobilize the tariffs imposed by many Latin American countries on their principal trade lines, a situation which, as practical experience shows, leaves but little margin for using them as instruments of import selection, unless modifications are previously introduced in the existing agreements. To judge from the data obtained for this *Study*, bilateral negotiations for modifications, with only two exceptions,[12] have hitherto had little or no success. Furthermore, in some Republics whose import market is particularly attractive (for example, Venezuela and Cuba), the structure of their economy is so closely linked to basic trade agreements with countries in other regions that — as is recognized in Latin America — it would be useless to consider the possibility of bilateral negotiations which might represent notable steps towards inter-Latin-American liberalization.

According to existing Latin American views, the GATT seems in some cases to have increased the commitments of a certain number of the republics with countries outside the region, but in others to have reduced them. Apparently it has also emphasized the continued difficulty of obtaining approval for special measures in favour of intra-regional trade. Data on this point are available with respect to Latin American countries which are not themselves members of the GATT, but which under this Agreement enjoy certain tariff benefits in other regions by virtue of the most-favoured-nation clause embodied in a bilateral agreement with one of the contracting parties of the GATT. These data show that the large countries on whose markets the Latin American Republics receive such benefits, do not consider it equitable that they should be excluded from any special tariff concessions which may be agreed upon between the countries of the region. Although, as events have proved, there seems to be little hope of modifying traditional agreements by bilateral means, precedents do exist, as will be seen later, which favour the possibility of negotiating the elimination of preferential treatments accorded to the larger countries, so that the tariff treatment which their products receive in Latin America may gradually become the same as that given to similar products of the region itself. Nevertheless, it remains to be defined how far the classical contractual formulae would permit the scope of this policy to be extended.

The data compiled show that in more than one Latin American country some thought has been given to the

[11] The intra-regional trade of Mexico, Central America and the Caribbean, as distinct from that of South America, is generally on the basis of convertible currency.

[12] See: (*a*) Exchange of notes appended to the trade agreement concluded in 1941 between Argentina and the United States, whereby the latter country, on given bases, declares its willingness to waive its contractual right to avail itself of the preferential tariff treatments granted by Argentina to its neighbouring countries and to Peru, and, further, extends this waiver to preferential treatments affecting exchange or quotas, on the understanding that they were to be abolished at the end of the war then in progress, unless a new agreement should be reached between Argentina and the United States; and (*b*) an agreement signed in 1945 by Colombia and the United States whereby the latter country waives its contractual right to share in the tariff concessions resulting from the 1942 treaty between Colombia and Ecuador.

desirability of investigating whether this problem might be gradually solved through the co-operation of the GATT, whose regulations do not preclude the approval, under exceptional circumstances, of the institution of preferential systems covering predetermined goods on the basis of specific programmes, when these systems do not constitute the customs unions or zones of free trade that the members of the Agreement have the right to set up under certain conditions. The establishment, in 1952, with the approval of the GATT, of a common market for the coal and steel production of six European countries appears to exemplify the type of preferential agreement studied with most attention as a possible precedent for similar solutions in Latin America. Interest was also expressed as to how far the GATT would agree to the modification of bilateral agreements whose existence, because of insufficient reservations with respect to the most-favoured-nation clause, prevents or hinders the taking of steps towards regional liberalization. To judge from the data in chapter IV, the prospects for such action, and the consequent problem of tariff compensation to countries of other regions, could not be considered without taking into account the cases of those non-members of the GATT whom it would be difficult or impossible to exclude from any reasonably important Latin American trade blocs. Although it concerns trade of only limited absolute value, a further precedent not undeserving of analysis is that created by the GATT's approval of the free trade system existing since 1951 between Nicaragua and El Salvador, although only the former is a Contracting Party of the General Agreement.[13]

At first sight, the problem does not appear easy. Latin American authorities who have examined it in principle believe that the minority status of Latin America in the GATT might perhaps militate against the latter's use in assisting the building-up of common regional markets, especially if these had to involve restrictions or considerable changes in the composition of imports from other regions of the world; in any case, however, in order to make any sound assessment of the General Agreement's real potentialities in this connexion, it would be necessary in each instance to give an outline of the initial programmes upon which the measure would depend, taking into account the special features which would be imposed by the participation of countries that were not Contracting Parties of the GATT.

(*d*) Basis for an inter-Latin-American trade policy

Considering the available data as a whole, to what extent would it be possible to improve the influence of inter-Latin-American trade upon the diversification of domestic production and the increase of real income?

The point of departure is quite clear. The studies made by ECLA have plainly shown on more than one occasion that the expansion of Latin America's exports to the main consumer centres is a very favourable factor in the acceleration of economic development. On the other hand, since population is increasing more rapidly than the capacity to import, Latin America is compelled to maintain the policy of replacing imports by domestically-produced goods wherever possible. The promotion of inter-Latin-American trade, in addition to being compatible with measures for increasing exports and trade with other areas, might also assist the growth of both new and existing production, and improve the outcome and scope of the substitution policy.[14]

To this end, and with due regard to one of the recommendations made in resolution 69 (V) at the fifth session of ECLA, consideration would have to be given to the possibility of establishing certain basic principles common to the trade policies of the Latin American countries. As may be seen from a study of chapter IV, a practical definition of these principles would be difficult to draw up, since the nature and bases of commitments with countries of other regions differ widely. In addition to the lack of information as to the position most desirable for each Republic, in face of certain vital problems of trade policy, the cases already examined show that what is most advantageous for one country is unacceptable to another. An example of this is afforded by the differing attitudes of individual nations towards the GATT, and their dissimilar behaviour with respect to the most-favoured-nation clause. While some countries are inclined to evade the commitments entailed by such a policy, preferring agreements which establish specific tariff concessions, exemptions and consolidations, and do not involve joining the GATT and subscribing to the clause in question, others favour its straightforward application, without simultaneously according special tariff concessions for predetermined items. Furthermore, only incomplete information is available on the causes and circumstances that determine certain basic attitudes governing trade policy in the different Latin American countries.[15]

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[13] In 1953, the value of the goods imported by Nicaragua under the free trade treaty concluded by these countries in 1951, amounted to little more than 383 thousand dollars, equivalent to 0.9 per cent of Nicaragua's total imports during that same year.

[14] See the Rapporteur's report of Committee V (Inter-Latin-American Trade) at the fifth session of the Commission, Rio de Janeiro, 1953 (E/CN.12/AC.22/2).

[15] The Economic Commission for Europe maintains a Trade Development Committee which offers Governments prompt information on some of the commercial problems peculiar to the various countries with whom they trade within a given area, as well as the opportunity of preparing negotiations. Before each meeting, the secretariat draws up brief analyses of the items on the agenda, which include exchange of information on export and import possibilities; the study of specific problems obstructing trade; observations upon compliance with existing treaties; co-ordination of trade procedures; and preliminary examination of possible agreements. After the Meeting, which is held in private, the secretariat advises Governments of the results achieved.

At each meeting, the initial discussion is on a multilateral plane. During this phase trade information requested by the secretariat, or by the countries represented, is supplied, and trading difficulties are examined, together with data on new import and export prospects within the region. This is followed by bilateral discussions, in which the secretariat is not represented, and pairs of experts examine trade problems arising between their two countries. After the secretariat has been informed of the results of these talks, the Meeting is open for triangular or multilateral conversations. Finally, the Meeting, in a General Assembly, examines the results obtained and advises the secretariat on specific points arising from the discussions. Between Meetings, the secretariat maintains regular contact with both Governments and experts (see *Co-operation in the development of inter-regional trade*, E/2674, 4 February 1955).

For these and other reasons, it is for the moment possible to lay down certain common bases only in broad general terms. The data obtained suggest that one such basis might be the acceptance of the principle of inter-Latin-American minimum treatment, whereby, as far as possible, goods of Latin American origin would not be taxed more heavily than similar commodities from other regions. To take a step further in the direction of liberalization, it appears necessary to recognize the right of all countries in the region to participate in trade blocs. Regional experiments in organizations of this kind would seem to advocate the limitation of liberalization programmes to commodities with reasonably good market possibilities. These general principles would not need to affect the adoption of sub-regional agreements; although, in given conditions, such pacts are open to all Latin American countries, they are aimed at solving specific trade problems, or at expanding trade in certain characteristic sectors. One such case is the multilateral trade agreement now being studied between Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua, under the auspices of the Central American Economic Co-operation Committee.[16] A similar situation, in some respects, is that of the seven Republics of the Southern Zone (Argentina, Bolivia, Brazil, Chile, Paraguay, Peru and Uruguay); because of their reciprocally complementary natural products, their ocean transport system, and almost universal shortage of convertible currency, these countries constitute a trade zone of well-defined characteristics.

Certain brief comments should be added before this summary is brought to an end. The over-all picture of the characteristics and chief problems of Latin American trade policy given in chapter IV had to be based on data compiled from regional sources for the *Study*. Although these were interpreted in conjunction with valuable information obtained from research carried out among competent authorities, and from definite events and experience, the findings may well have certain limitations. Within the interdependence which normally accompanies all trade policy, if a complete appreciation of such complex problems is to be achieved, it would be well to examine them both from the Latin American point of view and from that of the countries with whom the region carries on its heaviest trade. This comparison may give rise to new forms of co-operation in trade policy, including that necessary for the development of inter-Latin-American trade.

5. Payment problems

Like its trade policy, Latin America's payment arrangements (see chapter V) are far from homogeneous. In the Northern Zone — Mexico, Central America and the Caribbean countries — there is a preponderant tendency towards multilateralism, since foreign business is here conducted under a system of free currency convertibility. In South America, with a few exceptions, the emphasis is all on bilateral trade, on the basis of clearing accounts: country-to-country transfers do not involve convertible currencies, except when the relevant agreements expressly stipulate their use to cover certain balances. A major part of the trade between South American countries is subject to this system of payments on account.[17]

Bilateralism, in view of the structure of inter-Latin-American trade — in which the relations between vendor and purchaser, limited as they mostly are to a small number of products, are often unbalanced — is not without its disadvantages. Nevertheless, the adoption of the system would seem to have provided a means of

[16] The fourth session of ECLA (Mexico, 1951) adopted resolution 9 (IV) on economic development in Central America, proposed by these countries, whose delegates expressed "the interest of their governments in the development of agricultural and industrial production and of transportation systems in their respective countries, so as to promote the integration of their economies and the expansion of markets by the exchange of their products, the co-ordination of their development programmes and the establishment of enterprises in which all or some of these countries have an interest". This resolution, in addition to requesting the ECLA secretariat to undertake a study of measures or projects which would permit the gradual implementation of the proposals, also invited the Central American Governments to form an Economic Co-operation Committee, composed of the Ministers of Economy or their delegates, to act as a co-ordinating and consultative organization of the secretariat, and to guide the above studies and consider their conclusions.

The following documents describe the work carried out by the Committee, which was formed as a permanent body: First Session (Tegucigalpa, August 1952), E/CN.12/AC.17/24; Second Session (San José, Costa Rica, October 1953), E/CN.12/AC.17/30. In addition, the Central American Trade Sub-Committee met in Tegucigalpa in October 1954 (E/CN.12/CCE/11) and in Mexico in January 1955 (E/CN.12/CCE/15). The study of the multilateral trade pact was agreed upon in resolution 11 (CCE) of an Extraordinary Meeting of the Committee (San Salvador, May 1955). Later, at its Third Ordinary Meeting (Managua, January 1956), the Committee resolved to set up an *ad hoc* commission to prepare a draft multilateral treaty on inter-Central-American free trade and economic integration, "which may serve as a basis for the future development of free trade with the whole region". It would be valid for a term of ten years, and its basic provisions would be as follows: (*a*) establishment of a free trade zone in relation to a list of duty-free items which would be subject to no restriction or control, and (*b*) the equalization of import duties on these same articles and the raw materials involved. The treaty would create a Commission responsible for proposing solutions to problems arising from the implementation of the agreement and for studying those connected with the development of inter-Central-American trade.

Under the terms of this resolution, the draft treaty will contain, *inter alia*, provisions designed to prevent improper trade practices; to guarantee the free movement of goods in transit through the territories of the contracting parties; to accord the same treatment to free trade commodities, to investments of Central American capital, to vehicular traffic and to transport services, as is granted to those of the nation concerned; to extend such treatment to citizens of the Central American countries in all business, civic and social matters; to protect and promote regional industries; to establish the most-favoured-nation clause for inter-Central-American trade in items included in the free trade schedule, except in relation to concessions granted through Central American bilateral free trade treaties; and to make it incumbent upon the Governments of the Central American Republics to include the Central American Saving Clause in all the trade instruments they may conclude with non-Central American countries.

The same Commission will study the composition of the list of free trade commodities, with special attention to the following items: (*a*) those corresponding to regional industries included in the Integration Programme; (*b*) those manufactured by industries which may be established in connexion with a Central American market; and (*c*) those which are produced within the area and trade in which could be expanded without prejudice to the national economies of the Central American Republics.

[17] See *Trade Trends and Policies in Latin America* (E/CN.12/165), and *Study of the Prospects of Inter-Latin-American Trade*, op. cit.

evading or lessening the obstacles to the area's normal transactions raised by the shortage of convertible currency. Pressure on their holdings of this type of exchange has clearly influenced the Southern Zone countries in making widespread use of the bilateral method, since, in so far as their economies are complementary, they largely depend on one another for supplies of certain essential products. The upshot is that all the South American Republics — with the exception of Venezuela and, to some extent, of Peru — now participate to a greater or lesser degree in the clearing accounts system. In recent years, while arrangements of this type have grown more numerous, some of their provisions have shown signs of an intention to make them more flexible. In particular, they tend to authorize larger reciprocal credits, to include payments for invisible trade in some clearing accounts, to adopt a common monetary unit for accounting purposes, and sometimes to grant facilities for payment of outstanding balances in kind. This relative remodelling, however, has not so far included any specific indications of a short cut to multilateral operations between countries in the area, although in some cases there have been attempts to transfer to countries in other regions certain balances deriving from bilateral accounts between South American States.

Some aspects of the payments problem in Latin America have already been examined.[18] Broadly speaking, existing studies emphasize three main problems: the distribution of the net balance of inter-Latin-American trade, the wide disparities in the position from one country to another, and the difficulties encountered by some debtor States in increasing their exports within the area so as to compensate their liabilities without recourse to surplus foreign exchange obtained from trade with other regions. These factors, it is pointed out, closely link the fate of any proposed solution to the simultaneous adoption of measures of a different kind, which are entirely within the sphere of trade policy. Clearly, if the debtor countries are to increase their exports — a prerequisite for the stabilization and expansion of trade — an important part will be played by agreements between economically and naturally complementary States, concluded with a view to exploiting the comparative advantages of specialization in certain sectors of their production, and thereby broadening the bases of their national import replacement policy. Responsible quarters have advocated solutions of this type, but preliminary studies show that no practical action could be taken without detailed prior investigation into the commercial and technical problems it would involve. In practice this is also the case with Latin American clearing accounts, although in theory the countries concerned could find a means of transition from rigid bilateralism to greater fluidity of payments by the adoption of procedures permitting the triangular transfer of certain balances. For the reasons stated, the willingness of some countries to follow this course has not yet found tangible expression in proposals that can be translated into action.

[18] See footnote 17, and also *Multilateral compensation of international payments in Latin America* (International Monetary Fund, Washington, D.C., 1948).

6. Incidence of maritime transport on trade

(a) Prospects

A vital factor in inter-Latin-American trade is maritime transport, whose operating conditions and problems directly influence the level of commerce, since freight rates and the timely accessibility of shipping lines can make or mar the competitive capacity of regional merchandise in the markets of the area. From this standpoint, with due regard to the characteristics of shipping services and the underlying causes of their present situation, chapter VI of the present *Study* sketches the possibilities of concerted action by the various countries for the removal of obstacles which they would find it difficult to overcome individually. As far as transport is concerned, the chief of these obstacles appears to be maritime freight charges within the area.

The scarcity of official statistics on the volume and types of cargo transported by the ships of each country in the course of inter-Latin-American trade, and the inadequacy of available information concerning basic aspects of the shipping service — such as scales of freight charges and port dues for the berthing of ships and handling of cargo — made it an extremely difficult task to collect the material now analysed. Despite the complexity of the problems to be solved — some of them never dealt with before — it was possible to extend the inquiry at the present stage to the whole of South America, the countries of which account for more than nine-tenths of total inter-Latin-American trade. Problems of sea transport in the rest of Latin America, although only from the standpoint of the movements of maritime cargo among five republics of Central America, had already been examined in 1953,[19] by virtue of resolution 9 (IV) of ECLA. Both the report prepared in compliance with that resolution, and the present *Study*, contain material which will facilitate more thorough investigation, at a later date, of the question of inter-Latin-American maritime transport, so far as it concerns movements of cargo between South America and the Northern zone of the region, whose mutual trade relations are substantially affected by the sea transport factor and particularly by the cost of freight.

Most of the trade between the republics of South America — about 92 per cent in 1950-52 — uses the sea route. This is due to various geographical and economic causes which, by conferring upon inter-South-American traffic a definitely peripheral character, have hitherto hampered the full development of inland-water way and overland transport, or have limited their employment to specific trade between adjacent territories. South American trade with the rest of Latin America and with the world is considered in the present *Study* in terms of weight and volume per types of merchandise. Then follows a determination of the characteristics of the principal traffic flows and an estimate of the necessary — and available — carrying capacity for general, bulk cold and liquid cargo.

Of the 85 million registered tons which approximately make up the total of the world's mercantile marine, South America accounts for barely 3 per cent, a low pro-

[19] *Transport in Central America* (E/CN.12/356, ST/TAA/Ser. C/8), United Nations publication, Sales No.: 1953.VIII.G.2.

portion if it is related to the volume of this area's total maritime foreign trade, which in 1952 already amounted to 134 million tons, 30 million consisting of dry cargo and rather more than 104 million of liquid fuels.[20] The average effective utilization of South American merchant ships does not appear to reach 60 per cent of the space available for solid cargo in the heaviest traffic sectors, whereas carrying capacity for liquid cargo is used almost up to 100 per cent, although only in one direction, since for this traffic special boats are used which, once their compartments are empty, are obliged to return in ballast.

The annual value of the maritime freight resulting from South American foreign trade is over 1,200 million dollars. Figures for 1952 — the last year for which representative statistics could be compiled — reveal that of this total, in the financial year in question, South American shipping companies received about 153 million dollars, of which approximately 28 million represented the transport of goods within South America. About 60 per cent of the 153 million is used to cover expenditure incurred by the companies' own ships when abroad. These expenses include the cost of refitting and repairs, which are usually effected in dockyards and machine-shops outside the area, since the South American countries have not so far developed their shipbuilding and repair industry at a rate anywhere near that at which their merchant fleets have expanded during the last decade.

Freight costs also depend upon harbour dues and cargo-handling charges, which together usually represent about 50 per cent of total direct operational expenses. Delays in harbour, owing to lack of berthing space, and other time-wasting factors, give rise to indirect expenses over and above the direct costs. Thus the possibility of eliminating superfluous expenditure which unduly swells the cost of sea transport largely depends on adequate harbour facilities and personnel, port administration, and methods of payment of labour, as well as on the quality and organization of the land and water approaches — often deficient — which link the parts with their hinterland.

The influence of ports on problems of maritime trade is examined in the light of three factors established on a comparative basis for a group of large South American ports.[21] These are (1) the actual working time during which the cargo was being handled, out of every hundred hours that the ship remained in port; (2) the number of tons moved during the total stay in port, and (3) the rate at which the cargo was shifted per hour worked, an item which to a large extent reflects the efficiency of the port equipment. The conclusions are subject to certain reservations, because there were gaps in the statistics which made it necessary to carry out the analysis by sampling. On the whole, however, the results show with relative accuracy the wide differences in output from one port to another. To take extreme levels, the percentage of hours of work during the vessels' stay in port varies from 29 in Guayaquil to nearly 66 in Buenaventura; while the number of tons shifted per hour of stay is 11.2 in Montevideo as compared with 28.6 in San Antonio, and per hour worked, 24.6 in Maracaibo, against 53 in Buenos Aires and 51.1 in San Antonio. Limiting investigation as far as possible to those aspects of port efficiency most directly related to freight charges, the *Study* finally traces the general and extremely complex lines of a problem which is of vital importance to the economy of the area, and which has so far received only slight attention in planned national policies.

(*b*) Basic structure of traffic

Within the total volume of maritime cargo annually transported in the course of South American foreign trade (about 134 million tons in 1952), about 8 million tons represent inter-South-American trade, and of this more than three-quarters consists of petroleum and petroleum products from Venezuela, Peru, Colombia, Ecuador and, in recent years, Chile.[22] Dry goods — bulk and general cargo — amount in normal years to about 2.7 million tons. The transport involved gives rise to three main traffic lines, which form the present basis of inter-South-American shipping. The most important is found along the Atlantic coast, linking the Argentine, Brazilian and Uruguayan ports; through these, on an average, nearly 1.8 million tons are moved every year in the course of inter-Latin-American trade. Fluctuations in this traffic mainly reflect changes in the level of wheat exports from Argentina to Brazil. It may well be stabilized in some degree by the implementation of the wheat agreement, signed by both countries on 20 January 1955, which stipulates, under certain conditions, the sale of 100,000 tons of wheat grain per month during 1955, 1956 and 1957.[23] Within this traffic, which is partly served by regular shipping lines also plying to other regions of the world, the annual cargo transported to the northern coast of South America is twice as heavy as that destined for the southern coast. The resulting disparity means that, whereas the carrying capacity of boats going from the Plate River to Brazil is utilized up to approximately 85 per cent, in the opposite direction the percentage of utilization is very low. In fact, during 1945-53, the Brazilian ships serving this route utilized only 7.1 per cent of their space on the way to Argentine and Uruguayan ports. In such conditions the major problem of this traffic which faces considerable foreign competition, appears to be the incidence on freight rates of the low degree of hold space utilization.

The second most important line is that between Brazilian and Peruvian ports via the Straits of Magellan. Together with ships sailing under other flags, this traffic annually carries about 650 thousand tons of dry cargo in

[20] In 1952 the total movement of maritime cargo to and from South America, in millions of tons, was as follows:

	Liquid fuels	*Bulk cargo*	*Frozen cargo*	*General cargo*
Total exports	95.4	8.6	1.0	6.3
Imports from regions other than South America	9.2	6.5	—	7.7
Total	104.6	15.1	1.0	14.0

[21] Argentina: Buenos Aires and La Plata; Brazil: Rio de Janeiro and Santos; Chile: Valparaíso, San Antonio and Antofagasta; Colombia: Buenaventura, Barranquilla and Cartagena; Ecuador: Guayaquil; Uruguay: Montevideo; Venezuela: La Guaira, Maracaibo and Puerto Cabello.

[22] Exports of Chilean petroleum ceased in 1954 when the Concón refinery entered operation.

[23] In the 1954 agreement the total was 750 thousand tons.

the two directions. Here also there is a wide disparity between the volume of cargo — never very large — transported from the Atlantic and the considerably greater quantity shipped from the Pacific ports.[24] The variations in Argentine exports of cereals, oil-seeds and fats to Chile and Peru have a considerable influence on the regular operation of these lines, where the freight rates for traffic towards the Atlantic are directly affected by the inadequate use of the available space in the reverse direction. In recent times the phenomenon has become somewhat more marked in the traffic between the Argentine and Chilean coasts. The increase in the Chilean cereal harvest,[25] together with the recent purchase by that country of certain surpluses of United States wheat and oil, is tending to reduce the proportional volume of cargo from Argentina to the Pacific.

Third in order of importance is the local traffic along the Pacific coast. Largely served by lines whose itineraries begin or end in other regions, it contributes about 220 thousand tons annually to the movement of inter-South-American tonnages. Here, too, there is a great disparity between the cargoes carried in each direction. The heavier tonnage, which is moved southwards, is mainly composed of sugar exported to Chile by Peru. However, in this case, the disparity has no such heavy effect on freight charges as on the other two South American traffic lines, since the ships which transport goods from North America and Europe to the Southern Pacific coast, in unloading part of their oversea cargoes at ports of call after passing the Panama Canal, set free some of their space to serve the requirements of inter-South-American trade in the Southern Pacific Zone.

In addition, there are two other lines which transport fairly small quantities of cargo around the South American coasts, namely the Peruvian Steamship Company, which serves the eastern Amazon basin via the Panama Canal, and another line which links Colombian and Venezuelan ports on the Caribbean coast.

(*c*) Carrying capacity

The increase in carrying capacity under South American flags has been considerable since pre-war days. Whereas between 1939 and 1953 the world's gross registered tonnage rose by 46 per cent (from 58.3 to 85.1 million tons), that of Latin America grew by 183 per cent (from 920,000 to 2.6 million tons), without counting ships registered in Honduras and Panama.[26] This expansion is largely due to South American fleets. So remarkable a development is the result of independent programmes whereby several South American countries are trying, *inter alia*, to reduce the amount of foreign exchange they spend on freights and at the same time to widen the margin of security represented, in the event of international emergency, by the possession of merchant vessels. In the meantime, it is noteworthy that there are still extensive stretches of South American coast not served by regular shipping lines. The problem of these neglected sectors — which is usually reflected in trans-shipment operations — affects transport: (1) between the river Plate and certain Brazilian ports and the Caribbean ports of Colombia and Venezuela; (2) between the Pacific Coast — via the Panama Canal — and the South American shore of the Caribbean, and (3) between Argentina and Uruguay and the Pacific ports of Ecuador and Colombia. A specific example of the effect of the absence of direct shipping services on the competitive capacity of the goods transported is the case of Chilean nitrates, on which the freight cost per ton between Iquique and New York — 3,856 miles — is from 8 to 9 dollars; between Iquique and La Guaira — 2,723 miles, with trans-shipment in Curaçao — it is about 17 dollars.

There are at present no signs of a speedy solution to the problem of traffic not served by direct lines, where the tonnages of dry cargoes are low. The lack of a freight demand of sufficient volume to maintain regular services and the effect on trade of the absence of such services bring into play a number or interdependent depressive factors. Thus there appear to be no plans to bridge the gaps mentioned by means of isolated changes in the itineraries of regional shipping companies, which, if they do expand their lines, tend to increase their overseas rather than their inter-South-American transport services. A suggestion often cited as difficult to put into practice, but perhaps worthy of study, is one put forward by shipping circles in republics whose interests suffer from the effects of this problem. The proposal is to establish, in co-operation with national mercantile marines, a regular line circumnavigating South America in both directions. Part of its task would be to transport those cargoes which today must rely on trans-shipments or which are subject to the uncertainties and delays caused by the absence of regular services.

In any event, solutions which may eventually modify or expand the basic structure of South American maritime transport would seem to bear some relation to the success or failure of certain trade agreements recently concluded in the region,[27] the application of which is linked with ocean freight tariffs and the timely availability of shipping.

(*d*) Co-ordination of national policies

According to official information, the long-term aim of the programmes of certain South American countries for increasing available carrying capacity is the purchase of ships to transport up to half the volume of their own foreign trade. This would mean doubling the present South American tonnage of boats for general and bulk cargo and increasing by almost two-and-a-half times the fleet of oil tankers. In relation with this policy, commercial agreements concluded with European countries during the years immediately following the war usually embodied

[24] Some of the problems peculiar to this traffic were already examined in *Study of the Prospects of Inter-Latin-American Trade. (Southern Zone of the Region)*, op cit.

[25] From 955,400 tons in 1954 to a little over one million in 1955.

[26] See *Inter-American Transportation: Development and Co-ordination*, publication of the Organization of American States (ESSE–8/54), presented at the IV Extraordinary Meeting of the Inter-American Economic and Social Council (Rio de Janeiro, September 1954), p. 36.

[27] These are the trade and payments agreements between Argentina and Ecuador (22 August 1953); Colombia and Uruguay (12 December 1953); Argentina and Colombia (23 April 1954), and Ecuador and Uruguay (4 June 1955).

the so-called "transport clause". This recognized the right of each party to transport in its own ships up to half the goods traded. Some republics achieved the same end by making it compulsory for importers to declare, when requesting the relevant import licence, whether the cargo would be carried in national or foreign ships, with the result that the licences became a means of ensuring a particular degree of utilization of ships sailing under the national flag.

The "transport clause" in agreements with European countries has been falling into disuse in recent years, because the European parties have not agreed to renew it on the expiry of the treaties concerned. But in intra-regional traffic it has gained such wide acceptance that there are already six pairs of South American countries[28] which include it in bilateral agreements. The fact that such instruments are concerted without co-ordination and without recognition of the geographical area of South America as a common freight market, sometimes seems to bring them into conflict with the general shipping needs of the region. Such is the case with the two principal inter-South-American traffic lines — that of the Atlantic coast and that linking the most southerly ports via the Straits of Magellan. Until a few years ago, ships normally serving the second of these trade flows were able to maintain their itineraries by carrying part of the cargo proper to the first. Nowadays, there are cases in which the exclusive effect of independent agreements prevents these ships from co-operating in the transport of such cargo.

Agreements between countries of the region whereby the ships of both parties are granted equal treatment as regards harbour dues and tariffs have occasionally been applied, though on a limited scale, in an attempt to secure more efficient utilization of available space in South American vessels. Apparently the main advantage thus gained is a reduction of waiting-time in the most frequently congested ports.

There is no liaison or consultation machinery designed to avoid serious clashes or to unify the often divergent foreign exchange treatment accorded by each nation to ships flying its own flag and reflected sometimes in favourable, sometimes in adverse, effects on investment in shipping. The importance of such treatment to common regional interests becomes clear when it is recalled that the establishment of over-valued exchange rates for converting balances on freight charges collected abroad is in part responsible for the unduly high level of charges in certain cases. The net result is not only the determination of differing quotations for the same cargoes over the same routes, but also the encouragement of competition from shipping registered in other areas and the imposition of limitations on South American services with fixed itineraries. The deterrent effect appears to be most severely felt by Atlantic-Pacific lines passing through the Straits of Magellan.

Despite the magnitude of the difficulties inherent in any co-ordination of shipping policies during periods when no emergency exists, these and other facts emphasize the advisability of attempting to overcome such obstacles — even if only to the extent of establishing regular contacts between shipping companies for the study of common problems with expert assistance — and to influence the course pursued by individual nations. There are two useful precedents for some such preliminary co-operation. First, an organization with its seat in Caracas groups together a number of shipping enterprises for the joint solution of certain navigational problems on routes between Venezuelan and United States ports; secondly, an agreement was recently concluded between Argentine and Chilean lines to collaborate in negotiating freight charges between southern ports on both oceans, via the Straits of Magellan.[29]

Apart from the advantages which might be derived from inter-Latin-American co-operation in securing regularity of shipping services, especially if it were organized on practical lines, the foregoing information also brings out strongly the need for international technical assistance to various countries. There is an obvious shortage of local experts qualified to administer and operate the ports, to train personnel and deal with other sea transport, harbour and dockyard questions. In all these respects regulations and usage in Latin America differ widely from country to country. Thus, to co-ordinate the procedures and requirements of port and shipping services in South America, there is probably no substitute for the contribution that could be made by international technical assistance.

[28] Argentina–Brazil, Argentina–Chile, Argentina–Colombia, Argentina–Peru, Brazil–Uruguay and Colombia–Uruguay.

[29] The same companies afforded valuable help to ECLA in the preparation of *Study of the Prospects of Inter-Latin-American Trade*, op. cit. From the background information they supplied it was possible to clarify a number of sea transport problems posed by lack of co-operation between shipping lines.

Chapter II

CHARACTERISTICS OF INTER-LATIN-AMERICAN TRADE

1. Latin America in world trade

Latin America's contribution to world exports has fluctuated during the last 20 years around 10 per cent of their over-all value. These exports, including goods which each country ships to others within the same area, improved their relative positions in 1946-51, when, as a result of the Second World War, the volume of regional shipments rose to 11.7 per cent of world exports. This expansion attained its peak levels during 1946-48, reaching 14.1 per cent in the last year; little trace of it remains after 1952, in which year Latin American sales virtually returned to their pre-war relative importance. If, in view of the severe drop in Latin American cereal exports during 1952, the relatively normal 1953 figure is chosen for purposes of comparison, it can be seen that in that year the region contributed 10 per cent of world exports, a slightly higher proportion than the 9.4 per cent recorded during the pre-war period (1934-38).

Latin America's participation in over-all world imports is relatively lower than its share in world exports. This is because the unfavourable balances from capital movements and invisible trade caused a decline in the capacity to import derived from exports, which affected each country in varying degree. In the period 1934-38, during which foreign investments decreased considerably[1] and regional exports stood at 9.4 per cent of the world volume, imports scarcely amounted to 6 per cent of the total. In 1946-51, this figure rose to 10.2 per cent, as a result of purchases made by Latin America with the large dollar reserves accumulated during the war, as well as of the improvement in the terms of trade which began after 1946, and, stimulated as from mid-1950 by the Korean war, attained its peak in 1951. The year 1952 witnessed a percentage reduction in Latin American world purchases, as compared to the average for the previous five-year period, although their value in that year exceeded that of exports for the same period by 492 million dollars; this was largely because monetary reserves and foreign credits gave Brazil, and, to a lesser extent some other countries, a purchasing power in excess of their capacity to import. The relative volume of imports continued to decline in 1953, as various countries established restrictive measures to protect their foreign currency holdings, and to cover their short-term obligations abroad.[2]

[1] See *Study of trade between Latin America and Europe* (E/CN.12/225), United Nations publication, Sales No.: 1952.II.G.2, page 8.

[2] The proportions based on 1953 figures must be regarded with some reserve, since, when the present study was prepared, statistics for that year were not available for certain countries (see table 1). As a result, the ratio between over-all world and total Latin American foreign trade appears slightly higher than is actually the case.

TABLE 1. LATIN AMERICA: TOTAL AND INTER-LATIN-AMERICAN FOREIGN TRADE
(Millions of dollars)

	Average 1934-38	*Average 1946-51*	*1952*	*1953*
World exports f.o.b. [a]	20,358	52,662	72,500	76,310 [b]
Total Latin American exports f.o.b. [c]	1,923	6,147	7,068	7,660
Percentage of world exports	9.4	11.7	9.7	10.0
Latin American exports to Latin America f.o.b.	113	581	601	720 [d]
Percentage of total Latin American exports	5.9	9.5	8.5	9.4
World imports c.i.f. [a]	22,477	56,313	79,100	78,047 [e]
Latin American imports c.i.f. [d]	1,358	5,754	7,560	6,297
Percentage of world imports	6.0	10.2	9.6	8.1
Latin American imports from Latin America	130	645	737	786 [d]
Percentage of total Latin American imports	9.6	11.2	9.7	12.5

SOURCE: *United Nations Statistical Yearbook.*

[a] Excluding foreign trade with Albania, Bulgaria, the People's Republic of China, Czechoslovakia, The German Democratic Republic, Hungary, Poland, Romania, and the U.S.S.R.

[b] Excluding exports to Albania, Afghanistan, Bulgaria, Czechoslovakia, People's Republic of China, Korea, Portuguese Guinea, Greenland, Hungary, Portuguese India, French India, the Virgin Islands, Timor, the Channel Islands, the Gilbert Islands, the Ryukyu Islands, Liberia, Macau, Manchuria, Spanish Morocco, New Guinea, French Oceania, Poland, Romania, Thailand, Tangier and the U.S.S.R.

[c] Including Latin American exports to the region itself.

[d] Including Latin American imports from the region itself.

[e] Excluding imports from those countries listed under footnote [b], and from the New Hebrides.

2. Trade flows

United States demand for Latin America's exportable production is becoming, on account of its composition, the most important factor in the distribution of the region's flow of foreign trade. By the same token, it is the most influential determinant of the degree to which this trade is conducted on the basis of convertible currency or through clearing accounts. This is confirmed by the characteristics of the shift which has occurred. The traditional centre of gravity of Latin America's foreign trade has switched from Europe to the United States, impelled by several factors. The two world wars, by stimulating United States industrial production, also increased that country's demand for certain primary goods of which Latin America is an exporter, but which are, broadly speaking, dissimilar to those predominating in her habitual trade with Europe. The expansion of United States demand is roughly parallel to the radical change in the sources of foreign investment in the region. Until the First World War these were, principally, the United Kingdom, France and Germany; ten years later, their place had been taken by the United States. The latter's importance to the foreign trade of Latin American countries was also augmented by the import replacement process derived from the structural transformation which the Latin American economy is undergoing, since Latin America found in United States markets the equipment and machinery necessary for this transformation. At the same time, important restrictive factors began to intervene in trade between Europe and Latin America. As the former tightened its commercial ties with dependent territories, its purchases in Latin America — wheat, maize, meat,[3] raw cotton linseed and linseed oil — betrayed a marked downward trend, which in 1946-51 came to represent a considerable loss in volume in comparison to the pre-war period.[4] As the foreign trade of the principal countries of Latin America has habitually been subject to controls aimed at safeguarding the bilateral equilibrium of the values of merchandise, the region's trade with Europe gave rise to approximately parallel movements; the decline in European purchases brought about a more or less correlative reduction in those effected by Latin America. And the latter, again, are undergoing the effect of the increasingly severe restrictions which many republics are applying in order to limit imports of manufactured goods similar to those produced by new national industries. In short, although the setbacks resulting from the wars of 1914-18 and 1939-45 and the 1930 crisis were each followed by a relative recovery, this became progressively less, and left the proportion of Latin America's aggregate foreign trade represented by trade with Europe lower than in previous normal periods.

TABLE 2. LATIN AMERICA: FOREIGN TRADE FLOWS

Year	Distribution by percentages: Latin America	United States	Europe	Other countries	Aggregate value (Millions of dollars)
		Exports (f.o.b.)			
1938 . . .	6.1	29.9	45.4	18.6	1,833
1946 . . .	12.3	40.7	33.0	14.0	4,434
1952 . . .	8.5	48.2	25.4	17.9	7,068
1953 . . .	9.2	44.6	25.5	20.7	7,660[a]
		Imports (c.i.f.)			
1938 . . .	9.2	34.2	46.5	10.1	1,527
1946 . . .	18.3	59.1	16.1	6.5	3,535
1952 . . .	9.7	51.9	28.9	9.5	7,560
1953 . . .	12.4	53.2	28.9	5.7	6,297[a]

SOURCE: ECLA.
[a] Provisional figures.

In 1938 Europe purchased more than 45 per cent of aggregate Latin American exports, and supplied 46.5 per cent of her imports. The share of exports corresponding to Europe fell to practically 25 per cent in 1953, while in the same year the European contribution to Latin American imports declined more or less correlatively, to only 29 per cent. On the other hand, whereas the United States absorbed less than 30 per cent of Latin America's exports in 1938, and supplied her with just over 34 per cent of her imports, in 1953 these proportions rose to almost 45 per cent and to more than 53 per cent respectively. It must be recognized that the features characterizing this transposition have a different effect on the individual republics of the region. Those Latin American agricultural products which suffered most from the contraction of the European market, because of their similarity to United States counterparts, share little or not at all in the sales to the United States; commodities of another kind were responsible for expanding sales to the latter, particularly certain tropical products such as sugar and coffee, certain raw materials of mineral origin — copper, lead, tin and zinc — and also petroleum and wool[5] (see table 2).

From the export angle, which is sufficiently representative for the purpose, the most pronounced shifts in the geographical distribution of Latin America's foreign trade are to be seen in the figures for Bolivia and Chile. So far as Bolivia is concerned, this is a consequence of the change in markets for that country's output of tin concentrates brought about by the war; prior to 1940 they were smelted mainly in the United Kingdom. The inauguration of the Texas smelter in that same year gave them access to the United States.[6] As regards Chile, the transposition has its origin in the expansion of copper production resulting from the investment of United States capital. In spite of the magnitude of the two shifts referred to, neither Chile nor Bolivia figures among those Latin

[3] In the case of meat the decline dated from 1932. The Ottawa Conference agreed in that year to increase by 10 per cent the supply to be admitted into Great Britain, if of Dominion origin, and gradually to diminish the frozen beef and mutton quota from other countries, until it was 25 per cent lower than in 1931. With respect to the relevant agreement contained in the 1933 treaty between the country in question and the United Kingdom, see chapter IV of the present study.

[4] In 1950 the volume of Latin America's exports to Europe had experienced, in relation to the period 1935–38, a decline amounting to the following percentages: wheat and flour, 55; maize, 82; meat, 54; raw cotton, 13; linseed and linseed oil, 46. (See *Study of trade between Latin America and Europe*, op. cit., p. 10.)

[5] See *Economic Survey of Latin America*, 1954 (United Nations publication, Sales No.: 1955.II.G.1), for the analysis of recent trends in trade with Europe and the United States.

[6] The Texas smelter processes about 45 per cent of Bolivia's tin output.

Table 3. Latin America: Principal export markets (percentages of aggregate value)

Exporting country	1938 Latin America	1938 United States	1938 Europe	1946 Latin America	1946 United States	1946 Europe	1952 Latin America	1952 United States	1952 Europe	Aggregate value (Millions of 1952 dollars)
Argentina	11.1	8.5	74.8	13.6	15.0	59.6	12.6	25.4	55.5	743.0
Bolivia	4.0	4.6	91.0	4.5	58.7	36.8	2.7	65.1	32.2	142.1
Brazil	6.3	34.3	52.3	13.1	42.2	35.2	9.0	51.6	32.6	1,408.8
Chile	4.6	15.7	53.1	22.0	36.6	36.6	15.3	57.2	23.8	462.0
Paraguay	22.8	12.2	36.6	34.5	4.0	15.0	29.3	36.5	31.6	28.8
Peru	20.1	26.8	44.1	41.1	25.4	21.6	31.1	28.0	34.8	238.7
Uruguay	14.1	4.0	76.5	8.7	29.8	55.9	14.7	24.1	55.7	208.9
Colombia	1.0	52.7	24.6	4.7	81.9	4.4	0.9	80.5	9.3	473.3
Ecuador	22.9	37.5	36.6	37.3	42.3	8.7	8.8	54.1	21.9	76.7
Venezuela	0.6	13.2	8.5	3.5	29.3	6.9	7.2	25.5	11.3	1,552.3
Costa Rica	2.6	45.6	48.2	11.6	73.8	10.9	8.4	66.5	19.0	47.2
Cuba	1.6	75.9	20.8	6.7	67.3	22.2	3.0	60.3	22.5	675.3
Dominican Republic	0.4	34.9	57.1	2.1	18.0	54.9	0.4	44.4	44.1	115.0
El Salvador	6.2	61.7	30.1	14.9	71.4	4.5	3.2	83.6	12.1	88.3
Guatemala	0.8	69.5	27.0	2.2	86.5	6.1	1.9	83.3	13.3	87.5
Haiti	0.1	42.8	52.9	15.7	61.8	18.8	0.7	58.1	39.7	53.2
Honduras	3.9	86.5	8.9	14.6	74.3	—	21.4	70.8	2.4	34.5
Mexico	0.8	67.4	28.9	11.0	84.0	3.5	4.0	80.9	9.7	564.0
Nicaragua	5.3	67.3	25.2	13.8	78.2	4.1	13.6	52.2	29.1	51.3
Panama	1.0	89.3	4.8	16.4	61.8	9.1	21.7	70.3	2.4	16.1

Distribution by percentages.

Source: Official foreign trade statistics.

American republics which reveal the closest commercial ties with the United States, since their exports to that country in 1952 accounted for only 65.1 and 57.2 per cent respectively of their aggregate sales. A number of countries easily surpassed this ratio, in particular Colombia, El Salvador and Guatemala, whose sales to the United States, large in proportion to their total exports even before the war, exceeded 80 per cent in 1952. On the other hand, among those countries for which the corresponding figures have always been high, the United States market has been losing its traditional importance for exports from Cuba, Honduras and Panama, in contrast to the trend shown by the region as a whole. And United States participation in the trade of Latin American countries is most limited in the case of Argentina and Uruguay, the very two whose exportable surpluses are in the main agricultural and similar to those of the United States (see table 3).

3. Importance of inter-Latin-American trade

Latin America's aggregate trade with the world does not follow the same pattern of development as inter-Latin-American trade. Although both were enlarged as a result of the stimulus of the Second World War, the latter's expansion was the more considerable (see table 10). Again, the 1952 and 1953 figures reveal a decline in both in relation to the average for 1946-51, which is more marked in the case of inter-Latin-American exports, although their level was still higher than before the war. This is more accurately shown by the percentage fluctuations (see table 4).

During 1946-51, the expansionist forces unleashed by the Second World War — measured on the basis of the annual rates of growth between the periods under review — stimulated inter-Latin-American exports, in which an increment of 14 per cent in relation to the 1934-38 average exceeded that recorded for the region's sales to the world as a whole, which rose by 9.7 per cent, and for aggregate world exports, which improved by 7.9 per cent. If a comparison is next made between the average for 1946-51 and the figure for 1953 — a more or less normal year for Latin America's foreign trade — it will be seen that the region's world exports lagged far behind over-all world sales, which rose at an annual rate of 7.7 per cent, while the Latin American aggregate expanded by only 5.1 per cent. The relative position of Latin America's exports is still less satisfactory, since their proportional increase was reduced to 4.4 per cent.

As far as imports are concerned, their fluctuations follow a rhythm similar to that of exports, except in the

[6] The Texas smelter processes about 45 per cent of Bolivia's tin output.

Table 4. Latin America: Comparison between the growth of its foreign trade (total and inter-Latin-American) and that of world trade

(Annual percentages)

	From 1934-38 to 1946-51	From 1946-51 to 1953
Exports		
World	7.9	7.7
From Latin America to the world	9.7	5.1
Inter-Latin-American [a]	14.0	4.4
Imports		
World	7.6	6.8
To Latin America from the world	12.3	1.8
Inter-Latin-American [a]	13.7	4.2

Source: ECLA.

[a] Table 9 gives details by countries.

case of intra-regional trade. Between the periods 1934-38 and 1946-51, Latin America registered a definite upward trend, for while world imports rose by 7.6 per cent, the region increased its world purchases by 12.3 per cent, and those from its own territories by the even higher proportion of 13.7 per cent. Later, the relation between the first two was reversed, as may be seen by comparing the averages for 1946-51 with the 1953 figure; world imports increased by 6.8 per cent annually, and those of Latin America by only 1.8, a level which reflects the severe restrictions on purchases imposed by many Latin American countries during the year in question. This contraction was not so marked in the case of imports effected by Latin America from within its own territory. In 1953 these were 4.2 per cent higher than in 1946-51. The explanation may lie in the relative continuity afforded to trade between several of the more southerly countries of Latin America by the system of clearing accounts. It is a fact that restrictive measures designed to safeguard or stabilize the balance of payments usually have more effect on operations in convertible currency, and these constitute only a minor part of inter-Latin-American trade.[7]

The proportional improvement in inter-Latin-American trade can also be inferred from a comparison between the indices of volume (see table 5), which reflect trends similar to those previously shown on the basis of values. These indices make it clear that, in the period under review, the region's aggregate imports grew at a less rapid rate than population and gross income, and demonstrate that since pre-war days the intra-regional flow of exports has been slowly but steadily gaining importance in comparison with Latin America's sales to the world.

4. Chief centres of trade

Both the region's world trade and inter-Latin-American trade are predominantly in the hands of South America. In 1953 practically four-fifths of regional world sales and rather more than 90 per cent of inter-Latin-American exports were supplied by South America, and these percentages have varied little over the last twenty years. In the same year about 68 per cent of Latin American imports from the rest of the world went to South America, and approximately 94 per cent of those obtained by Latin America from within the area.

[7] In connexion with the above remarks, see table 4, the implications of which are identical with the conclusions suggested, from another point of view, by table 1.

TABLE 5. LATIN AMERICA: RELATION BETWEEN POPULATION, INCOME AND FOREIGN TRADE

(Base index: 1950 = 100) [a]

Period	Population	Gross income	Quantum of exports: Total	Quantum of exports: To Latin America
Average 1934–38	74.7	53.6	80.3	65.5
Average 1946–51	96.6	94.4	98.0	109.9
1952	104.5	104.2	94.0	98.7
1953	107.7	109.7	107.3	113.9

SOURCE: ECLA.

[a] Figures for base year: population 155 millions; gross income 37,916 million dollars at 1950 prices.

The statistics from which these figures are compiled (see table 6) reveal the fact that South America is preponderantly a purchaser, largely because of the sugar which Chile, Uruguay and Venezuela import from Cuba. Conversely, by virtue of the same circumstance, the Northern part of Latin America (Mexico, Central America, and the West Indies) is characteristically a seller in relation to the region as a whole.

The Northern zone accounts for a considerable and fairly stable share of Latin American exports to the rest of the world (22 per cent in 1953) owing mainly to Cuba's position as a world supplier of sugar. The relative position of this zone is still higher as regards imports, for during the periods under review it constantly received more than one-fourth of all Latin American foreign purchases. In fact, the figures for 1946-51, as well as those for 1952 and 1953, show that the Northern zone, unlike the rest of the region, makes purchases abroad in excess of the value of its own exports. Although this might be attributed to the existence of substantial credit balances in the capital and service accounts, the true explanation seems to be the defective valuation of exports in some national statistics.

TABLE 6. LATIN AMERICA: SHARE OF GEOGRAPHIC ZONES IN ITS WORLD AND INTRA-REGIONAL TRADE

	Average 1934-38		Average 1946-51		1952		1953	
	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
Exports (f.o.b.)								
Value (millions of dollars)	113	1,923	581	6,147	601	7,068	720	7,660
Percentage:								
Mexico, Central America, Caribbean	7.1	22.4	12.1	23.0	11.8	24.5	8.3	21.6
South America	92.9	77.6	87.9	77.0	88.2	75.5	91.7	78.4
Imports (c.i.f.)								
Value (millions of dollars)	130	1,358	645	5,754	737	7,560	786	6,297 [a]
Percentage:								
Mexico, Central America and Caribbean	5.7	24.1	10.1	26.3	8.0	26.9	6.2	28.8
South America	94.3	75.9	89.9	73.7	92.0	78.1	93.8	68.2

SOURCE: Official foreign trade statistics.
(A) = To or from the region.
(B) = To or from the world.
[a] Provisional.

TABLE 7. LATIN AMERICA: EXPORTS TO THE REGION AND TO THE WORLD
(F.o.b. values in millions of dollars, and percentage relationships

Exporting country	*Average 1934-38* (A)	(B)	(C)	*Average 1946-51* (A)	(B)	(C)	*1952* (A)	(B)	(C)	*1953* (A)	(B)	(C)
Argentina	47.0	540.0	8.7	181.8	1,313.4	13.8	93.9	743.6	12.6	260.8	1,201.6	21.7
Bolivia	1.2	45.7	2.5	2.5	102.5	2.5	3.8	142.1	2.7	3.2	124.5	2.6
Brazil	21.7	304.1	7.1	136.4	1.242.2	11.0	126.2	1,408.8	9.0	111.8	1,539.3	7.3
Chile	5.9	129.3	4.6	45.8	303.1	15.1	70.8	462.0	15.3	73.3	415.1	17.7
Paraguay	8.6	8.4	31.0	11.4	28.2	40.3	8.5	28.8	29.3	6.4 [a]	25.6 [d]	25.1
Peru	12.0	80.4	14.9	60.3	178.1	33.8	74.1	238.7	31.1	43.5 [b]	222.0 [c]	19.6
Uruguay	9.4	68.9 [c]	13.6	15.3	196.1	7.8	30.7	208.9	14.7	16.8	269.8	6.2
TOTAL	105.8	1,176.8	8.5	453.5	3,363.6	13.5	408.0	3,232.9	12.6	515.9	3,797.9	13.6
Colombia	0.5	78.4	0.6	5.1	320.3	1.6	4.5	473.3	1.0	6.4	587.6	1.1
Ecuador	2.9	12.8	22.5	12.7	47.0	27.0	6.7	76.7	8.8	7.4	72.7	10.1
Venezuela	1.7	224.2	0.7	39.1	1,003.1	3.9	111.9	1,552.3	7.2	131.2	1,546.9	8.5
TOTAL	5.1	315.4	1.6	56.9	1,370.4	4.2	123.1	2,102.3	5.9	145.0	2,207.2	6.6
Costa Rica	0.3	9.5	2.9	2.0	29.1	7.0	4.0	47.2	8.4	3.4 [d]	54.6 [d]	6.2
Cuba	1.7	143.9	1.2	19.9	653.1	3.0	20.2	675.3	3.0	22.9 [d]	640.3 [d]	3.6
Dominican Republic	0.1	15.3	0.7	2.2	85.3	2.6	0.5	115.0	0.4	1.4 [d]	104.2 [d]	1.3
El Salvador	0.4	11.4	3.2	4.8	53.6	9.0	2.9	88.3	3.2	4.6	88.8 [c]	5.2
Guatemala	0.1	15.1	0.8	0.7	55.8	1.2	1.7	87.5	1.9	2.0 [d]	88.9 [d]	2.2
Haiti	0.0	8.6	0.0	1.3	34.7	3.6	0.4	53.2	0.7	0.6 [d]	37.8 [d]	1.6
Honduras	0.3	9.8	3.0	4.3	20.4	20.9	7.4	34.5	21.4	6.8	39.2 [d]	17.3
Mexico	4.8	207.3	2.3	28.9	439.0	6.7	22.6	564.0	4.0	10.9	538.7	2.0
Nicaragua	0.3	5.7	5.9	3.6	28.4	12.8	7.0	51.3	13.6	6.3 [d]	45.5 [d]	13.8
Panama	0.0	4.2	1.1	2.4	13.4	18.3	3.5	16.1	21.7	0.6	16.3 [d]	3.5
GRAND TOTAL	8.0	430.8	1.9	70.1	1,412.8	5.0	70.2	1,732.4	4.0	59.5	1,654.4	3.6
TOTAL FOR LATIN AMERICA	118.9	1,923.0	5.9	580.5	6,146.8	9.4	601.3	7,067.6	8.5	720.4	7,659.5	9.4

SOURCE: Official foreign trade statistics.
(A) = To Latin America.
(B) = To the world.
(C) = Percentage relationship.

[a] Converted to dollars at the rate of 4.429 dollar cents per guarani.
[b] Exports to Argentina, Chile, Ecuador and Uruguay.
[c] *Yearbook of International Trade Statistics, 1953.*
[d] United Nations, *Direction of International Trade.*

5. Distribution by countries

Commodity trade within Latin America — the value of which, according to the 1953 statistics, reaches almost 707 million dollars annually in exports and 776 million dollars in imports — is remarkably concentrated, inasmuch as in each direction most of the movement is accounted for by only five countries. This phenomenon, which gives rise to many problems and limitations, as well as revealing some features favourable to inter-Latin-American trade, is obvious from the statistics for the year in question, which show that about 86 per cent of all inter-Latin-American exports are furnished by Argentina, Brazil, Chile, Peru and Venezuela. As for imports, a more or less equivalent proportion is also acquired by five countries: Argentina, Brazil and Chile — which also belong to the group of large-scale exporters — Bolivia and Uruguay. Two of the exporter group — Peru and Venezuela — buy little in the regional market; and two of the importing group — Bolivia and Uruguay — are not prominent exporters.

In order to determine the basic outlines of the inter-Latin-American movement of goods, and to clarify the region's importance in the commerce of each country and vice versa, as well as the significance of the concentration of trade in the hands of only a few countries, tables have been drawn up reflecting the panorama of trade from different angles. Tables 7 and 8 show the ratio between the over-all and intra-regional foreign trade of each country. Tables 9 and 10 emphasize the region's importance to the foreign trade of Latin American countries, as well as their individual share in total exports and imports to and from the region and the rest of the world. Table 11 determines, on comparative bases, the percentage growth of the foreign and inter-Latin-American trade of each of the twenty republics. Lastly, table 12 sums up the basic characteristics of the trade concentration already mentioned.

A. Exports

(a) RATIO BETWEEN EXPORTS TO THE WORLD AND THOSE TO LATIN AMERICA

Of the twenty Latin American Republics, it is Paraguay that sends the largest proportion of its total exports to destinations within the region (see table 7). Its sales, — chiefly made to Argentina, for geographic and historical reasons — are almost always close to a third of its total exports. After Paraguay, the countries whose exports to purchasers within the region, during the twenty years examined, have nearly always exceeded a tenth of each one's world sales, are Argentina, Peru, Chile, Honduras, Nicaragua and Ecuador. In 1953 the region supplied markets for proportions of the exportable balances of

Table 8. Latin America: Percentage variations in intra-regional and world trade

Country	Exports				Imports			
	From 1934-38 to 1945-51		*From 1946-51 to 1953*		*From 1934-38 to 1946-51*		*From 1946-51 to 1953*	
	(A)	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*
Argentina	287.0	143.2	43.4	− 8.5	386.6	208.5	+ 16.4	−29.7
Bolivia	118.7	124.3	26.9	10.2	304.6	178.6	− 5.6	0.9
Brazil	529.3	308.5	−18.0	23.9	230.9	364.4	+119.4	9.1
Chile	672.8	134.4	60.0	36.9	539.5	259.5	− 8.9	24.4
Paraguay	339.0	237.1	−43.3	−35.3	140.4	182.0	− 42.7	− 0.8
Peru	403.4	121.6	−27.8	24.6	327.0	245.8	− 29.9	67.5
Uruguay	63.5	184.4	11.6	37.6	400.6	240.2	0.8	− 6.8
Total	355.0	185.8	13.8	12.3	330.4	263.2	+ 33.8	− 2.1
Colombia	957.4	308.6	− 8.9	83.5	1.359,9	373.1	− 11.7	29.4
Ecuador	340.6	266.1	−42.0	54.6	410.3	311.4	+ 75.3	73.2
Venezuela	2,250.5	347.3	181.2	54.2	5,958.3	781.8	− 55.0	20.4
Total	1,031.3	334.4	114.3	61.1	1,950.9	558.5	− 29.4	25.7
Costa Rica	628.3	207.3	67.3	161.4	863.4	342.5	− 1.7	64.4
Cuba	1,057.6	353.9	15.3	−2.0	633.7	384.9	− 36.8	− 7.9
Dominican Republic	2,094.1	456.5	−36.8	22.1	1,437.5	360.4	− 7.1	60.7
El Salvador	1,225.5	370.4	−25.8	65.6	782.1	356.5	− 61.8	72.0
Guatemala	486.2	269.9	194.1	59.3	996.7	307.6	− 37.5	24.9
Haiti	4,096.6	205.3	−52.3	10.1	802.4	274.1	− 34.8	40.5
Honduras	1,362.7	108.0	59.2	91.8	850.7	250.7	6.6	52.7
Mexico	500.6	111.8	−27.2	23.8	786.4	384.9	− 58.4	24.1
Nicaragua	974.6	398.4	70.7	92.1	427.3	336.5	+118.3	69.6
Panama	421.1	220.1	−76.6	10.7	1,095.7	265.6	− 48.1	−12.9
Total	769.0	228.1	− 2.4	19.5	774.3	363.2	− 35.0	1.66
Grand total for Latin America	414.8	219.7	21.7	24.9	395.8	323.8	20.4	8.2

Source: ECLA.
(A) = To Latin America.
(B) = To the world.

Table 9. Latin America: Share of each country in aggregate exports to the region and to the world

(Percentages of value)

Exporting Country	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	(A)	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*
Argentina	41.7	28.1	31.3	21.4	15.6	10.5	36.2	15.7
Bolivia	1.0	2.4	0.4	1.7	0.6	2.0	0.4	1.6
Brazil	19.2	15.8	23.5	20.2	21.0	19.9	15.5	20.1
Chile	5.3	6.7	7.9	4.9	11.8	6.5	10.2	5.4
Paraguay	2.3	0.4	2.0	0.4	1.4	0.4	0.9	0.3
Peru	10.6	4.2	10.4	2.9	12.3	3.4	6.0	2.9
Uruguay	8.3	3.6	2.6	3.2	5.1	3.0	2.3	3.5
Total	88.4	61.2	78.1	54.7	67.8	45.7	71.6	49.6
Colombia	0.4	4.1	0.9	5.2	0.7	6.7	0.9	7.7
Ecuador	2.6	0.7	2.2	0.8	1.1	1.1	1.0	0.9
Venezuela	1.5	11.6	6.7	16.3	18.6	22.0	18.2	20.2
Total	4.5	16.4	9.8	22.3	20.4	29.8	20.1	28.8
Costa Rica	0.2	0.5	0.3	0.5	0.7	0.7	0.5	0.7
Cuba	1.5	7.5	3.4	10.6	3.4	9.6	3.2	8.4
Dominican Republic	0.1	0.8	0.4	1.4	0.1	1.6	0.2	1.4
El Salvador	0.3	0.6	0.8	0.9	0.5	1.2	0.6	1.2
Guatemala	0.1	0.8	0.1	0.9	0.3	1.2	0.3	1.2
Haiti	0.0	0.4	0.2	0.6	0.0	0.8	0.1	0.5
Honduras	0.3	0.5	0.7	0.3	1.2	0.5	1.0	0.5
Mexico	4.3	10.8	5.1	7.1	3.8	8.0	1.5	7.0
Nicaragua	0.3	0.3	0.6	0.5	1.2	0.7	0.9	0.6
Panama	0.0	0.2	0.4	0.2	0.6	0.2	0.1	0.2
Total	7.1	22.4	12.1	23.0	11.8	24.5	8.3	21.6
Grand total for Latin America (F.o.b. values in thousands of dollars)	112,791	1,922,973	580,696	6,146,895	601,233	7,067,541	720,428	7,659,532

Source: ECLA.
(A) = To Latin America.
(B) = To the world.

Table 10. Latin America: Imports from the region and from the world

(C.i.f. values in millions of dollars and percentage relationships)

Importing country	Average 1934-38			Average 1946-51			1952			1953		
	(A)	(B)	(C)	(A)	(B)	(C)	(A)	(B)	(C)	(A)	(B)	(C)
Argentina	37.5	377.0	10.0	182.7	1,163.1	15.7	267.4	1,135.7	23.5	214.0	767.8	27.9
Bolivia	7.3	27.8	26.2	29.5	77.5	38.0	30.4	106.5	28.5	27.8	78.2	35.6
Brazil	41.5	260.7	15.9	137.3	1,210.7	11.3	173.4	2,009.5	8.6	301.3	1,320.5	22.8
Chile	11.4	75.1	15.2	72.9	269.9	27.0	77.6	371.1	20.9	66.4	335.5	19.8
Paraguay	4.9	9.8	50.0	11.8	27.7	42.6	7.7	38.0	20.3	6.8[a]	27.5[a]	24.6
Peru	5.8	50.8	11.3	24.6	175.7	14.0	19.9	287.5	6.9	17.2[b]	294.2[c]	5.8
Uruguay	11.0[d]	61.6[d]	17.8	55.0	209.4	26.3	64.4	246.6	26.1	55.4	195.2	28.4
Total	119.4	862.8	13.8	513.8	3,134.0	16.4	640.8	4,194.9	15.3	688.9	3,018.9	22.8
Colombia	1.8	77.9	2.3	25.9	368.6	7.0	16.3	415.4	3.9	24.6	546.7	4.5
Ecuador	0.8[d]	12.0	7.0	4.3	49.5	8.7	3.8	66.7	5.8	7.6	85.8	8.8
Venezuela	0.6	78.0	0.8	35.5	688.1	5.2	16.5	850.0	1.9	16.0	828.2	1.9
Total	3.2	167.9	1.9	65.7	1,106.2	5.9	36.6	1,332.1	2.7	48.2	1,460.7	3.3
Costa Rica	0.3	10.1	2.9	2.8	44.8	6.4	2.9	67.9	4.3	2.8[e]	73.7[e]	3.8
Cuba	3.1	109.7	2.8	22.8	531.8	4.3	20.8	667.8	3.1	14.4[e]	528.9[e]	2.7
Dominican Republic	0.1	11.7	1.0	1.7	54.0	3.2	1.9	106.6	1.8	1.6[e]	95.5[e]	1.7
El Salvador	0.6	9.1	6.8	5.5	41.7	13.1	7.0	67.8	10.4	9.4	70.7[e]	13.3
Guatemala	0.8	15.6	4.9	8.3	63.7	13.1	7.0	75.7	9.2	5.2[e]	79.7[e]	6.5
Haiti	0.1	8.4	1.0	0.8	31.3	2.5	1.1	50.7	2.1	0.5[e]	45.2[e]	1.1
Honduras	0.4	10.0	4.4	4.2	35.2	12.0	5.1	60.0	8.6	4.5[e]	63.2[e]	7.1
Mexico	1.1	126.0	0.9	10.0	611.2	1.6	5.7	607.3	0.7	2.3	730.4	0.4
Nicaragua	0.3	5.9	4.7	1.5	25.7	5.7	3.1	44.9	7.0	3.2[e]	49.2[e]	6.6
Panama	0.6	20.3	3.2	7.7	75.0	10.3	4.7	84.6	5.5	4.0[e]	80.9[e]	4.9
Total	7.5	326.8	2.3	65.3	1,514.4	4.3	59.3	2,033.3	2.9	48.4	1,817.4	2.7
Grand total for Latin America	130.0	1,357.5	9.6	644.8	5,754.6	11.2	736.7	7,560.3	9.7	785.5	6,296.9	12.5

Source: Official foreign trade statistics.
(A) = From Latin America.
(B) = From the world.
(C) = Percentage relationship.
[a] Converted to dollars at the rate of 3.528 dollar cents per guarani.
[b] Imports from Argentina, Chile, Ecuador and Uruguay.
[c] *Yearbook of International Trade Statistics, 1953.*
[d] 1938.
[e] United Nations, *Direction of International Trade.*

TABLE 11. LATIN AMERICA: AGGREGATE IMPORTS FROM THE REGION AND FROM THE WORLD

(In percentages of value)

Importing country	Average 1934-38		Average 1946-51		1952		1953	
	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
Argentina	28.9	27.8	28.3	20.2	36.3	15.0	27.2	12.2
Bolivia	5.6	2.0	4.6	1.3	4.1	1.4	3.5	1.2
Brazil	31.9	19.2	21.3	21.1	23.5	26.6	38.4	21.0
Chile	8.8	5.5	11.3	4.7	10.5	4.9	8.4	5.3
Paraguay	3.8	0.8	1.9	0.5	1.1	0.5	0.9	0.4
Peru	4.4	3.7	3.8	3.1	2.8	3.8	2.2	4.7
Uruguay	8.4	4.5	8.5	3.6	8.7	3.3	7.1	3.1
TOTAL	91.8	63.5	79.7	54.5	87.0	55.5	87.7	47.9
Colombia	1.4	5.7	4.0	6.4	2.2	5.5	3.1	8.7
Ecuador	0.6	0.9	0.7	0.8	0.6	0.9	1.0	1.4
Venezuela	0.5	5.8	5.5	12.0	2.2	11.2	2.0	13.2
TOTAL	2.5	12.4	10.2	19.2	5.0	17.6	6.1	23.2
Costa Rica	0.2	0.7	0.4	0.8	0.4	0.9	0.4	1.2
Cuba	2.4	8.1	3.5	9.2	2.8	8.8	1.8	8.4
Dominican Republic	0.1	0.9	0.3	0.9	0.3	1.4	0.2	1.5
El Salvador	0.5	0.7	0.8	0.7	1.0	0.9	1.2	1.1
Guatemala	0.6	1.2	1.3	1.2	0.9	1.0	0.7	1.3
Haiti	0.0	0.6	0.1	0.5	0.1	0.7	0.1	0.7
Honduras	0.3	0.7	0.7	0.6	0.7	0.8	0.6	1.0
Mexico	0.9	9.3	1.6	10.6	0.8	10.7	0.4	11.6
Nicaragua	0.2	0.4	0.2	0.5	0.4	0.6	0.4	0.8
Panama	0.5	1.5	1.2	1.3	0.6	1.1	0.5	1.3
TOTAL	5.7	24.1	10.1	26.3	8.0	26.9	6.2	28.9
TOTAL GRAND TOTAL FOR LATIN AMERICA (C.i.f. values in thousands of dollars)	130,032	1,357,670	644,697	5,754,432	736,750	7,560,306	785,520	6,296,938

SOURCE: ECLA.
(*A*) = From Latin America. (*B*) = From the world.

these six countries which fluctuated between one-fifth and one-tenth of each one's total exports: 21.7 per cent in the case of Argentina; 19.6 in that of Peru; for Chile, 17.7; for Honduras, 17.3; for Nicaragua, 13.8; and for Ecuador, 10.1 per cent. It should be pointed out that the figure for Peru was lower than in 1946-51, when it had steadily exceeded 31 per cent; the falling-off in 1953 reflects a shift in its export markets, the flow of goods to Chile and Bolivia having diminished. The share of Ecuador and Uruguay also declined in that year, for their sales to Latin America developed less than their exports to the rest of the world. The decrease is more noticeable in the case of Ecuador, a country which in the pre-war period and up till 1951 supplied the region with about a fourth of its exports; this proportion declined to one-tenth in 1952 and 1953. Among countries whose exports to Latin America do not customarily exceed 10 per cent of their over-all world sales, Venezuela exhibits the highest rate of expansion: a pre-war figure of less than 1 per cent rose rapidly, thanks to booming petroleum exports, until in 1953 it reached 8.5 per cent.

In short, on the basis of the ratio between the over-all and inter-Latin-American trade of each country, it may be seen that the region is relatively important as a market for the exportable surpluses of Paraguay, Argentina, Peru, Chile, Honduras and Nicaragua, and — though to a much lesser extent — for those of Ecuador, Uruguay, and Venezuela.

(*b*) VARIATIONS IN EXPORT CURRENTS

Table 8 gives an idea of the ratios of variability between exports to markets within the region and those to the rest of the world. It can be seen from a comparison of the pre- and post-war periods (1934-38 and 1946-51) that the increase in both currents has been rapid and general, although more pronounced in the case of intra-regional exports, except for Bolivia, Uruguay and Venezuela.[8] Specially interesting is the more recent evolution reflected by a comparison between the period 1946-51 and the year 1953; these statistics are more complex and dissimilar than those of the preceding periods. Thus, among countries that increased both their world and regional trade in 1953 in comparison with 1946-51, those revealing a more rapid expansion of the former are: Brazil, Peru, Colombia, Ecuador, El Salvador, Haiti, Mexico, the Dominican Republic and Panama; in contrast, a more marked proportional growth in exports to Latin America was achieved by Bolivia, Chile, Venezuela, and Guatemala. In the case of Bolivia — a country which until recently was solely an importer within intra-regional commerce — this expansion reflects recent petroleum exports to the southerly countries of Latin America.

[8] Absolute values must not be attributed to the most striking percentage increases disclosed by table 11, since they occur in the case of countries which, prior to the war, exported but little to Latin America.

To sum up, during the war seventeen countries strengthened their inter-Latin-American exports to a greater extent than their world sales, while in 1953 only six of them maintained this favourable position in relation to the period 1946-51; among these were Argentina, Chile and Venezuela, three of the five most important suppliers of the Latin American market.

(c) Countrywise break-down of inter-Latin-American exports

The proportional contribution of the individual countries to inter-Latin-American exports is shown in table 9. About 85 per cent of all goods supplied to the region in 1953 through inter-Latin-American trade were furnished by only five countries: Argentina (36.2 per cent),[9] Brazil (15.5 per cent), Chile (10.2 per cent), Peru (6.0 per cent) and Venezuela (18.2 per cent). Within this group of five republics, Argentina and Brazil have, despite frequent temporary fluctuations, maintained their current high share largely unchanged since pre-war days. This is also true, to a certain extent, in the case of Peru. In contrast, the participation of Chile and Venezuela in supplying Latin America's needs reveals a tendency to increase.

The percentages attributable to the fifteen remaining countries are low. The ten which compose the Northern group (Mexico, Central America, and the Caribbean Republics) accounted for only 8.3 per cent of the total in 1953. Some idea of the magnitude of their share, in relation to the region as a whole, can be derived from the reflection that it is slightly less than that of Chile, which occupies the penultimate place among the five principal suppliers. It is well to remember also that the small relative contribution of the Northern and some South American republics involves in certain cases amounts that are by no means negligible. This is confirmed by the fact that, apart from the intra-regional sales of the five chief suppliers, those of four other countries — Cuba, Mexico, Ecuador and Uruguay — are all in excess of 1 per cent of total inter-Latin-American exports, and in the case of the first two reach nearly 3 per cent (see table 9). On the basis of the 1953 figures, 1 per cent is equivalent to about 7 million dollars yearly, so that the share of these four countries is quite considerable in terms of absolute values.

In brief, then, from the standpoint of exports, the key supplier countries in inter-Latin-American foreign trade are Argentina, Brazil, Venezuela, Chile, and Peru; and Cuba, Mexico, Uruguay and Ecuador also play a distinctly important part.

B. Imports

(a) Relationship between imports from the rest of the world and from Latin America

A comparison of imports effected by each country from the region and from the rest of the world (see table 10) reveals the fact that the highest ratio in favour of the former is registered by Bolivia and Paraguay, whose purchases from Latin America in 1953 amounted to one-third and one-fourth, respectively, of all foreign goods received by them in that year. The share of the region — principally of Argentina — in supplies to Paraguay reached 50 per cent before the war, and 42 per cent in the period 1946-51. Its subsequent relative decline was due, in the main, to the displacement of some wheat purchases in favour of the United States; Paraguay's normal supplier of this grain is Argentina. Five other countries — Argentina, Brazil, Chile, Uruguay, and to a lesser degree, El Salvador — also rely on Latin America for fairly substantial proportions of their total imports, varying in 1953 between 13 and 28 per cent. Particularly deserving of note is the continuous rise in the percentage of Argentina's aggregate imports supplied from within the region, a phenomenon also noticeable in the case of Uruguay and Chile, although to a lesser degree. Similarly, Brazil reversed its previous trend in this respect and showed a pronounced increment in 1953. For the thirteen remaining republics, the region has little importance as a source of supply: of their total imports it accounts for only 3 per cent. It is noteworthy that no more than 2.7 per cent of the aggregate imports of the ten Northern countries is of regional origin.

(b) Variations in import flows

A comparison between the flow of imports which Latin American countries receive from the region, and those obtained from the rest of the world, makes it clear that between the periods 1934-38 and 1946-51, the former enjoyed a greater expansion, except in the case of Brazil and Paraguay, where the latter predominated (see table 8). Subsequently, from the end of the war until 1953, the situation remained much the same for the region as a whole, but not for its individual countries. In that year, as compared with the period 1946-51, only Argentina, Brazil, Ecuador, Nicaragua and Uruguay continued to follow the same pattern. For the other countries the relationship of the two import flows was reversed.

Among those countries whose regional purchases declined was El Salvador, where in 1953 they were 61.8 per cent less than in 1946-51; Mexico, whose imports from Latin America diminished by 58.4 per cent; and Venezuela, where the relative decrease amounted to 55 per cent. The region as a whole increased imports from its own territory by 20.4 per cent between 1946-51 and 1953; while in the same period its purchases from the world grew by only 8.2 per cent.

(c) Countrywise break-down of inter-Latin-American imports

Five countries alone absorbed almost 85 per cent of inter-Latin-American imports in 1953. (see table 11). The highest percentage was attained by Brazil (38.4 per cent); it was this country's record level for the twenty years under review, and coincided with a period of severe restrictions on imports from the rest of the world. Argentina, which in previous years alternated with Brazil in occupying first place as an importer, came second in 1953, with 27.2 per cent. These were followed, at a considerable distance, by Chile, Uruguay and Bolivia with

[9] An interesting contrast is to be found in the constant proportional rise of Argentina's inter-Latin-American exports in comparison with her world sales (see table 7), and the tendency to decline which can be observed in Argentina's world exports in relation to the pre-war period (see table 9). This apparent contradiction is explained by the fact that the growth of total Latin American intra-regional exports is superior to the expansion in Argentina's sales to countries within the region.

8.4, 7.1 and 3.5 per cent respectively. Although the position of these three countries as purchasers has varied considerably, it is at present much the same as before the war. The participation of the fifteen remaining countries is slight. If, as in the case of exports, an attempt is made to determine those countries whose share is not less than 1 per cent — which meant in absolute values 7.8 million dollars in 1953 — it will be found that, in the year referred to, they comprised only Colombia, Peru, Venezuela, Cuba, El Salvador, and Ecuador, whose purchases varied between 1 and 3.1 per cent of the total. The figures for Peru, Bolivia and Cuba reveal a downward trend, while those for Ecuador and El Salvador denote a certain amount of progress. The position of the nine Northern countries is weak, since together they absorbed only 4.1 per cent of total inter-Latin-American imports in 1953. To sum up, the chief Latin American importers from the region are broadly speaking, two republics: Argentina and Brazil. Three others, Chile, Uruguay and, on a lesser scale, Bolivia, are of relative importance to the general level of purchases and their fluctuations. Colombia, Peru, Venezuela, and to some extent Cuba, El Salvador and Ecuador also import goods to a considerable value.

6. Concentration of trade

From the preceding analysis it may be inferred that national participation, in both directions of intra-regional commerce, is intensely concentrated. Within the flow of trade broadly located in the Southern Zone of the region, two countries — Argentina and Brazil — in 1953 together accounted for more than half the exports and two-thirds of the imports. If the exports of Venezuela, Chile and Peru be added to those of Argentina and Brazil, and to the imports of these two countries those of Chile, Uruguay, and Bolivia, approximately 86 per cent of both movements is seen to be covered by only five countries, all of them in South America (see table 12). And if with these countries are combined those that have lower quotas, though not less than 1 per cent, then of the twenty Latin American republics, ten appear as responsible for almost 96 per cent of exports, and eleven as absorbing the same volume of imports.

However, as will be shown presently (see chapter III) the high concentration of trade among a small number of countries does not mean that Latin America is unimportant to the foreign trade of those republics which contribute relatively small quotas to the aggregate. On the contrary, for several of them, the region is important as a purchaser of certain of their exportable surpluses which have no easy outlet to other markets, or as a source of basic supplies for the importer country. Moreover, it should be pointed out that the over-all picture may not give an entirely fair idea of the share of the Central American countries in intra-regional commerce. Although their participation is not great, it assumes a different aspect if it is assessed in terms of its importance to the mutual relations of the countries concerned.[10]

7. Trade disequilibrium

The acute disequilibrium prevailing in inter-Latin-American trade is apparent in the fact that for each country, its credit or debit balance with the region as a whole often constitutes a high percentage of the total values involved in its intra-regional trade. This situation is largely a reflection of the marked disparities between the movements of goods in most of the region's trade

[10] In this connexion see *Analysis and Prospects of Inter-Central-American Trade* (E/CN.12/CCE.10) where an analysis is made of the reciprocal commerce among five countries — Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua — which, through the Central American Economic Co-operation Committee, have been making special efforts to augment their mutual trade.

TABLE 12. CONCENTRATION OF INTER-LATIN-AMERICAN TRADE, 1953
(Percentage share of the principal countries in the aggregate value of intra-regional exports and imports)

Country	*Exports*		*Country*	*Imports*	
	To the region	*To the world*		*From the region*	*From the world*
Argentina	36.2	15.7	Brazil	38.4	21.0
Brazil	15.5	20.1	Argentina	27.2	12.2
Venezuela	18.2	20.2	Chile	8.4	5.3
Chile	10.2	5.4	Uruguay	7.1	3.1
Peru	6.0	2.9	Bolivia	3.5	1.2
TOTAL FOR 5 COUNTRIES	86.1	64.3	TOTAL FOR 5 COUNTRIES	84.6	42.8
Cuba	3.2	8.4	Cuba	1.8	8.4
Mexico	1.5	7.0	Colombia	3.1	8.7
Uruguay	2.3	3.5	Venezuela	2.0	13.2
Ecuador	1.0	0.9	Peru	2.2	4.7
Honduras	1.0	0.5	El Salvador	1.2	1.1
			Ecuador	1.0	1.4
TOTAL FOR 10 COUNTRIES	95.1	84.6	TOTAL FOR 11 COUNTRIES	95.9	80.3
10 countries with a share of less than 1 per cent	4.9	15.4	9 countries with a share of less than 1 per cent	4.1	19.7
20 countries	100.0	100.0	*20 countries*	100.0	100.0

SOURCE: ECLA.

TABLE 13. LATIN AMERICA: TRADE BALANCES

Country	Average 1934-38 (A)	Average 1934-38 (B)	Average 1946-51 (A)	Average 1946-51 (B)	1952 (A)	1952 (B)	1953 (A)	1953 (B)
Argentina	+17.1	22.3	+26.9	8.0	−94.9	33.5	+95.3	22.4
Bolivia	−2.8	54.6	−17.2	77.2	−10.2	57.5	−5.4	45.6
Brazil	−16.0	27.0	+14.6	5.7	−3.0	1.2	−158.0	41.4
Chile	−5.0	29.6	−30.5	25.0	−23.2	14.1	−15.0	9.3
Paraguay	−1.2	18.7	−1.1	4.6	+1.9	12.7	−6.9	34.9
Peru	+6.3	35.3	+34.9	40.8	+43.5	41.5	+19.2	28.4
Uruguay	−2.6	12.0	−32.7	51.7	−22.2	26.6	−31.0	48.0
Colombia	−0.8	46.1	−18.5	64.3	−11.5	56.0	−1.4	10.1
Ecuador	+2.3	61.7	+8.1	47.3	+2.6	23.5	+0.8	5.5
Venezuela	+1.3	60.5	+7.8	11.1	+97.1	76.6	+122.0	86.9
Costa Rica	+0.1	21.6	−0.7	15.1	+1.9	31.2	+2.2	46.4
Cuba	−1.1	24.4	−1.4	3.3	+5.2	14.7	+11.2	32.2
Dominican Republic	+0.0	3.1	+0.3	8.4	−0.7	46.1	+0.4	17.0
El Salvador	−0.3	26.4	−0.5	4.7	−5.0	46.8	+2.1	28.9
Guatemala	−0.5	67.2	−7.0	83.7	−5.7	63.0	−2.0	49.5
Haiti	−0.0	91.9	+0.7	36.8	−0.4	31.7	+0.2	14.4
Honduras	−0.1	16.9	+0.3	3.7	+3.8	35.2	+4.1	43.6
Mexico	+4.2	77.7	+10.0	52.6	+19.0	72.2	+9.3	74.1
Nicaragua	+0.1	19.2	+2.0	39.2	+4.7	50.7	+4.8	61.2
Panama	−0.7	89.1	−6.1	55.5	−2.7	27.7	−2.4	67.9

SOURCE: Official foreign trade statistics.
(*A*) = Value in millions of dollars.
(*B*) = Percentage of each country's aggregate trade within the region.

channels, and persists throughout the period under review. For example, five countries — Argentina, Brazil, Venezuela, Chile and Peru — contribute approximately 86 per cent of all inter-Latin-American exports (see table 12); hence it may be concluded that one way or the other, according to whether they are principally buyers or sellers, the net balances accruing from their trade with the region amount to a considerable proportion of its total value in each case, except in that of Chile. For the other four countries, in 1953 the proportion in question was as follows: Argentina, 22.4 per cent; Brazil, 41.3 per cent; Venezuela, 86.8 per cent; and Peru, 28.3 per cent. The disequilibrium implicit in these figures is a phenomenon that few countries escape.

In this unbalanced situation, those countries which are deficient in foodstuffs and fuels usually occupy a debit position, particularly in South America. Except for brief periods, during which transient causes may alter the traditional structure of the balances, the debtor or creditor position of Latin American countries which characterizes their trade within the region has remained practically unchanged since pre-war days. Argentina, Peru and Ecuador — suppliers of foodstuffs and to a lesser degree of other products — continue to maintain creditor balances, with the exception of Argentina in 1952, when weather conditions interrupted its grain exports. On account of its growing petroleum exports, Venezuela is also a creditor. The balances of six other countries — Bolivia, Brazil, Chile, Colombia, Paraguay, and Uruguay — tend to be constantly unfavourable, chiefly because of their purchases of foodstuffs.

In the Northern zone of Latin America, where the production of basic foodstuffs is more evenly distributed than in South America, the inter-Latin-American trade balances of the ten republics — whether debit or credit — show signs of the same phenomenon, but to a lesser degree. Thus Mexico and Nicaragua have maintained their character as creditors since before the war, the former mainly because of its exports of liquid fuels, although other products are also important, and the latter principally by virtue of its sales of cattle. Cuba, on account of the increase in its sugar exports, has recently been showing a tendency to pass from the debit position it occupied before the war to join the creditor countries. Conversely, the two republics of the Northern zone whose balances denote the most pronounced trend towards a deficit with the area — Guatemala and Panama — owe this position chiefly to their character as importers of liquid fuels and foodstuffs respectively.

Finally, the vigorous movement noticeable from one period to another in the level of these balances; whether on the credit or the debit side, reveals the fact that the course of inter-Latin-American trade suffers sharp fluctuations, even in the case of those countries which supply most of their foodstuff or petroleum requirements through this channel.

Chapter III

COMMODITY TRADE

1. Introduction

In order to present a picture of the movement of the main commodities included in inter-Latin-American trade, export and import statistics were compiled for ninety-four products or groups of products (see Statistical Appendix), broken down both by volume and by values expressed in current dollar prices. These commodities account for about nine-tenths of the trade concerned.

Tabulated on the basis of averages for 1934-38 and 1946-51 and the data for each of the years 1952 and 1953 — although the latter are not complete for some countries — the statistics in question revealed the evolution of intra-regional trade in the last twenty years and gave a precise indication of total trade, by commodities, between the region and the rest of the world. This arrangement of the material has two purposes: firstly, to amplify and bring up to date, the official statistics on the behaviour of each commodity, by a method which will facilitate the analysis of visible trade and of the possibilities of extending the import replacement policy through proper co-ordination; and, secondly, to assemble background data for the study of price problems and of the terms of trade within Latin America.[1]

2. Composition

The composition of Latin America's foreign trade as a whole differs from that of inter-Latin-American trade. This is clearly shown in table 14, which also indicates the size of the market area for the main regional exports and their significance for Latin America's supplies (see also tables I-a, I-b, II-a and II-b of the Statistical Appendix). The relatively typical data for 1953 show that fifteen commodities — including eight foodstuffs — account for 80 per cent of all exports to the world. Coffee, contributing the high proportion of 25.8 per cent, is the main commodity. Among exports to Latin America, fifteen commodities — ten of them foodstuffs — represent four-fifths of the total value, wheat holding first place with a share of 21.2 per cent.

The order of importance of food exports is not the same within Latin America's world and intra-regional trade. In the former, coffee is followed by sugar (8.2 per cent) and wheat (3.2 per cent). In the latter, coffee (7.1 per cent) and fresh fruit (4.8 per cent) rank next to wheat. Edible oils and fats (2.5 per cent) and wheat flour and yerba mate (1.2 per cent each) are significant in regional but not in world trade. All these commodities, as well as cattle, are exported to other regions only on a small scale. Regional purchases of the main surpluses do not have a high relative significance (see again table 14). Exceptions should be made in the case of wheat, lumber and fresh fruit, however, since in 1953 the region bought 62.6, 55.1 and 26.1 per cent, respectively, of total exports of these commodities. In contrast, Latin American purchases of the products which are of most importance in its trade with the world — coffee, petroleum and sugar — stood at low percentages: 2.6, 9.6 and 4.6 per cent, respectively.

The composition of the region's imports from Latin America also differs radically from that of its purchases from the rest of the world. The commodities listed in table 14, which, as already mentioned, comprised about 80 per cent of imports from the region in 1953, represented during that year some 17 per cent of the total value of goods bought by Latin America from other regions. In absolute figures this implies that of the same products as were purchased by Latin American countries through intra-regional trade for a value of 582.9 million dollars, purchases worth 940 millions were also made in 1953 from other regions of the world. Of these latter, wheat, oils and fats, and fresh fruits represented the highest shares, since in 1953 Latin America's supplies of these commodities purchased within the region amounted to 54.9, 15 and 79.4 per cent of total imports, respectively. Wheat is therefore not only the main foodstuff in intra-regional trade, but also one of the most significant imports, in terms of value, from other regions.

Apart from the commodities listed in table 14, which account for somewhat more than one-third of Latin American imports from the world, the composition of the remainder includes consumer goods, raw materials and capital goods which do not form part of inter-Latin-American trade[2] (see table II-b, Statistical Appendix).

Another approach to the relative significance of imports from the region itself (see table III, Statistical Appendix) indicates that of the twenty Latin American Republics, fourteen obtain from one to eight foodstuffs from the region in quantities which in 1946-51 and 1953 exceeded

[1] Because of the limited time available, the *Study* in its present phase examines only the fundamental features of the movements of foodstuffs, raw materials and fuels within the region. Other aspects, such as trade in manufactured goods, the region's prospects for extending the market to include certain natural or industrial lines of production, the influence of prices on the trade level, and cost and exchange conditions which would give greater scope to export currents and the replacement policy — through specialization and utilization of comparative advantages — will be dealt with at a later stage.

[2] The composition of Latin American imports from the world in 1953 was as follows, in terms of percentages of total value at current dollar prices: consumer goods, 30.6 per cent; raw materials, 21.2 per cent; fuels 10.1 per cent; capital goods, 38.2 per cent.

TABLE 14. LATIN AMERICA: MAIN EXPORTS TO THE REGION, 1953

Product	To Latin America: F.o.b. value (millions of dollars)	To Latin America: Percentage [a]	To the world: F.o.b. value (millions of dollars)	To the world: Percentage [b]	To the world: Exports of each commodity to Latin America as a percentage of exports to the world
Wheat	152.4	21.2	243.6	3.2	62.6
Petroleum	151.4	21.0	1,577.5	20.6	9.6
Coffee	51.4	7.1	1,971.9	25.8	2.6
Lumber	41.3	5.6	74.8	1.0	55.4
Fresh fruit	34.5	4.8	132.1	1.7	26.1
Sugar	28.8	4.0	629.4	8.2	4.6
Cotton	28.1	3.9	359.9	4.7	7.8
Iron and steel	18.4	2.6	18.6	0.2	98.9
Cattle	15.4	2.1	23.0	0.3	67.1
Cacao	12.2	1.7	120.5	1.6	10.1
Edible oils	9.6	1.3	13.7	0.2	69.9
Wheat flour	9.0	1.2	9.2	0.1	97.7
Yerba maté	8.4	1.2	8.6	0.1	96.9
Edible fats	8.8	1.2	9.2	0.1	96.1
Copper	7.4	1.0	306.1	4.0	2.4
TOTAL	577.1	79.9	5,498.1	71.8	10.5
OTHER COMMODITIES	143.3	20.1	2,161.4	28.2	0.7
TOTAL EXPORTS	720.4	100.0	7,659.5	100.0	9.4

SOURCE: ECLA.
[a] Of total value of exports to Latin America.
[b] Of total value of exports to the world.

50 per cent of their world purchases of similar commodities. By order of importance, according to the number of countries which purchase them within the area, the products in question are sugar, fresh fruit, cacao, coffee, malted barley, oils and wheat, setting aside yerba maté, a typical Latin American commodity which is imported entirely from the region. A similar situation obtains for twelve countries with respect to various raw materials, from one to five per country — quebracho, cotton, lumber, wool, and fertilizers — and six show a similar dependence with respect to diverse liquid fuels.

The dependence on inter-Latin-American trade is most marked in the case of quebracho, sugar and cotton, purchases of which within the area in not less than six and occasionally more than eight countries either equalled or were only slightly inferior to the total imports of the product concerned effected by the individual countries.

3. Foodstuffs

Since the pre-war period some changes have occurred that have reduced the importance of food exports for inter-Latin-American trade. They particularly affect some temperate-climate products, including both protective and calorie-producing foods, whose trade decline is not offset by the increase observed for other foodstuffs, particularly tropical products.

This recession can be examined from two angles: (*a*) that of the evolution of each commodity's position relative to the total value of trade, and (*b*) that of its quantitative fluctuations during the periods covered by the analysis (see table 15, and also table II-2 in the Statistical Appendix).

In the special case of foodstuffs it may be advisable to analyse each of these aspects separately in order to elucidate the characteristics of the decline. As to the first point — their relative position — an analysis of aggregate figures for foodstuffs reveals a downward trend during the post-war period, since these accounted for about 60 per cent of total Latin American exports to the region in 1934-38, but dropped to 51 per cent of the total in 1953. This phenomenon is a reflection of decreases during the last twenty years, and in some cases only in recent years, in the relative significance of certain important foodstuffs, as, for example, wheat, wheat flour and tinned meat, all supplied by Argentina. The decline also affected exports of sheep from Argentina to packing-houses in Chilean Patagonia; nowadays, apart from small quotas still sent to Chile, sheep are delivered to meat-packing plants established in Southern Argentina. Rice also suffered a relative falling-off which particularly affected exports from Brazil, Ecuador, and Mexico, and to a lesser extent, those from Honduras, Guatemala and Nicaragua. Only Uruguayan exports showed some progress. Yerba maté dropped, owing to the curtailment of Brazilian exports to Argentina, as a consequence of the development of this crop in the provinces of Misiones and Corrientes. The decrease in bean exports reflects a change in Chile's position as a purveyor of pulses. The major cause of the decline in leaf tobacco exports is to be found in the reduction of Brazilian exports. There was also some fall in the relative importance of Argentine and Chilean wine exports.

The downward movement of these items was only partly compensated in inter-Latin-American trade by the relative progress of other foodstuffs, such as Cuban and

TABLE 15. LATIN AMERICA: DISTRIBUTION OF EXPORTS BY COMMODITY GROUPS

(Percentages)

Group	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	(A)	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*
1. *Foodstuffs*	59.8	41.6	47.6	45.1	35.2	43.5	51.0	46.9
2. *Raw materials*								
(*a*) Agricultural	7.8	14.4	14.3	16.0	14.3	11.9	11.7	12.8
(*b*) Mining	1.3	10.5	4.5	7.3	6.5	9.8	5.4	7.5
3. *Fuels*	12.2	18.2	10.9	17.3	22.6	22.6	21.1	20.6
4. *Manufactures*	0.8	0.1	8.0	1.5	8.9	1.2	2.4	0.9
Other products	18.1	15.2	14.7	12.8	12.5	11.0	8.4	11.3

SOURCE: ECLA. (*A*) = To Latin America. (*B*) = To the world.

Peruvian sugar; Brazilian coffee; cacao exports from Brazil, Ecuador, Costa Rica and to a smaller extent Venezuela; fresh fruit, the position of which is due to the high level of trade in temperate and tropical varieties maintained between Argentina and Brazil, although exports of bananas from Ecuador to Chile also exert some influence; and edible oils and fats from Argentina, Paraguay, Uruguay and El Salvador, as well as malt obtained from barley, Chilean malt factories having specialized in exporting to supply breweries. In contrast with these goods, which have increased in importance, the relative position of cattle exports has remained more or less unchanged, the decisive movements being a sharp decline in Uruguay's exports — and also in Venezuela's, though on a more modest scale — and an improvement in the position of El Salvador, Honduras and Nicaragua. It should be noted that this last country makes a fairly large contribution to Peruvian supplies, notwithstanding the long shipping distance for cattle on the hoof.

All the commodities which register a relative decline in their position in the regional market also tend to follow a downward trend in relation to Latin American exports to the rest of the world. Of those which have increased in importance for intra-regional trade, only three — sugar, coffee and cacao — also improved their position in the region's aggregate trade. The rest show no progress, as in the case of fats and malt, or have actually lost relative significance, as is true of fresh fruit.

With respect to the second aspect — quantitative fluctuations in the trade in staple foodstuffs — the changes, in general, coincide with trends in the relative position of each commodity. Thus the absolute export tonnage of tinned meat from the area has declined sharply since the pre-war period, from about 11,000 tons annually in 1934-38 to about 2,000 in 1952. In the last twenty years yerba mate exports have dropped by about 50 per cent from their previous level of 67,000 tons, and exports of beans decreased from about 15,000 tons in 1934-38 to little more than 4,000 in 1953. The export volume of other commodities has also contracted considerably in recent years in relation to 1946-51. This is the case with rice, sheep, cattle, leaf tobacco and wine. Conversely cacao, fresh fruit and malt have been exported in larger quantities within inter-Latin-American trade. The same applies to sugar and coffee, although both declined in recent years — 1952-53 — in relation to their 1946-51 level, which was almost twice as high as during the pre-war period. Wheat exports — whose volume ranks next to that of petroleum in inter-Latin-American trade — dropped from almost 1.1 million tons in 1934 to less than 800,000 in 1946-51, and, in 1952, to about 96,000 tons, owing to the suspension of Argentine grain exports; they registered a remarkable recovery in 1953, when Argentina's exports were resumed and exceeded the previous average by a wide margin.

TABLE 16. LATIN AMERICA: APPARENT CONSUMPTION OF MAIN FOODSTUFFS

(Values in millions of dollars at 1948 prices [a])

Product	*Average 1934-38*	*1953*
Rice	183.9	418.0
Sugar	195.1	387.6
Cacao beans	19.3	40.2
Malted barley	50.5	119.9
Wheat	521.6	867.3
Yerba maté	14.6	14.7
Beans	214.9	340.9
Fresh fruit	343.2	580.1
Cattle	1,016.8	1,275.5
Sheep	55.9	71.2
Pigs	216.8	272.7
Roots and tubers (potatoes, manioc, yams)	335.5	583.7
TOTAL	3,168.1	4,971.8
Percentage increase	—	56.9
Coffee beans	468.9	132.5
TOTAL (including coffee)	3,637.0	5,104.3
Percentage increase	—	40.3

SOURCE: ECLA.

[a] Obtained by multiplying volumes of production and net foreign trade balances for each commodity by its 1948 price.

APPARENT CONSUMPTION

Since inter-Latin-American trade trends in foodstuffs are only one of the factors which affect consumer availabilities in the region, it is necessary to consider other elements in order to obtain a relatively clear idea of the practical influence of the over-all decline observed. A comparison between the apparent consumption of a significant group of foodstuffs in 1953[3] and the average

[3] Although it would have been advisable to base this comparison on apparent consumption for a longer period than one year, in order to reach more accurate conclusions, this was not possible, owing to the limited data available.

figure for 1934-38 reveals an expansion of 40.3 per cent when coffee is included and 56.9 per cent if this commodity is excluded (see table 16). There is a strong contrast between the average annual levels of coffee production and coffee exports in 1934-38, since the former stood at 2.1 million tons while the latter amounted to only 1.2 millions. A large part of this difference was due not to domestic consumption but to the destruction of almost one-third of the Brazilian harvest under the system then in force for raising the value of the surplus. Consequently, if coffee is included in the consumption relationship between 1934-38 and 1953, the resulting estimate of availabilities for the latter year stands much lower than real stocks (see also table 5).

On the basis of the 56.9 per cent increase in apparent food consumption in 1953 in relation to 1934-38, and with the reservations required by such a generalization, there seems to have been a certain improvement in per capita food availabilities in Latin America. This conclusion was reached by comparing the 56.9 per cent increase with the rate of 44.2 per cent recorded for demographic growth between 1934-38 and 1953. In order to appraise the real value of the improvement, it must be related to the growth of gross income, which between 1934-38 and 1953 expanded at the rate of 104.7 per cent (see again table 5), the implication being that gross per capita income improved by 42 per cent in 17 years. On the assumption of an income-elasticity of demand for foodstuffs equivalent to 0.5, it follows — if the possible effect of other factors is excluded — that total demand for foodstuffs increased by 74.5 per cent during the period analysed.[4] Total available food supplies, however, expanded by 56.9 per cent according to the data on apparent consumption just adduced and this increment was obviously inadequate in the face of the expansion of demand. Per capita supplies, again, improved by 8.9 per cent, while the corresponding theoretical demand presumably increased by 21 per cent. The rate of growth of apparent consumption of foodstuffs corresponds to an income-elasticity of 0.2, which is undoubtedly a very low level for Latin America.

The problem indicated in broad outline by these data arises from the incongruity between the rate of increase of real income and that of the food supplies made available for consumption by production and net foreign trade balances. The question was discussed from another angle at the Third Regional Meeting of the United Nations Food and Agriculture Organization (Buenos Aires, 1954). It was pointed out on this occasion that the region's agricultural production had expanded by 2 per cent in the last four years, as against an increment of 3.2 per cent during 1945-52 in per capita income and of 2.3 per cent in the population. Assuming that, in the most unfavourable circumstances, the former will not rise more than 1 per cent annually in the next few years, with an income-elasticity of demand of only 0.5, production will then have to expand by about 3 per cent annually in order to overcome the present declining trend. To reach the production targets envisaged in the national programmes of several Latin American countries 1956-57 it would be necessary for production to increase at a rate of 4 per cent. The achievement of this rate depends to a certain extent (see FAO document LA/3/2) on Mexico's cereal harvests, and on the supplies of beans, roots, tubers, bananas and meat in the remaining countries of the Northern Zone of Latin America, of animal products and beans in the tropical countries of South America, and — above all — of livestock and cereals in Argentina. The same document contends that the contribution of this last country to Latin American supplies will be of fundamental importance for the food situation in the whole region.

[4] An income-elasticity of 0.5 seems reasonable for an estimation of the probable growth of demand for foodstuffs in Latin America, and it corresponds to average estimates for various countries of the region. This same figure was utilized by FAO in document LA/3/2.

4. Raw materials

Inter-Latin-American commerce in the raw materials produced by agriculture or mining, taken as a whole, is displaying a noteworthy trend towards expansion, as can be seen from the increasingly large percentage of trade it represents. During the perioid 1934-38 it accounted for less than 10 per cent of intra-regional trade, whereas since the war its relative importance has doubled. The progress it has made is also evidenced in the proportion of Latin America's total imports of raw materials covered by those from sources within the region itself, their share having risen from only 15 per cent in 1934-38, to almost 29 per cent in 1953.

(*a*) Agricultural

A few products are responsible for the higher totals recorded in trade in raw materials; those of agricultural origin virtually number only two, namely, cotton and lumber, the expansion of which will later be examined in some detail. In addition to these, quebracho bark for the tanning industry, a commodity which Argentina and Paraguay supply to eleven Latin American countries, registered exports in 1953 amounting to almost 50,000 tons, that is, double the pre-war volume, though the figures for Paraguay were slightly lower in 1952 and 1953. (In this latter year Latin America completed its supplies of vegetable tans by importing 6,000 tons from other regions.)

Raw hides from Argentina, and greasy wools from the same source and from other countries of the region, lost some of their relative importance in inter-Latin-American trade after the war. In 1953 exports of raw hides amounted to 4,200 tons, as against about 10,000 in 1934-38; this drop was to some extent offset by a relative increase in sales of tanned hides. Oil-seeds registered a definite decrease, both proportional and absolute. Intra-regional exports for the manufacture of oil, after standing at almost 35,000 tons in 1934-38, attained only 13,100 tons in 1953, in which year Latin America bought a further 37,000 tons on the world market. In the tagua exported by Ecuador, mainly as raw material for the button industry, there was also a decline from almost 3,600 tons in the pre-war period to 600 in 1953.

Finally, inter-Latin-American trade in vegetable fibres for the manufacture of cord and rope, burlap and sacks, despite the progress made in the post-war as compared with the pre-war years, in 1952 and 1953 lost a good deal of the ground gained (see Statistical Appendix, table I-a). In the second of these two years, exports of jute, hemp, flax, henequen and sisal to countries within the region attained 1,843 tons, as against an annual average of 709 in 1934-38. It should be pointed out here that in 1953 the region imported, mainly from Asia, another 8,700 tons of vegetable fibre; almost the whole of this quantity was made up of jute from India, which is in greater demand than Latin American hard fibres on account of its flexibility for the manufacture of sacks.

(i) *Cotton*

The growth of the cotton branch[5] of the Latin American textile industry has increased intra-regional trade in this fibre. Before the war the annual volume of such trade was about 3,000 tons; after the war, in 1953, approximately 40,000 tons (or a value of 28 million dollars) were registered. This quantity is small in comparison with Latin America's total production, which reached almost 1.2 million tons in 1953-54, or with its exports to the rest of the world, which amounted to nearly 560,000 tons in 1953. In percentage terms, the progress described means that cotton, after representing barely 0.7 per cent of aggregate intra-regional trade in 1934-38, rose to 3.9 per cent in 1953.

Peru,[6] which in 1953 came third among the Latin American exporters of this fibre to the world market, after Mexico and Brazil, is the chief supplier for the region itself. It has, in fact, transferred to other Latin American countries some of the sales it used to make in Europe, to whose markets — especially the United Kingdom and Germany — it had shipped almost 90 per cent of its surpluses before the war, more than half of this total being absorbed by Great Britain. Latin America, which had bought only 1.6 per cent of Peru's exports in 1934-38, accounted for 17.8 per cent in 1946-51 and more than 30 per cent (24.5 million dollars) in 1952, in which year it purchased more than the United Kingdom, whose share dropped to 15.6 per cent. In 1953, sales to Latin America represented 35 per cent, and the region thus became the foremost market for Peru's most important export commodity.

After Peru, Latin America's other regional suppliers of cotton are Brazil, Paraguay and Mexico,[7] and, on a smaller scale, El Salvador and Haiti. Of these countries, Mexico, whose exports to the rest of the world, and to Europe in particular, expanded so rapidly as to reach 234,000 tons in 1953, in this same year exported only 2,850 tons to Latin America, mainly to Cuba.

Brazil, Latin America's second exporter to the world market in 1953, had sold to other countries of the region, over the period 1946-51, an annual average of approximately 9,000 tons out of its total world exports of about 218,000 tons. But in 1953, its exports to Latin America amounted only to rather less than 4,000 tons. Among other reasons for such a decline may be adduced the price of the commodity, which was higher than world market quotations, this in its turn being due to Brazil's overvaluation of export exchange.

For cotton exports to Latin America, eight countries of the region are responsible, but fifteen have a share in imports, on varying scales. In 1953 the principal buyers were Colombia (13,000 tons), Uruguay (8,785 tons), Chile (5,446 tons) and Cuba (3,000 tons). Colombia, which up to 1948 imported chiefly from Brazil (6,541 tons in that year), now does so mainly from Peru. The explanation lies in the fact that Colombia has increased its own production of fibres of the same length as the prevailing Brazilian type, and needs to complete its supplies with medium- and long-fibre cotton, like the *Pima* and *Tanguis* types from Peru, for high-quality textiles. Questions of transport have also played their part in the change.[8]

Uruguay's cotton imports from Latin America come mainly from Paraguay and Brazil; Chile's, from Peru and Brazil. Marked fluctuations in these latter to some extent reflect the course of the agreements that Chile has been negotiating with Egypt to exchange sodium nitrate for cotton. The quantity of the Egyptian product arranged for in such agreements has frequently determined the volume of Chilean purchases within Latin America.[9]

It has already been stated that Cuba, whose annual consumption stands at almost 6,000 tons, obtains most of its regional imports from Mexico, which seems to have replaced Peru since 1947, and Brazil since 1949, as supplier of the Cuban market, where it now takes second place to the United States.[10]

(ii) *Lumber*

The intra-regional lumber trade, which, as regards exports, represented nearly 677,000 tons and rather more than 41 million dollars in 1953, is characterized by certain clearly-defined features. Within the scope of an expansion largely due to the heavier purchases made by Argentina, whose economy where this product is concerned is complementary to those of Brazil, Paraguay and Chile,[11] such trade in Latin America concentrates mainly on wood in the round and semi-manufactured. The development of the importer countries' manufacturing industries based on lumber accounts for the fact that manufactured

[5] In 1953, Latin America's cotton textile industry possessed an installed capacity of almost 6.6 million spindles and 197,500 looms.

[6] In 1954, cotton production in Peru increased to 110,400 tons, or 33 per cent more than the average for the last five-year period.

[7] During the last decade Mexico's cotton production has shown a remarkable increase over that of 1934-38. From an annual average of 68,600 tons in this latter period, its production rose to 273,600 tons in 1953, and was expanded by almost another 40 per cent in 1954. Production in Brazil amounted to 447,000 tons in 1954, or 19 per cent more than in 1953.

[8] Colombia's total consumption of cotton in 1953, amounting to almost 28,800 tons, comprised 17,100 tons of short- and 11,700 tons of medium- and long-fibre cotton.

[9] Modifying the trade treaty signed in 1941, Chile and Peru concluded a supplementary trade agreement in 1950 which raised the quantity of Peruvian cotton that may be imported annually into Chile duty-free from 700,000 to 5 million kilogrammes. In return, under the terms of the agreement, Peru will grant iron and steel products from Chile a rebate of 50 per cent on certain additional duties.

[10] Cuba's total consumption amounted to 5,473 tons in 1952-53.

[11] In the Argentine market some degree of specialization may be noted in the use of those varieties which predominate among exports from the three countries named. There is a tendency to use Brazilian pine for the timbering of buildings, semi-hard woods from Chile for cabinet-making, and Paraguayan cedar for carpentry.

products have in recent years been losing their relative importance among the various items of this trade.

Another typical feature results from the concentration of the majority of sales in a single centre, whose purchases usually increase or decrease according to the evolution of commodity trade agreements periodically concluded between Argentina and the other countries mentioned, and relating to products of which lumber is one. At times some influence has probably been exerted on the volume of lumber exported from Brazil and Paraguay by the tonnage of wheat these countries have bought from Argentina.[12] Although in the case of exports from Chile no similar phenomenon can be detected in relation to any particular Argentine commodity, the volume of transactions again seems to have been affected by the agreements reached between the parties on the amount or value of trade in the group of products classified as highly essential.

Tables have been prepared to indicate the channelling and statistics of Latin America's lumber trade (see Statistical Appendix, tables I and II, items 82, 83 and 84). Despite the vast forested areas which the region possesses, it purchases large quantities of lumber from other parts of the world; before the Second World War, such imports were far greater than its own exports of lumber to the international market,[13] but after the war it attained the status of a net exporter, thanks to a considerable increase in the sales made by some of its countries, which coincided with a decrease in the purchases of others from countries outside Latin America (see table 17).

The figures for inter-Latin-American trade in this commodity were practically trebled between the pre-war and the post-war periods. Later, in 1952, they suffered a sharp decline, but reaction set in during 1953, a year in which exports to the region registered 675,000 tons (though this amount was not equal to the average annual volume of 762,000 tons recorded for the five-year period 1946-51).

TABLE 17. LATIN AMERICA: FOREIGN TRADE IN LUMBER

(Thousands of tons)

	1934-38	*1946-51*	*1953*
Exports	173.0	498.5	503.0
Imports	553.6	341.7	282.5
Surplus of exports (+) or of imports (−)	−380.6	+156.8	+220.5

SOURCE: ECLA.

Brazil is by far the most important supplier. Its sales on the world market represent more than half the region's total exports, while its share in inter-Latin-American trade, although decreasing, still amounts to almost 50 per cent of the tonnage traded. Paraguay comes second to Brazil as an exporter, with 15 per cent of Latin America's deliveries to the rest of the world and rather more than one-fourth of aggregate intra-regional exports. Chile, Honduras, Mexico and Nicaragua together contribute about 28 per cent to the former and more than 25 per cent to the latter.

As regards imports, Argentina, as has already been stated, is the chief buyer. In recent years it has absorbed more than 50 per cent of Latin America's total purchases, a proportion which rose to 66 per cent over the period 1946-51. Next come Uruguay and Cuba, whose purchases in 1952 and 1953 together covered more than one-fourth of aggregate Latin American imports. The sum of the purchases made by these three countries accounts for almost 80 per cent of the region's total imports; the addition of the tonnages imported by Mexico, Peru and Venezuela would bring this figure up to more than 95 per cent.

The part played by the region in the supply of its own Republics varies considerably. Argentina and Uruguay obtain about 90 per cent of their imports of lumber from other Latin American countries, and Venezuela, which before the war used to buy almost all its imported forest products from outside the region, is now purchasing more and more within it (58 per cent in 1953). In contrast, Latin America acts only as a marginal supplier for its Northern Zone. In the pre-war period less than 1 per cent of this area's imports came from within the region; as a result of the war the proportion rose to 23 per cent in the period 1946-51, but later fell slightly, standing at 15 per cent in 1953. The deficit in El Salvador's supplies, especially as regards timber for building, accounted for its heavy imports (19,000 tons in 1953). Cuba imported 10,000 tons in the same year.

This outline sketch of the lumber trade in Latin America may conveniently be followed by some indication of the chief characteristics of its largest inflow and outflow, which are channelled towards Argentina and, to a lesser extent, Uruguay, from Brazil, Paraguay and Chile.

Argentina's imports from these last three countries constitute over 70 per cent of the inter-Latin-American lumber trade. The flow of exports from Brazil, made up principally of white pine, but also of cedar, imbuaí, peroba, aguano, andiroba and other species, reached high

[12] In 1952 the contraction in exports of wheat from Argentina to Brazil affected exports of Brazilian lumber to Argentina to such an extent that the felling of pines was reduced by 50 per cent. In the same year, and for a similar reason, exports of Paraguayan lumber to Argentina also declined.

[13] Almost 40 per cent of the soil of Latin America (771.5 million hectares) is covered with forests, which constitute one-fourth of those existing throughout the world. In nine countries of the region — especially Bolivia and Paraguay — the forested area covers more than half the national territory. Broad-leaved species predominate throughout the region; only about 2 per cent of the trees are conifers, which are the species that absorb 90 per cent of world demand. Of the total of 164 million cubic metres of industrial lumber felled every year in Latin America, about 40 per cent comes from the conifers, which are the smallest of its natural resources of this kind.

The break-down of the production and consumption statistics for Latin America by utilization categories made by FAO in 1947, which is thought to be still valid in the main, helps to explain the contrast between the size of the region's forest reserves and its limited contribution to world consumption, which, in the year in question, amounted to 6 per cent. Of Latin America's consumption of lumber, 93 per cent *corresponds* to firewood, 5 per cent to sawn timber and 2 per cent to raw material for pulp. The percentage of the total cut represented by firewood is 17 per cent in the United States and Canada together, 39 per cent in Europe, 63 per cent in Asia, 45 per cent in Oceania and 46 per cent of the world aggregate. (For reports on the present state of the lumber industry in Latin-America, see *Development Prospects for the Pulp and Paper Industry in Latin America,* (United Nations publication, Sales No: 1953, II. G. 2,) and *Economic Survey of Latin America,* 1954, (United Nations publication, Sales No: 1955.II.G.1).

TABLE 18. LATIN AMERICA: RELATIVE IMPORTANCE OF THE LUMBER TRADE

Years	Latin American exports: To the world (Thousands of tons)	Latin American exports: To the region (Thousands of tons)	Percentages [a]	Latin American imports from the world (Thousands of tons)	Percentage of self-sufficiency
1934—38	405.2	232.2	57.2	821.8	28.3
1946—51	1,266.1	767.6	60.4	1,141.8	67.0
1952	1,022.8	608.5	59.2	974.4	62.3
1953	1,180.0	677.0	57.2	927.6	73.0

SOURCE: ECLA.

[a] Percentage of exports to the world represented by the American exports.

figures at the beginning of the post-war period, but has shown a downward trend since 1949. This tendency seems to be attributable to the periodical restrictions imposed on import licences in Argentina — perhaps in their turn connected with the lines followed by commodity trade agreements between Argentina and Brazil[14] — and in some degree to the influence of the customary surcharge on pinewood, as well as other factors.[15] On the other hand, Brazil raised its exports of lumber to Uruguay from 4 per cent in 1934-38 to over 11 per cent in 1953. In this last year, 51.3 per cent of Brazil's total exports of 618,000 tons went to Argentina and Uruguay.

Exports of Chilean wood to Argentina gained in importance. Before the war they amounted to only 2 per cent of the region's total exports to its own territory; during 1946-51 their proportion rose to 6.6 per cent, and in 1953 it reached 13.9 per cent. This upward movement is largely the result of a system whereby certain commodities are exempted from permits in trade between Chile and Argentina.

There was a remarkable increase after the Second World War in Argentina's imports from Paraguay, their tonnage being almost five times as great in 1951 as during the period 1934-38. These imports, together with those of Uruguay, absorb almost the whole of Paraguay's exports. The latter Republic's geographical position, and the consequent heavy costs of freight to more distant countries, as well as the demand for its lumber, especially for cedar, in Uruguay and Argentina, account for this concentration of its trade. As a buyer Uruguay comes next in importance to Argentina. Its purchases from the same three supplier countries, namely, Brazil, Paraguay and Chile, cover about one-fifth of the inter-Latin-American lumber trade. Chilean sales are very small, amounting to only 0.3 per cent in 1953; in contrast, in the same year Brazil and Paraguay provided 60.1 and 30.3 per cent respectively of Uruguay's total imports.

(b) MINING

The progress made within the framework of inter-Latin-American trade by raw materials derived from

[14] In 1953 an agreement was concluded between Argentina and Brazil, to remain in force until the end of 1956, and dealing with trade in various commodities. Among these, the largest value is represented on the Argentine side by wheat (2,486 million cruzeiros and on Brazil's side by lumber (390 million cruzeiros).

[15] The trade schedules appended to the economic union agreement signed between Argentina and Paraguay on 14 August 1953 envisage annual exports of wheat from Argentina, renewable on a yearly basis, to a value of 10 million dollars, and of Paraguayan lumber to a value of 11 millions.

TABLE 19. LATIN AMERICA: EXPORTS OF ROUNDWOOD AND SAWNWOOD,[a] POSTS AND SLEEPERS

(Tons)

	1934-38 (A)	1934-38 (B)	1946-51 (A)	1946-51 (B)	1952 (A)	1952 (B)	1953 (A)	1953 (B)
Brazil	153,839	215,085	440,491	620,274	290,072	461,072	319,923	618,201
Chile	23,722	30,213	55,610	68,740	53,478	62,112	78,145	91,911
Paraguay	48,883	60,305	200,171	207,346	154,556	154,636	173,796	173,849
Rest of South America	39	6,142	6,441	18,676	2,031	19,348	486	20,023
TOTAL FOR SOUTH AMERICA	226,483	311,745	702,713	915,036	500,137	697,171	572,350	903,984
Costa Rica	771	1,055	1,190	23,991	1,000[b]	21,192	700[b]	17,440
Honduras	...	...	34,500	47,831	79,956	94,469	81,802	97,810
Mexico	—	36,372	1,670	176,283	2,137	115,235	832	71,847
Nicaragua	3,688	28,780	17,962	59,655	23,087	70,710	17,640	62,513
Rest of Northern Zone	950	26,348	3,481	26,434	1,879	22,386	2,000	24,498[b]
TOTAL FOR NORTHERN ZONE	5,409	92,555	58,803	334,194	108,058	323,992	102,974	274,108
TOTAL FOR LATIN AMERICA	231,892	404,300	761,516	1,249,230	608,195	1,021,163	675,324	1,178,092

SOURCE: ECLA.
(A) = To Latin America.
(B) = To the world.

[a] Including roundwood, beams, boards and planks, both planed and unplaned.
[b] Estimate.

TABLE 20. LATIN AMERICA: IMPORTS OF ROUNDWOOD AND SAWNWOOD, POSTS AND SLEEPERS

(Tons)

	1934-38		1946-51		1952		1953	
	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
Argentina	203,970	424,216	626,604	749,134	477,930	533,288	458,823	480,127
Peru	13,629	94,467	13,513	54,290	13,911	53,458	990	58,165
Uruguay	45,339	63,476	105,792	119,842	127,943	134,231	129,246	135,703
Venezuela [b]	20 [c]	21,857 [c]	7,299 [d]	33,203	12,914	34,963	22,069	38,059
Rest of South America	3,823	19,419	3,502	16,026	1,210	11,040	401	7,711
TOTAL FOR SOUTH AMERICA	266,781	623,435	756,710	972,495	633,908	766,980	611,529	719,765
Cuba	—	114,623	24,327	107,712	12,000 [e]	133,215	10,000 [e]	120,000 [e]
El Salvador	1,175	1,773	6,025	7,070	19,112	19,204	19,031	19,061
Mexico	—	42,034	—	23,315	185	38,560	—	53,564
Rest of Northern Zone	110	17,632	6,079	18,440	5,633	14,631	2,528	11,957
TOTAL FOR NORTHERN ZONE	1,285	176,062	36,431	156,537	36,930	205,610	31,559	204,582
TOTAL FOR LATIN AMERICA	268,066	799,497	793,141	1129,032	670,838	972,590	643,088	924,347

SOURCE: ECLA.

(A) = From Latin America.

(B) = From the world.

[a] Including roundwood, beams, boards and planks, both planed and unplaned.

[b] Including veneers, barrel staves and plywood.

[c] 1938 only.

[d] Excluding 1950.

[e] Estimate.

mining to some extent reflects, as a general rule, the higher demand arising from industrial development; but the expansion of exports of this nature to the region itself is quantitatively much less than the increase in its imports of similar goods from other parts of the world. Several products in this category in which trade has grown in Latin America — for example, electrolytic and furnace-refined copper, lead, zinc and sometimes sulphur — while determining the higher statistic values recorded in trade balances, do not always provide a real basis for reciprocal trade. In fact, in some cases, the conditions on which the investment of the necessary capital for financing their exploitation was compacted, imply that all the mineral products obtained are marketed outside the region. From another point of view, the flow of exports of raw materials derived from mining in Latin America (see Statistical Appendix, table I-a) is subject to sharper fluctuations than those of agricultural origin, and reveals a lack of stability which may have some connexion with the periodical interruptions in the continuity of sales brought about by the system of short-term agreements prevalent in this trade.

(i) *Fertilizers*

Intra-regional trade in mineral fertilizers — almost entirely sodium nitrate from Chile — is presumed to have approached a volume of 115,000 tons in 1953. This figure reveals the remarkable absolute expansion of such trade within Latin America, as average exports over the period 1934-38 were less than 18,000 tons. At the same time it should be noted that the region's aggregate imports of fertilizers from the rest of the world in 1953 amounted to almost 484,000 tons, largely made up of raw material for the manufacture of phosphate fertilizers, for which the domestic demand in a large number of Latin American countries is much higher than their production.[16]

[16] See *Study of the Prospects of Inter-Latin-American Trade (Southern Zone of the Region* (op. cit.), and *Economic Survey of Latin America,* 1954 (op. cit.), for data on the production of fertilizers and trade in these commodities in Latin America, as well as on projects for the manufacture of synthetic nitrogen.

(ii) *Asbestos*

Except for tin, asbestos is the only product classified among raw materials derived from mining for which practically no trade expansion is recorded. As the region does not yet possess mines in operation which are capable of maintaining a steady flow of exports, Latin America's supply of asbestos is still almost entirely dependent upon imports from Africa, Canada and sometimes the U.S.S.R. In 1953 such imports reached a total of almost 37,000 tons, with a value of 9.6 million dollars; while in the same year, those from within the region attained only 361 tons, or a value of 95,000 dollars. Some of these were from a Bolivian mine which makes a small contribution to the requirements of the Chilean factories producing asbestos-cement plates and tubes.

(iii) *Sulphur*

The share of sulphur in inter-Latin-American trade has doubled since the pre-war period. Nevertheless, the 20,000 tons of intra-regional exports registered in 1953 are out of keeping with two facts. The first of these is the noteworthy expansion of the manufacture of superphosphates, an industry which is one of the principal consumers of the metalloid in question. The second is the volume of Latin America's total imports, which in the same year (1953) amounted to 120,000 tons.

Chile is the principal producer of sulphur in South America; it extracted from its volcanic deposits 48,600 tons in 1952 and 45,000 in 1954. Prices, however, caused its export trade to fluctuate considerably. The altitude at which the deposits are situated in the Andean Cordillera, the remoteness of their location and the consequent difficulty of supplying them with the fuels necessary for the smelting of the ore, are among the factors accounting for the high cost of the Chilean product. The excess of world demand over supply, accentuated by the Korean War, had a restrictive effect on United States exports to Latin America, which fell from 123,000 tons in 1950 to 57,000 in 1951, and thereby slightly stimulated Chile's

TABLE 21. LATIN AMERICA: FORESTED AREA

Country	Year	Land area	Forested area	Percentage of forested to land area	Population (Millions)	Per capita forested area (Hectares)
		(Thousands of hectares)				
Argentina	1948	277,830	48,570	17	18.4[a]	2.6
Bolivia	1951	108,000[b]	51,802	48	3.1[a]	16.6
Brazil	1947	846,420	395,928	47	55.8[a]	7.1
Chile	1953	74,177	16,360	22	6.1[a]	2.7
Colombia	1950	105,941	50,000[b]	47	12.1[a]	4.1
Costa Rica	1953	5,090	4,000	79	0.8[c]	5.0
Cuba	1947	11,000[b]	3,460	31	5.5[c]	0.6
Dominican Republic	1947	4,900[b]	3,400	70	2.1[c]	1.6
Ecuador	1947	29,500[b]	18,000	61	3.4[a]	5.3
El Salvador	1953	1,959	721	37	1.9[c]	0.4
Guatemala	1952	10,639	6,568	62	2.9[c]	2.3
Haiti	1947	2,700[b]	1,700[b]	63	3.1[c]	0.5
Honduras	1951	11,000[b]	4,873	44	1.4[c]	3.5
Mexico	1951	195,000[b]	26,000[b]	13	28.0[a]	0.9
Nicaragua	1953	13,700	6,450[b]	52	1.1[c]	5.9
Panama	1953	7,547	5,720	76	0.8[c]	7.2
Paraguay	1953	38,719	20,906	54	1.5[a]	13.9
Peru	1953	112,905	70,000	62	8.6[a]	8.1
Uruguay	1953	17,276	486	3	2.5[a]	0.2
Venezuela	1951	89,890	36,500	41	5.4[a]	6.8
TOTAL FOR LATIN AMERICA		1,964,193	771,484	39	164.5	4.7

SOURCES: Land and forested area: FAO; Population: ECLA.
[a] 1953.
[b] Unofficial figures.
[c] 1951.

sales to the countries on the South Atlantic coastline, though they rose only to moderate tonnages. Exporters, in fact, preferred to sell their surpluses on the European markets, whose means of payment could be liquidated in Chile without the undervaluation which was at that time affecting units of account in bilateral trade between this country and Argentina on the one hand and Brazil on the other.[17]

Exports from Bolivia, which stood at an annual average of 2,500 tons in 1946-51, and from Peru, which amounted to annual tonnages of 638 during the period mentioned, 4,000 in 1952 and 613 in 1953, also registered sharp year-by-year fluctuations. The flow of exports from Bolivia was interrupted after 1952, in which year Ecuador appears for the first time among the supplier countries. Mexico's remarkable expansion as a producer will place it second in the world by 1956 with one million tons annually, according to the relevant programmes; yet it contributed an annual average of only 680 tons to the region's supplies during 1946-51, and of 4,400 tons in 1952. In 1953 and 1954 it did not export to the other countries of the region.

Brazil, the principal importer of sulphur in Latin America, has no sources within its own territories of any commercial value. In 1952 and 1953 its purchases abroad amounted to 83,700 and 57,700 tons, respectively; in the first of these two years 9,300 tons came from within the region, and in the second barely 495. (For the utilization of the installed capacity of Brazil's superphosphates industry alone, about 50,000 tons of sulphur were required in 1953.)[18]

Argentina, which is Latin America's second consumer of sulphur, imported 23,800 tons in 1952 and almost 40,000 in 1953, of which 21,000 and 14,600 tons, respectively, came from within the region. Despite problems of distance and transport similar to those inherent in the utilization of Chile's deposits, Argentina has been exploiting workings in the Cordillera since 1941, and also obtains some sulphuric acid from sulphite of zinc and from petroleum. Its total production for 1953 was estimated at 7,500 tons.

(iv) *Copper*

In 1953, Latin America exported to the world market 375.5 thousand tons of this metal, valued at 281 million dollars. In the same year some of its countries imported from others within the region 12,400 tons, to a value of 11.5 million dollars, in the form of ingots, blister, bars and plates. At the same time they bought a further 35,000 tons (34.3 million dollars) from other regions. Inter-Latin-American trade in the types of copper named was very

[17] Chile is at present prospecting in a deposit in the Atacama province, which is apparently of considerable capacity and high grade, and where the Corporación de Fomento is projecting the organization of a mine from which the sulphur would be transported to Puerto Viejo in liquid suspension.

[18] Projects are on foot in Brazil for the working of pyrite deposits in Ouro Preto and Minas Gerais and for the utilization of the pyrites residua from coal-washing in the south, especially in Santa Catarina. There is also talk of using nitric dioxide derived from Chilean nitrate to replace sulphur as a dissolvent for natural phosphates. The technical bases for this method were expounded by the Chilean delegation to the Latin American Meeting of Exports on Fertilizers, held in Rio de Janeiro, in December 1951, under the auspices of FAO.

low before the war; its annual average stood at 478 tons during the period 1934-38, and in addition to this amount 15,000 tons were imported yearly from the rest of the world.

Exports to the region are almost entirely in the hands of Chile, and sometimes Peru; in some years, and on a small scale, Mexico also makes a few sales of electrolytic copper ingots. Although the region's export trade is sporadically, and in different years, channelled towards five of the Latin American Republics, only two of them are constant buyers of large quantities; Argentina bought 9,500 tons in 1953, and Brazil's purchases in the same year amounted to 2,200 tons. Argentina's total imports in 1953 stood at 12,500 tons, and those of Brazil at almost 20,000. The requirements of both countries, including the raw material they need for the installed capacity of their transformer industries, were estimated at about 60,000 tons for 1953.[19]

Inter-Latin-American trade in copper has certain somewhat peculiar features. Although the region is a net exporter, the tension suffered by some countries in their capacity to import has often found expression in a volume of purchases lower than the domestic demand in question. Chile, which is the principal supplier, tends to export copper to the other countries of the region in semi-manufactured or manufactured form rather than in ingots, with a view to the encouragement of its own manufacturing industry. Moreover, the customary sales requisite of payment in convertible currency sets limits to the expansion of Latin American purchases from Chile and other countries of the region. This stipulation is sometimes attributable to the fact, already adduced, that copper is not always marketed in its country of origin, but often in that of the enterprises investing in its production. At other times, the exporter country is led to exclude such exports from the clearing accounts system prevailing in inter-Latin-American trade, by motives connected with the preservation of equilibrium in its payments position relative to each currency area, or with the highly essential character of the product itself.

Some changes are taking place in this situation, which are apparently not unallied to the increasing indispensability of meat as a trade commodity. This phenomenon in its turn would seem to be due to a declining trend perceptible in the exportable availabilities of the Southern Zone of the region. The fact remains that in 1952 Argentina and Chile concluded an agreement for the barter of 16,500 tons of copper against 82,000 head of cattle, thereby marking an important new stage in this aspect of their trade relations. Later, under the terms of the trade agreement signed by these two Republics in 1954, copper was definitely incorporated into trade based on clearing accounts, with an annual quota of 22,500 tons, of which 3,000 are to be in ingots, 16,500 semi-manufactured and 3,000 in the form of manufactured goods.

(v) *Tin*

Inter-Latin-American trade in this commodity is limited, as the region contains no refineries capable of producing the pure metal, arsenic-free, for the manufacturing of the tinfoil used by canned foodstuffs factories. Though they have risen slightly since the pre-war period, intra-regional exports of bars and ingots for soldering, supports and other purposes barely amounted to 231 tons in 1953, in which year imports from the world registered 1,700 tons, a lower quantity than in 1934-38 and 1946-51, when they stood at 2,300 and 3,800 tons respectively. The decline is due to the decrease in Brazil's purchases in 1953.

(vi) *Iron and steel*

The products of the new Latin American iron and steel industry — cast-iron, bars, structural shapes and hoops, plates and some others — contribute the highest value within Latin American trade in raw materials derived from mining. In 1953 this value stood at 18.4 million dollars, corresponding to exports of 93,500 tons. In the same year the region imported little more than one million tons or 175 million dollars' worth of these products from other regions. The main sources of inter-Latin-American exports are Brazil, Chile and, in a lesser degree, Mexico. The largest purchasers are, in the order given, Argentina, Peru and Uruguay. Rolled products are also occasionally bought by Bolivia, Colombia and Ecuador.[20]

(vii) *Lead*

The regional demand for pig-lead, mainly from Mexico, and, on a lesser scale, for the electrolytic product from Peru, is reflected in intra-regional exports of about 4,800 tons, valued at almost 1.2 million dollars, in 1953. During the same year, Latin America's total imports rose to 28,000 tons (10.5 million dollars), whereas before the war they stood at 12 thousand tons, of which the region contributed 3,600. Argentina is the principal country of destination for inter-Latin-American exports of ores and concentrates from Bolivia and Chile, which in 1953 amounted to 7,000 tons and a value of almost 1.3 million dollars.

(viii) *Zinc*

In 1934-38, average annual intra-regional exports of zinc bars and ingots stood at only 128 tons; in 1953 they attained a volume of almost 4,800 tons and a value of about one million dollars. In the same year, Latin America imported a further 15,000 tons, valued at 6.1 million dollars, from other regions. As in the case of lead, supplies from within the region come from Mexico and Peru. The former is above all a source of furnace-refined zinc for galvanizing iron, and the latter of the electrolytic zinc required for alloys. As for lead, again, the regional market for zinc seems to be characterized by the fact that transactions are generally negotiated on the initiative of the buyers.

5. Fuels

(*a*) Coal

The coal trade in Latin America, never of any great importance, shows a declining trend. The supply lines are from Chile and Peru to Argentina. Anthracite, for industrial furnaces and household boilers, as well as small

[19] See *Study of the Prospect of Inter-Latin-American Trade (Southern Zone of the Region)*, op. cit., pp. 113-117.

[20] See *Study of the Prospects of Inter-Latin-American Trade (Southern Zone of the Region)*, op. cit., pp. 99-112, and *Study on the Iron and Steel Industry in Latin America* (United Nations publication, Sales No.: 1954.II.G.3), for descriptions of the characteristics of the inter-Latin-American market and the main bilateral channels of the iron and steel trade.

coal,[21] is usually included. In 1953 exports amounted to only 35,700 tons, but the annual average for 1934-38 was 61,000. During this latter period Latin America's total imports were 4.8 million tons, and in 1953 only 2.3 million.

(*b*) Petroleum

The situation as regards Latin American imports of liquid fuels is very different. Since pre-war days these have been increasing to a marked extent, rising from nearly 919,000 tons in 1934-38 to 7.1 million in 1953. The majority were crude oils for refining, fuel oil and ordinary gasoline, and in 1953 the proportions of these to the total regional purchases were 43, 24 and 16 per cent respectively.

The pattern of inter-Latin-American trade in petroleum and its derivatives includes one outstanding exporter — Venezuela — which supplies more than four-fifths of the total traded, and two large importers — Argentina and Brazil — which together absorb about 85 per cent. Smaller-scale contributions to the supply are also made by Chile, Colombia, Ecuador, Mexico and Peru. The main purchasers, apart from those already mentioned, are Chile, Cuba and Uruguay. Despite the notable increase in petroleum production and trade in Latin America, the region is still importing almost 63 per cent of its purchases from other areas, while only 7.5 per cent of its total exports go to supply its own needs.

The increase in world production and consumption of petroleum products is strikingly exemplified in Latin America. The rate at which the region's petroleum extraction grew between the pre-war period and 1953 was on the average 30 per cent higher than that recorded for world production.

Although the curves of production and consumption have not run parallel, the fact that in 1953 the latter amounted to only a third of the former meant an increase in net exportable balances, and strengthened the position of Latin America as a supplier of the world market. While production increased by 3.1 times between 1934-38 and 1953, consumption was multiplied by 5.7. If these figures are related to the population of the area, it will be seen that apparent annual per capita consumption, which stood at 60.4 kilogrammes in 1934-38, was 218 per cent higher in 1946-51 and in 1953 reached 240.1 kilogrammes (see table 22).

By 1953 Venezuela had almost quadrupled its 1934-39 petroleum production. Argentina, Colombia and Mexico show an increase which brings their extraction up to twice the pre-war figure. In Peru, where consumption is outstripping production, the latter remains more or less stationary, with a slight downward trend. Of the remaining producer countries, Bolivia, Brazil, Chile and Ecuador, only the last named extracted comparatively large quantities in 1934-38; Bolivia was tapping small amounts, while Brazil and Chile were still at the preliminary prospecting stage. In 1953 these last three countries each produced from 100,000 to 150,000 tons, while Ecuador augmented its output by 52 per cent.

TABLE 22. LATIN AMERICA: PRODUCTION, CONSUMPTION AND EXPORT OF PETROLEUM AND DERIVATIVES

	Production	*Over-all consumption (Millions of tons)*	*Net exportable surplus*	*Population (Millions*	*Per capita consumption (Kg/year)*
1934—38	37.6	6.9	30.7	114.6	60.4
1946—51	89.8	28.7	61.1	149.2	192.3
1952	117.8	38.7	79.1	162.0	239.1
1953	115.8	39.9	75.9	166.1	240.1

SOURCE: ECLA.

Consumption by the Latin American countries mentioned earlier also varies widely, but there is one common feature — its considerable increase. Total apparent consumption for the region rose from its pre-war 6.9 million tons to 39.9 million in 1953. Simultaneously, per capita consumption was quadrupled, though with great differences from one country to another. In Venezuela, for instance, it reached 629 kilogrammes per annum; in Paraguay about 20 kilogrammes. Venezuela and Argentina attain the highest levels. They are followed by Mexico and Uruguay, and, some way behind, by Chile and Peru (see table 30).

The growth of Latin American petroleum production and the corresponding rise in exportable surpluses — despite the still greater increase in consumption — brought in their train a marked expansion of exports, both to the region itself and to the rest of the world.

Total Latin American exports in 1953 were greater than in 1934-38 by 4.5 times in value and 2.7 times in tonnage, while for those within the region itself the corresponding increases were 11.3 and 7.7 times respectively. Despite this enhanced importance for its own petroleum, the region absorbed only 7.5 per cent of the total volume exported (1953) and bought growing quantities from the rest of the world, amounting to annual averages of 3.5 million tons in 1934-38, 10 million in 1946-51 and 13.1 million in 1953.

[21] Furnace residue from ordinary coal, used especially in brick-kilns.

TABLE 23. LATIN AMERICA: EXPORTS OF CRUDE PETROLEUM AND DERIVATIVES

	1934-38		*1946-51*		*1953*	
	(A)	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*
Volume (Millions of tons	0.9	35.2	3.6	74.2	7.1	95.0
F.o.b. values (Millions of dollars	13.3	349.5	61.7	1,061.5	151.4	1,577.5

SOURCE: ECLA.

(*A*) = To Latin America.
(*B*) = To the world.

The bulk of Latin American total exports is made up of crude petroleum (see table 23). The two main reasons for this are the exporter countries low refinery capacity in relation to their volume of production, and the protection of the refining industry in the importer countries. It is worthy of note that in the period under consideration there was an expansion of the installed refinery capacity in the producer states, a circumstance which in turn caused a falling-off in the percentage share of crude in exports to the world; in 1934-38 this was 90.2 per cent and in 1953 only 79.5.

A different situation prevails as regards exports to the region itself. Refinery capacity in the importer countries is low in relation to their needs. Thus only 40 per cent of exports to the area consists of crude oil; the remainder is composed of processed products. However, the installation of new refineries in Latin America over a period of 17 years has enabled purchases of refined products to be reduced from 59.2 to 56.7 per cent. In view of the large increase in trade, the volume of refining capacity has actually grown much more, and, to judge by the total tonnage of crude imported, in 1953 was 8.3 times the refinery capacity existing in 1934-38.

Fuel oil follows crude petroleum in the order of importance of exports. The total volume exported rose by 7 times in 17 years; in 1953 fuel oil represented 13.4 per cent of that total. Among inter-Latin-American exports its position was higher, as it accounted for 23.8 per cent of the gross tonnage.

Other outstanding items are ordinary gasoline and diesel, constituting in 1953 1.8 and 4.5 per cent, respectively, of exports to the world, and 16 and 13.1 per cent of sales to Latin America. It is these two derivatives which have played the largest part in raising the degree of self-sufficiency of the area: 67 times as much diesel oil was absorbed by the region in 1953 as in 1934-38, while consumption of gasoline increased by 22 times.

On account of the preponderantly asphaltic nature of Latin American hydrocarbons, the only important derivative not exported from the region is paraffin wax, which is here used principally in the manufacture of candles; the total volume purchased from other parts of the world in 1953 amounted to 90,000 tons, or 11.7 million dollars' worth.

The position of Latin America as a world petroleum supplier is virtually determined by Venezuelan production,

TABLE 24. LATIN AMERICA: RELATIVE IMPORTANCE OF TRADE IN PETROLEUM AND DERIVATIVES

	Total exports from Latin America (Thousands of tons)	*Exports to the region* (Thousands of tons)	*Percentage*	*Total imports of the region* (Thousands of tons)	*Percentage of self-sufficiency*
1934–38	35,220	919	2.6	4,537	20.2
1946–51	74,202	3,630	4.9	13,072	27.8
1952	97,910	6,566	6.7	18,806	34.9
1953	94,982	7,110	7.5	19,082	37.3

SOURCE: ECLA.

TABLE 25. LATIN AMERICA: WORLD PRODUCTION OF CRUDE PETROLEUM AND NATURAL GAS
(Millions of tons)

Country	*1934-38*	*1946-51*	*1953*[a]
Argentina	2.2	3.3	4.1
Bolivia	0.02	0.08	0.1
Brazil	—	0.03	0.1
Chile	—	0.03	0.14
Colombia	2.7	4.1	5.7
Ecuador	0.3	0.3	0.4
Mexico	5.9	9.1	10.8
Peru	2.3	2.0	2.3
Venezuela	24.2	70.9	92.2
TOTAL LATIN AMERICA	37.6	89.8	115.8
United States of America	152.1	269.0	306.2
Middle East	13.0	63.0	113.8
Others	46.2	54.6	33.4
WORLD TOTAL	248.9	476.4	569.2

SOURCES: Latin America: ECLA; others: *World Oil*.
[a] Estimates.

exports of which account for over 90 per cent of the regional total. Next in order of importance are Colombia, Mexico and Peru, whose relative positions have altered. Of the three, it was Mexico which before the war recorded the largest sales to the world, followed by Colombia; in 1946-51 Mexican exports fell by 35 per cent, while Colombia's increased by 36 per cent — this country thus becoming second only to Venezuela — and Peru sold 47 per cent less than in the earlier period. Mexico later raised the volume of its exports once more, though without regaining the previous level.

Inter-Latin-American petroleum trade presents a different picture. In 1934-38 Peru supplied 48, Mexico 28 and Venezuela less than 13 per cent of sales to the region. After the war a swift and radical change took place. Venezuela came to be the main purveyor, using in 1953 6.8 per cent of its exportable surplus to cover 84 per cent of intra-regional petroleum exports.

While Latin America buys two-thirds of its petroleum supplies — about 13 million tons annually — from other areas, less than 8 per cent of the region's total exports are used for intra-regional purposes; about 90 million tons are sent to the rest of the world. The prospect of a considerable expansion of inter-Latin-American traffic held out by these figures should not cause other factors to be overlooked, among them being the physical properties of Latin American petroleum. About 80 per cent of the hydro-carbons produced in Latin America are of asphaltic base, of low gravity A.P.I.; refining therefore results in a high percentage of heavy derivatives (asphalt, fuel oil, lubricating grease, etc.) and a small quota of light products (ordinary and aviation petrol, kerosene, etc.). In the present state of development and economic structure proper to the countries of the region, the consumption of heavy fuel oils is relatively high, but that of lighter derivatives tends to increase in greater proportion, a fact which will to some extent limit the marketing of Latin American heavy crude oils.[22]

Another factor worthy of consideration is the present refinery capacity of the Latin American countries — both importers and exporters. This capacity is low in comparison with their requirements or their exports of derivatives. The importing countries are therefore obliged to buy a considerable percentage of refined products, while the exporters are not in a position to supply them unless they cut down their deliveries outside the region.

[22] The recent discovery in Venezuela of high-gravity A.P.I. hydro-carbon deposits, apparently with abundant reserves, is likely to cause a variation in the composition of Venezuela's exports of crude, thus improving the chances of marketing this product in the region.

The influence of the relatively low refinery capacity on the possibilities of expanding inter-Latin-American trade may also be viewed from another angle. A study of tables 26 and 28 shows that, in the conditions prevailing in 1953, there is little chance of increasing trade in certain types of derivatives. Such is the case, for example, with aviation and ordinary petrol, kerosene and lubricants, among others. Assuming that the producer countries had devoted their entire availabilities of each type of derivative to satisfying the needs of the area — even at the cost of deliveries to markets elsewhere — and that the importing countries, for their part, had given preference to purchases of petroleum from Latin American sources, the region's degree of self-sufficiency in 1953 would have reached only a little over 80 per cent.

TABLE 26. LATIN AMERICA: EXPORTS OF CRUDE AND PETROLEUM DERIVATIVES

(Thousands of tons)

	1934-38		1946-51		1952		1953	
	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
Crude petroleum	375	31,753	1,629	65,740	2,927	83,041	3,082	75,518
Aviation spirit	133	311	259	284	182	182	124	124
Petrol	51	416	193	645	1,004	1,588	1,136	1,716
Kerosene	51	181	48	192	94	291	113	311
Diesel oil	14	431	358	1,863	664	2,930	929	4,306
Fuel oil	286	1,814	1,134	5,436	1,647	9,672	1,690	12,782
Lubricating oils and grease	5	47	2	8	2	62	10	103
Asphalt	4	266	3	17	39	59	26	50
Other derivatives	—	—	1	16	6	85	—	72
TOTAL	919	35,220	3,629	74,202	6,566	97,910	7,110	94,982

SOURCE: ECLA.
(A) = To Latin America.
(B) = To the world.

TABLE 27. LATIN AMERICA: EXPORTS OF CRUDE AND PETROLEUM DERIVATIVES, BY COUNTRY

(Thousands of tons)

Exporting country	1934-38		1946-51		1952		1953	
	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
Argentina	14.0	103.6	3.7	7.8	1.0	2.7	0.4	1.0
Bolivia	—	—	10.3	10.3	—	—	0.8	0.8
Chile	0.1	1.7	25.2	25.3	109.1	109.1	150.2	150.4
Colombia	21.0	2,436.0	47.7	3,315.1	100.4	4,451.2	79.3	4,621.5
Ecuador	68.3	210.2	142.9	148.3	99.1	115.6	143.1	171.6
Mexico	255.4	3,012.6	268.1	1,969.0	263.0	2,236.9	232.4	2,312.4
Peru	442.2	1,957.8	820.0	1,041.3	766.0	963.3	550.4	724.1
Venezuela	117.7	27,498.5	2,311.6	67,685.2	5,227.3	90,031.4	5,953.1	87,014.5
TOTAL LATIN AMERICA	918.8	35,220.4	3,629.5	74,202.3	6,565.9	97,910.2	7,109.8	94,996.3

SOURCE: ECLA.
(A) = To Latin America.
(B) = To the world.

TABLE 28. LATIN AMERICA: IMPORTS OF CRUDE AND PETROLEUM DERIVATIVES

(Thousands of tons)

	1934-38		1946-51		1952		1953	
	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
Crude petroleum	356	514	1,356	2,330	2,558	3,954	2,397	4,260
Aviation spirit	—	—	14	90	9	276	14	279
Petrol [a]	170	572	363	2,334	976	3,699	1,086	4,022
Kerosene	41	136	39	311	58	541	84	651
Diesel oil	33	386	150	778	602	1,385	698	1,646
Fuel oil	411	2,765	1,187	6,760	1,750	8,284	1,690	7,572
Lubricating oils and grease	5	99	2	321	—	486	6	480
Asphalt	3	19	2	65	5	82	10	73
Other derivatives	1	46	3	83	2	99	—	99
TOTAL	1,020	4,537	3,116	13,072	5,960	18,806	5,985	19,082

SOURCE: ECLA.
(A) = From Latin America.
(B) = From the world.

[a] Including substantial tonnages of aviation spirit.

TABLE 29. LATIN AMERICA: IMPORTS OF CRUDE AND PETROLEUM DERIVATIVES, BY COUNTRY

(Thousands of tons)

Importing country	1934-38		1946-51		1953	
	(A)	(B)	(A)	(B)	(A)	(B)
Argentina	363.2	1,605.3	1,294.7	4,501.8	2,022.9	6,043.6
Brazil	199.2	1,006.5	661.4	3,400.4	3,050.2	6,530.9
Rest of South America	297.5	935.0	849.9	2,271.8	622.7	2,858.1
TOTAL FOR SOUTH AMERICA	859.9	3,546.8	2,806.0	10,174.0	5,695.8	15,432.6
Cuba	107.1	566.1	251.3	1,639.3	180.7[a]	1,487.9[a]
Rest of Northern Zone (including Mexico, Central America and the Caribbean area)	53.2	423.4	59.3	1,258.4	108.8	2,161.7
TOTAL FOR NORTHERN ZONE	160.3	989.5	310.6	2,897.7	289.5	3,649.6
TOTAL FOR LATIN AMERICA	1,020.2	4,536.3	3,116.6	13,071.7	5,985.3	19,082.2

SOURCE: ECLA.
(A) = From Latin America.
(B) = From the world.
[a] Estimates based on imports of the main derivatives. According to recent data, total world imports in 1952 and 1953 stood at 1.97 million tons, and Latin American imports, during the same years, at 315,000 and 225,000 tons, respectively.

TABLE 30. LATIN AMERICA: CONSUMPTION OF PETROLEUM AND DERIVATIVES

Countries	Apparent aggregate consumption (Thousands of tons)			Per capita consumption (Kilogrammes)		
	1934-38	1946-51	1953[a]	1934-38	1946-51	1953
Argentina	3,696	7,783	10,115	278	469	550
Bolivia	56	161	217	22	54	70
Brazil	1,006	3,431	6,658	27	68	120
Chile	574	1,205	1,317	123	214	217
Colombia	250	958	1,574	30	87	130
Ecuador	61	214	272	27	71	79
Paraguay	8	16	23	9	12	15
Peru	403	1,006	1,622	64	128	189
Uruguay[b]	338	663	954	164	283	378
Venezuela[b]	...	2,312	3,420	...	485	629
Mexico	3,090	7,523	9,377	167	306	334
Central America and the Caribbean area	786	2,523	2,732	54	134	129
TOTAL FOR LATIN AMERICA[c]	6,922	28,692	39,879	60	192	240

SOURCE: ECLA.

[a] Estimates.

[b] Real aggregate consumption.

[c] Apparent aggregate consumption for Latin America is not the result of adding the partial figures, since real consumption was given for Uruguay and Venezuela.

Chapter IV

LATIN AMERICAN TRADE POLICY

I. General situation

1. Aims

The decisions relating to Latin America's trade policy are reflected in bilateral treaties or agreements, international conventions, customs tariffs, exchange systems and payments agreements; a study of these decisions throughout the history of the region reveals the main ways in which its individual Republics have influenced, or tried to influence, the evolution of trade relations with other countries.

The present objectives of Latin American trade policy are by no means identical in all the various countries, although there is some unanimity in the desire to adjust them to the new circumstances of the region's economy. In so far as such objectives may be denoted by their common characteristics, and excluding special cases which do not follow the prevailing trends, trade policy is seen to be based on each national economy's aim of ensuring, through economic development, the more rapid growth of income than of population; and, consequently, to be directed at present towards the ends detailed below.

(a) EXPORT MARKETS

At present, as in the past, the guiding principle in Latin America's foreign trade is first and foremost that of protecting and encouraging the sale of primary products in the world centres. Exports of basic commodities, which provided Latin America with most of its income until the world crisis of the 'thirties, increased, broadly speaking, at a faster rate than the population.[1] The social tensions which later began to exert so much pressure in the direction of an improved standard of living, were still weak during this earlier period. Under these conditions, and for several decades, both the spirit and the letter of the bilateral trade agreements concluded with countries outside the region as from the middle of the nineteenth century emphasized one definite objective. This aim was to obtain security and favourable conditions for the sale of primary products on the markets of Europe and of the United States, and, in any case, to guarantee them a treatment similar to that accorded to the same products from other sources. In later years, a further design became apparent, that of ensuring the stability of markets on the basis of equitable terms of trade.[2] This latter purpose is being achieved through co-operation in and encouragement of suitable international efforts, rather than by means of bilateral agreements.[3]

On the other hand, there are some indications, although of an isolated nature, of a desire to diversify the flow of exports to the world centres of trade and, in addition, to include among such exports certain finished and semi-finished products resulting from the industrial processing of regional raw materials.

(b) A NEW IMPORT STRUCTURE

Since the world crisis, just as the level of exports has remained lower than the rate of growth of the population, the advance in social conditions has demanded an increasingly higher availability of consumer goods. At the same time, with few exceptions, tendencies towards a deficit have begun to predominate in the balance-of-payments situation of the Latin American countries.

For these reasons, trade policy is becoming an active element in the readjustment which changed circumstances are imposing upon the Latin American economies, and is being used as a means of securing, for the benefit of national economic development, the fullest possible utilization of those imports of goods and services which programmes for increasing income and diversifying its sources must demand. In some countries, the task is rendered more difficult by the almost constant disequilibrium between the level of dollar resources accruing from exports and the payments falling due in that currency. Therefore, to adapt imports to the demands of economic development, trade policy must necessarily co-ordinate imports as far as possible with exports. Practical examples

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[1] See *Economic Survey of Latin America, 1949* (United Nations publication, Sales No.: 1951.II.G.1).

[2] Resolution 623 (VII) of the General Assembly of the United Nations (Seventh Session, 14 October-21 December 1952) recommends to Member States in paragraph 1 (*a*): "Whenever governments adopt measures affecting the prices of primary commodities entering international trade, they should duly consider the effect of such measures on the terms of trade of countries in the process of development, in order to ensure that the prices of primary commodities are kept in an adequate, just and equitable relation to the prices of capital goods and other manufactured articles so as to permit the more satisfactory formation of domestic savings in the countries in the process of development and to facilitate the establishment of fair wage levels for the working populations of these countries with a view to reducing the existing disparity between their standards of living and those in the highly industrialized countries".

[3] During 1953, four bilateral treaties of the so-called "Economic Union" type, were signed in Latin America, between Argentina on the one hand, and Bolivia, Chile, Ecuador and Paraguay on the other. The principal aim was to study and promote measures for economic integration in specific lines of production through committees on which both the countries concerned would be represented. According to the statement of principles in one of these treaties, "international trade must be carried out on the basis of just and reasonable terms which do not overlook equitable price parities between raw materials and manufactured goods".

of this method are found in the increasingly numerous agreements of a quantitative nature, by which Latin America's primary products are traded for goods specifically scheduled in the relevant agreements.[4]

(*c*) Broadening of the national sources of supply

The same causes that govern the remodelling of the import structure oblige governmental assistance to be given, by means of protective measures, to programmes for the expansion of income and the diversification of its sources. In addition, as was shown on a previous occasion,[5] the population grows at a faster rate than the marketing of primary products on world markets; consequently the demand for manufactured goods is greater than can be met by the payments capacity accruing from exports, since exports do not increase as rapidly as income. Furthermore, industry must absorb the manpower which becomes available through the increasing mechanization of primary activities. These and other factors necessitate the creation of incentives for the internal sources of manufactured goods. Trade policy thus attempts to reserve certain sectors of the national market for such goods, a task which hitherto has often led to the same decisions as those aimed at protecting the balance of payments.

(*d*) Equilibrium in the balance of payments

There is an ever-growing disparity between economic growth and the capacity for external payment. So great is this maladjustment that it is normally difficult to reduce imports to the same level as the availability of foreign exchange. As a rule, eagerness to apply measures to correct the imbalance at all costs is the main influence in trade policy, and gives rise to exaggerated protection of domestic production. In this way, when the deficit is large, as is the case in many countries, the measures adopted to promote national activities are often carried farther than if they were designed only to encourage those lines of domestic production which, because of their real or potential profitability, deserve protection.

In practice, the subordination of these aims to that of reducing the deficit, or of preventing it from increasing, is most clearly evident in trade with the dollar area. It often occurs that official foreign exchange rulings authorize imports to be paid for in dollars only when the goods or services concerned cannot be obtained against payment in other currencies. Prices, delivery possibilities and sometimes even quality have practically no influence upon such decisions. Thus, the difficulty of defending the balance of payments in countries with a deficit entails certain sacrifices or changes which do not always permit the import structure to be remodelled strictly in accordance with the demands of economic growth.

(*e*) Development of inter-Latin-American trade[6]

Although the degree of real interest in expanding inter-Latin-American trade is by no means uniform in all the countries of the region, the over-all opinion is that reciprocal trade relations could, if properly channelled, become an active factor in development.

Experience during the Second World War, and the shortages of certain essential materials caused by the Korean conflict, have clearly shown how much harm is caused to the growing industries of Latin America by the difficulty of supplying them from regional sources with the same raw materials which are exported in substantial tonnages to the world centres of trade.[7] Again, there are many examples of industries which, by the liberalization of trade, through intra-regional reciprocity, in favour of some manufacturing branches, would solve technical, economic and productivity problems which cannot easily be overcome with the support of the domestic market alone. These considerations, which have attracted the attention of governments, business and industry to the question of inter-Latin-American trade, have given rise to ideas on the direct and indirect benefits of such liberalization, which are worthy of mention. Perhaps the most important is the suggestion that the expansion of the Latin American market for exports from within the region, besides strengthening the region's contractual power, would improve its capacity for external payment, since some intra-regional exports could be encouraged without detriment those normally shipped to world centres of consumption. Other advantages would be the following: guaranteed supplies for industries consuming raw materials of Latin American origin; the influence brought to bear by the region's purchasing market upon the economies of exporter countries, in the direction of diversifying their production; increased productivity in those manufacturing branches which at present cannot compete on the basis of domestic consumption alone; the stimulus that the wider market would give to investment in the production of capital goods, to which the policy of import replacement would thus be extended; and, finally, the maintenance of regular sea transport services, which, thanks to heavier freight requirements than at present, would be able to overcome, or at least reduce, the difficulties created by empty hold space on certain routes between Latin American ports.

(*f*) Disposal of exports

With reference to the possibilities of expanding the sources of supply within the region, another aspect linked with mining products should be mentioned.

In reaching agreements with companies prepared to invest in the exploitation of specific deposits, the Latin

[4] The need to find an outlet for certain marginal exports partially restricts the application of this method. When such exports fail to find a buyer on the open market, on account of their high price or non-essential nature they are often made the basis for barter agreements. The goods received in exchange by Latin America do not help to remodel the pattern of imports in accordance with the demands of economic development; in return for products for which the demand is small, the countries of the region must often accept non-essential luxury goods, or manufactured goods similar to those produced by domestic industries, which would not be imported at all if payment for them had to be made with resources that could be better employed.

[5] See *Problemas Teóricos y Prácticos del Crecimiento Económico* (E/CN.12/221), United Nations publication, Sales No.: 1952.II.G.1.

[6] In Central America, the development of inter-Central-American trade.

[7] See *Study of the Prospects of Inter-Latin-American Trade (Southern Zone of the Region)* op. cit.

American countries where such resources exist failed to include in the contracts an option to use a quota of the commodities mined as raw material for new domestic industries or as elements on which to base barter agreements with other countries. There are, however, a few exceptions with respect to the production of iron ore and petroleum; some volume of the latter is conceded in the form of royalties which the producer country can market abroad at its discretion.

Since the beginning of the Second World War, in an attempt to combine the stimulus of foreign investment with the satisfaction of needs created by economic diversification and the problem of foreign payments, the Republics concerned have been tending to make certain changes in the contractual system for exploitation. These were based on two considerations. The first is a direct consequence of the appearance of domestic transforming industries, for the operations of which the countries concerned deem it necessary to process at home some proportion of the minerals produced for export by the companies investing the capital. The second has arisen from the balance-of-payments liabilities of some mineral-exporting countries of Latin America *vis-à-vis* other countries of the region which provide them with essential goods, especially foodstuffs. The value of such imports could more easily be met if the debtor countries could, at least in part payment, supply their regional creditors with mineral products required by the latters' developing industries.

The tendency to change the type of contract is already showing some practical results, through modifications to the clauses which govern the investment concerned and in some cases by means of circumstantial agreements. Copper mined in Chile provides the outstanding example of such modifications; through them, Chile incorporates copper into the negotiation of commodity trade agreements, and at times of payments agreements, with other nations.[8]

Similar occurrences may be observed in the use made by Latin American countries of their petroleum royalties. Because the region's output mainly consists of heavy oils, most of these royalties take the form of crude oil with a high density. In contrast, the demand for lighter oils by the refineries established in Latin America is at present particularly great, but fewer royalties take this form. During recent years, in order to establish intra-regional agreements for the exchange of commodities, among them petroleum, producer countries have generally made certain prior adjustments in their agreements with the companies providing the capital, so that the share of light oils in the royalties is higher than it was in the original contract.

2. Procedures

The systems of trade policy used in Latin America may be grouped as follows: (i) trade agreements (often customs agreements, and usually bilateral) and unilateral tariff adjustments; (ii) foreign exchange and administrative practices for the control and selection of foreign trade operations, a large proportion of which is constituted by agreements for commodity trade on a compensatory basis.

Among the methods used in the first group, trade agreements show strikingly heterogeneous characteristics. Apart from granting numerous tariff exemptions on a reciprocal basis, with respect to Latin American imports, many of them consolidate the sum of the specific duties levied on particular goods, whereby the customs duty diminishes in proportion to the devaluation of the national currency or to the increase in the world market value of the product concerned. The other party is unaffected by any later increase in the tariff, since consolidation acts as a safeguard. There are also many agreements stipulating percentage rebates on *ad valorem* duties; in this case, the duty may later be increased by unilateral decision without prejudice to the relative advantage of the country benefiting by the agreement on rebates. At other times, those Latin American countries which have tariffs comprising both specific and *ad valorem* duties grant concessions to the other party, under the terms of one and the same bilateral treaty, in the form of consolidations and rebates on both types of duty.

In general, agreements containing consolidations or rebates and also exemptions in favour of determined goods — supporting the principle of equal opportunity classically inherent in non-discriminatory treatment — append to their text the reciprocal commitment represented by the most-favoured-nation clause, in different forms. In a few cases, the clause is conditional, so that the obligation to extend to the other party the benefits granted to a third nation becomes automatic if these were conferred gratuitously; in other cases, where the agreement is signed after negotiations and the granting of reciprocal rebates to the same third nation, the other contracting party may only claim the benefits on the basis of a *quid pro quo*, in other words, by granting special compensatory rebates in its turn. In the majority of the treaties, the most-favoured-nation clause either lays down no conditions, which is tantamount to making it unconditional, or is expressly stated to be so. Finally, many contractual agreements, without containing any list of rebates on specific goods, confine themselves to establishing the most-favoured-nation system between the parties.

The effects of bilateral trade treaties of this nature do not vary widely from one country of the region to another. In the first place, the outstanding difference between the economic structures of the contracting parties, which is reflected in the strength of their contracting power, is normally indicated by the composition of the schedules of favoured goods. As a rule such schedules are short on the Latin American side and made up of primary commodities, whereas the lists of products from other regions are usually long. The combined effect of the bilateral customs consolidations or reductions, to which the most-favoured-nation clause automatically gives multilateral scope, pins down the tariff and makes it rigid. This is because national legislation which may be passed to raise the duties does not touch the countries protected by such consolidations and reductions, or affects them only slightly. Lastly, the frequent application of the most-favoured-nation clause, as several countries of the region have emphasized, results in the gratuitous and pluri-

[8] See the *Study of the Prospects of Inter-Latin-American Trade (Southern Zone of the Region)* op. cit., page 90.

TABLE 31. LATIN AMERICA: SHARE IN WORLD EXPO

(Percent

	Cotton		Wheat		Meat		Bananas		Sugar
	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)	(A)
Latin America:									
Argentina	—	—	6[a]	21[b]	53	15	—	—	—
Bolivia	—	—	—	—	—	—	—	—	—
Brazil	5[a]	12	—	—	—	—	7	..	—
Chile	—	—	—	—	—	—	—	—	—
Colombia	—	—	—	—	—	—	7	..	—
Costa Rica	—	—	—	—	—	—	10	54	—
Cuba	—	—	—	—	—	—	—	—	67
Dominican Republic	—	—	—	—	—	—	—	—	6
Ecuador	—	—	—	—	—	—	8	27	—
El Salvador	—	—	—	—	—	—	—	—	—
Guatemala	—	—	—	—	—	—	7	5	—
Honduras	—	—	—	—	—	—	16	66	—
Mexico	—	—	—	—	—	—	—	—	—
Nicaragua	..	18	—	—	—	—	—	—	—
Panama	—	—	—	—	—	—	9	48	—
Paraguay	..	34	—	—	—	—	—	—	—
Peru	4	34	—	—	—	—	—	—	4
Uruguay	—	—	—	—	15	14	—	—	—
Venezuela	—	—	—	—	—	—	—	—	—
Other countries:									
Australia	—	—	—	—	6	1	—	—	—
Belgian Congo	—	—	—	—	—	—	—	—	—
British East Africa	—	—	—	—	—	—	—	—	—
Burma	—	—	—	—	—	—	—	—	—
Canada	—	—	41	17	16	1	—	—	—
Canary Islands	—	—	—	—	—	—	7	..	—
Egypt	17	87	—	—	—	—	—	—	—
French Dependencies	—	—	—	—	—	—	—	—	—
Indonesia	—	—	—	—	—	—	—	—	—
Iraq	—	—	—	—	—	—	—	—	—
Kuwait	—	—	—	—	—	—	—	—	—
Federation of Malaya	—	—	—	—	—	—	—	—	—
New Zealand	—	—	—	—	—	—	—	—	—
Northern Rhodesia	—	—	—	—	—	—	—	—	—
Pakistan	13	50	—	—	—	—	—	—	—
Philippines	—	—	—	—	—	—	—	—	10
Saudi Arabia	—	—	—	—	—	—	—	—	—
Thailand	—	—	—	—	—	—	—	—	—
Union of South Africa	—	—	—	—	—	—	—	—	—
United States	42	6	52	6	—	—	—	—	—
Yugoslavia	—	—	—	—	—	—	—	—	—

SOURCE: International Monetary Fund, *International Financial Statistics*, Washington, D.C.

(A) = As a percentage of world exports.
(B) = As a percentage of total exports of the country concern

lateral extension to imports of benefits which would otherwise have been the subject of negotiations for clearing agreements. The peculiar composition of Latin American exports usually prevents them from enjoying more or less equivalent compensatory benefits in their countries of destination.

The research upon which the present study is based shows that this subject is being carefully considered in several countries of the region. Attention is drawn to the fact that, because exports are increasing at a slower rate than the population, traditional tariff agreements limit the use of trade policy as an instrument for economic development, to a degree which is not offset by the practical effects of such tariff agreements upon the safeguarding and expansion of the flow of primary commodities to the consumption centres concerned. Some countries add that they no longer see any real use in continuing to conclude this type of agreement. The contribution of Latin America to the world supply of those products that are of most importance to the region's income (see table 31) is often proportionally low, and the margin for negotiation left by tariff agreements is narrow; as a result, the countries of the region feel they lack power to conclude agreements capable of influencing the outflow of exports. Furthermore, they declare that experience in the application of classic agreements has shown that, broadly speaking, such

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Cacao		Coffee		Wool		Lead		Zinc		Miscellaneous		
)	(B)	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)	
—	—	—	—	7	16	—	—	—	—	91	9	Quebracho extract
—	—	—	—	—	—	4	8	6	9	22	59	Tin
0	3	52	74	—	—	—	—	—	—	4	1	Rice
—	—	—	—	—	—	—	—	—	—	37	63	Copper
—	—	19	82	—	—	—	—	—	—	2	16	Crude oil
—	—	1	32	—	—	—	—	—	—	—	—	
—	—	—	—	—	—	—	—	—	—	—	—	
4	3	1	23	—	—	—	—	—	—	—	—	
4	22	1	26	—	—	—	—	—	—	2	14	Rice
—	—	4	88	—	—	—	—	—	—	—	—	
—	—	4	82	—	—	—	—	—	—	—	—	
—	—	..	8	—	—	—	—	—	—	—	—	
—	—	2	8	—	—	—	—	—	—	1	5	Crude oil
—	—	1	51	—	—	—	—	—	—	—	—	
.	8	—	—	—	—	—	—	—	—	—	—	
—	—	—	—	—	—	—	—	—	—	9	19	Quebracho extract
—	—	—	—	—	—	10	12	4	4	2	6	Copper
—	—	—	—	5	33	—	—	—	—	—	—	
—	—	—	—	—	—	—	—	—	—	44	95	Crude oil
—	—	—	—	58	48	19	3	10	1	—	—	
—	—	—	—	—	—	—	—	—	—	16	31	Copper
7	..	—	—	—	—	—	—	—	—	—	—	
—	—	—	—	—	—	—	—	—	—	31	74	Rice
—	—	—	—	—	—	17	1	42	2	11	22	Copper
—	—	—	—	—	—	—	—	—	—	—	—	
—	—	—	—	—	—	—	—	—	—	—	—	
:0	..	—	—	—	—	—	—	—	—	—	—	
—	—	—	—	—	—	—	—	—	—	6	22	Crude oil
—	—	—	—	—	—	—	—	—	—	7	81	Crude oil
—	—	—	—	—	—	—	—	—	—	17	100	Crude oil
—	—	—	—	—	—	—	—	—	—	35	13	Tin
—	—	—	—	16	34	—	—	—	—	—	—	
—	—	—	—	—	—	—	—	—	—	26	87	Copper
—	—	—	—	—	—	—	—	—	—	—	—	
—	—	—	—	—	—	—	—	—	—	—	—	
—	—	—	—	—	—	—	—	—	—	18	87	Crude oil
—	—	—	—	—	—	—	—	—	—	24	47	Rice
—	—	—	—	14	20	—	—	—	—	—	—	
—	—	—	—	—	—	—	—	—	—	25	1	Rice
—	—	—	—	—	—	7	8	—	—	2	6	Copper

950.
953.

instruments have played no part in reducing the repercussions upon national economies caused by periodical contractions in the world market or by factors such as price fixing or freezing, the effects of cartels, or a deterioration in the terms of trade.[9]

Furthermore, the rigidity acquired by the tariff under the pressure of the agreements limits its possible use, on a unilateral decision, for remodelling the structure of imports and preserving the continuity of plans for economic growth. According to the survey, it is these circumstances that cause the trend — clearly visible in some Latin American countries[10] during recent years — towards modifying their basic agreements with world centres of consumption. Their aim is to reduce the number of products on the schedules, and thus, for purposes of economic development, to be in a position to use customs tariffs with a broader scope than previously. Although this tendency is not uniform, its pronounced nature in some countries, and certain practical applications in which it has already taken shape, place it in the forefront of those questions of trade policy that deserve attention, above all

[9] See *Relative Prices of Exports and Imports of Under-developed Countries* (United Nations publication, Sales No.: 1949.II.B.3).

[10] Particularly Colombia, Ecuador and Venezuela.

because of the variety of the individual factors adaptable to the contractual strength of each country.

From another point of view, the survey has shown that the degree to which national customs lost elasticity as a result of tariff agreements helped to determine the use of other methods of influencing foreign trade. Wherever the rigidity of the tariff was most marked, programmes to diversify resources, to correct over-specialization in the composition and distribution of exports and to re-establish or maintain equilibrium in the external accounts, met with ever-increasing support from an official policy of intervention in questions of foreign exchange. Attaching less importance to customs treaties, but using unilateral changes in the tariff wherever possible, many Governments adopted the selective methods which had been developed by European trade policy — although in different circumstances — between the two world wars. These were not in general subject to the limitations implicit in the interdependence created by tariff treaties,[11] and included quantitative quotas, restrictions upon specific imports, the establishment of differential exchange rates, barter agreements, special prior authorization for each transaction, credits for certain imports, and so on. This system was mainly based on clearing accounts. Two of its characteristics, constituting watertight compartments, facilitated selection of the source and composition of imports; these were, firstly, the preferential system of permits, frequently recognized for transactions liquidated through clearing accounts, and, secondly, the application of exchange rates which differed from the official rate for similar operations on the open market. It should also be stressed that the need to balance foreign accounts by separate monetary areas led to the exceptionally intensive use of quantitative procedures in the selection of imports among some countries of the region. Finally, the research undertaken revealed another interesting fact. Even in countries where much use is made of methods other than customs tariff agreements to influence foreign trade and the composition of imports, opinion is generally in favour of attempting to make tariffs the active instruments of trade policy and economic growth. It is almost universally recognized that the use of methods other than tariff agreements does not arise from a considered preference but rather from the lack of alternatives which would have a similar effect.

3. Liberalization

The establishment of effective contractual methods for increasing the flow of trade within the region, in accordance with development requirements, represents one of the most urgent problems of Latin American trade policy. Clearly, any solution designed to encourage a liberalization of inter-Latin-American trade could not ignore the existence of a considerable number of basic agreements which have been concluded with countries elsewhere in the world and the fundamental rule for which is the most-favoured-nation clause.

When these treaties were signed — some of them over a century ago[12] — a concept existed which was based more on future possibilities than on practical facts. This concept envisaged the benefits which might accrue from the establishment of saving clauses aimed at reconciling Latin America's trade policy in relation to the world centres of commerce with an inter-Latin-American trade policy designed to solve problems of supply and of the marketing of surpluses.

In practice, the range of the saving clauses in favour of inter-Latin-American trade which have been incorporated in basic agreements is extremely varied. Many of these agreements contain reservations specifying that the most-favoured-nation clause shall not be applicable to the benefits which a contracting party in Latin America grants to neighbouring States. Such reservations are of different scope, a few having far-reaching implications. For the most part they refer to frontier trade, being in some cases expressly restricted to "minor traffic" of this nature. On the other hand, there are also basic agreements — some of them of great importance — which contain no reservations whatsoever.

During the last twelve years, on different occasions, some Latin American countries have sought to give a definitely two-fold character to their trade policy, in order to pursue within the region a course aimed at greater liberalization of some sectors or branches of inter-Latin-American trade. On making this attempt, they found that the reservations to the most-favoured-nation clause introduced for this purpose into existing basic agreements were, broadly speaking, insufficient to set up the special systems they wished to establish, unless modifications had previously been made in the basic agreements themselves. They also made another discovery. In various treaties with countries outside the region, although the most-favoured-nation clause was included without providing adequate reservations for the further liberalization of intra-regional trade, it sometimes only involved a commitment not to establish discriminatory treatment in customs duties. As a result the Latin American contracting party is likely to feel that it is, in effect, free to strengthen certain channels of trade, so long as it resorts to selective methods unconnected with tariffs. Yet another fact became evident when agreements for liberalizing trade were concluded between countries of the region itself on the basis of selective procedures, such as exemption from permits, the assignment of quotas, or the exchange of goods in which trade with other areas was prohibited or restricted. If some co-signatories of this type of agreement are parties to basic agreements in which the most-favoured-nation clause extends to non-tariff procedure, the omission of the reservation leads to requests for the same concession from interested countries in other regions. Accordingly, in conformity with the mechanism of trade agreements, the extant saving clauses, whether relating to selective measures or to tariffs, will produce the desired effect only when no country using such instruments is tied to any other by unconditional

[11] See R. Carlton Snyder, *The Most-Favored-Nation Clause* (King's Crown Press, Columbia University, New York), table 1 on page 134.

[12] The General Convention of Peace, Friendship, Trade and Shipping concluded between Chile and the United States in 1834 contained a reservation in favour of inter-Latin-American trade.

most-favoured-nation clauses which omit this type of reservation.

The ways in which the present contractual system limits intra-regional trade were examined, with particular reference to the southern countries, in the *Study of the Prospects of Inter-Latin-American Trade (Southern Zone of the Region)*. It was shown therein that the comparative inefficacy of the many special reciprocal agreements between these countries arose in part from the effects of other unconditional agreements which had been concluded with the purchasers of the region's primary commodities and could not be modified. This same factor was among those which frustrated the attempts to form customs unions, although there were others perhaps even more decisive. For example, the theoretical basis for these proposed unions was too broad and exceeded the objective economic realities of the markets which it was hoped to unite.

The fact remains that — according to the study mentioned above — the many special tariff agreements concluded in the southern zone have had little or no effect upon the flow of intra-regional trade. They do not lead to a broadening of the markets for the region's newly-created manufacturing industry, since similar imports from other regions are actually protected by the unconditional most-favoured-nation clause.

As to tariffs, the contractual situation in the southern zone differs little from that prevailing in the rest of Latin America, excluding Central America, where the treaties usually contain the necessary reservation in favour of the special treatment which these Republics grant one another by virtue of the "Central American clause". Central America likewise provides what are practically the only examples in Latin America of bilateral liberalization agreements. These are the pacts establishing free trade zones between Nicaragua and El Salvador (1951), El Salvador and Guatemala (1951) and El Salvador and Costa Rica (1953).[13]

To revert to the region as a whole, the lack of a contractual margin appears to have played an important role in the failure of the proposal that the so-called "national treatment" should be recognized for the region's merchant shipping, so as to provide it with the incentive of a substantial Latin American coastal trade.

There are other features of Latin America's trade policy which are closely linked to the liberalization of trade. Because the region has no machinery for the multilateral or triangular utilization of a credit balance which the disequilibrium in bilateral accounts often leaves inactive, liabilities must be met in convertible currencies. The shortage of such exchange is frequently a direct cause of a restriction of trade in clearing accounts, since importing countries, to prevent the deficit from exceeding the limit beyond which it must be liquidated in dollars, curtail their imports from the other party. The differing criteria governing the establishment of exchange rates for the same goods, and the non-observance of official parities — factors which often reflect the size of the debit or credit balance accumulated in clearing accounts — may additionally contribute to trade instability by encouraging price fluctuations.

It is obvious that any effort to co-ordinate the Latin American economies, even if at first it takes the form of liberalizing only trade in specific commodities and within certain sectors, will be hampered by the obstacles to liquidation of the balances which are created by the lack of some appropriate procedure. In other words, no matter how advisable it may seem to establish some co-ordination among the Latin American Republics through liberalization agreements, the results of such measures would inevitably be limited by the rigidly bilateral nature of the existing payments system. This situation, however, is not identical in all countries of the region. Among the Republics of the northern zone — comprising Mexico, Central America and the Caribbean area — where mutual trade is generally liquidated in convertible currency, the monetary factor seems to be less closely linked to the contingencies of the common market which might arise from liberalization. In contrast, the reverse is true in South America, where most of the trade between the Republics is carried on under the system of bilateral clearing accounts.

In order to evade contractual tariff restrictions, as well as those inherent in the payments system, Latin American countries have increasingly had recourse in recent years to the barter or exchange of products, the value of which is equalized in transactions where the rate of exchange and the price of the commodities play only a secondary role. Very often these operations can be effected without the permit generally required for each transaction. The experience of the countries which use this procedure on a large scale — as shown by the survey — indicates that the special selective measures utilized, if they avoided the above-mentioned difficulties, would sometimes, although not always, prove capable of maintaining the levels of the trade concerned and even of expanding it.

These favourable effects, however, are often weakened by the sudden interruptions which the barter system causes in the regularity of trade between the contracting parties, since, when the limits of the barter agreed upon are reached or when the agreement itself expires, the renewal of trade is usually held up until another similar agreement has been concluded.

From another point of view, the survey carried out, and the rest of the material gathered, emphasize a fact the importance of which speaks for itself. In several Latin American markets, primary commodities and manufactured goods from the region itself receive customs treatment which is discriminatory in relation to that granted to goods imported from other parts of the world.

Such a phenomenon is the consequence of another, common to the trade policy of the Latin American countries in relation to both tariffs and selective measures of other kinds; this originating factor is the lack of agreements designed to generalize adherence to a minimum principle of inter-Latin-American co-operation in order to ensure for mutual trade within the region treatment at least equivalent to that granted to other nations. The discrimination arising from the fact that there are so few agreements of this kind does not appear to have been

[13] A similar treaty has existed between Honduras and El Salvador since 1918, and was brought up to date in 1954.

adequately offset by the stimulating effects of agreements which establish intra-regional preferences, since, as already explained, the latter are of a particularly limited character.

The contrast between such contractual deficiencies and what would really be expedient for inter-Latin-American trade becomes more marked as the implementation of development programmes gradually arouses the desire to liberalize trade relations within the region with a view to expanding supplies of raw materials and promoting the production of manufactured goods. In countries where such a policy is beginning to make headway, it is recognized that the practical results of any measures taken in this field will depend mainly on the joint efforts made by the Republics of Latin America to bridge the contractual gaps in their mutual relationships through an adequate payments system, minimum inter-Latin-American trade treatment and a special system of tariffs or selective methods for specific primary and manufactured goods.

4. The Havana Charter and the GATT

It is impossible to examine the problems of broadening intra-regional trade relations and organizing them as a means of accelerating economic development, without considering the influence of the General Agreement on Tariffs and Trade (GATT) upon these two aims. For this reason, the fifth session of the Economic Commission for Latin America, held at Rio de Janeiro in 1953, when listing the subjects to be covered in a study of inter-Latin-American trade, included in resolution 69 (V), "the effects which the application of the General Agreement on Tariffs and Trade might have on the increase of the said trade", as well as "the various ways in which such problems might be solved".

To analyse the present influence of the GATT upon trade policy in Latin America and to understand its possible contribution to the solution of the problems described, reference must first be made to the Havana Charter, since it was the point of departure and the basis for the establishment of the GATT.

In 1946, the Government of the United States took the first official post-war step towards the reconstruction of foreign trade on broad multilateral bases, when it presented the *Proposals for the Expansion of World Trade and Employment* (Clayton Plan)[14] to the Economic and Social Council of the United Nations. At the three international meetings which took place between the formulation of the *Proposals* and the approval of the Havana Charter in 1948, discussion centred on the advantages of liberalizing world trade from the viewpoint of raising the standard of living. Some anxiety was expressed by the smaller nations that unrestricted trade might harm their development prospects. The hypothesis of liberalizing trade implied a broader world basis for the economic range of each production factor, the mobilization of capital and consumer goods, high productivity resulting from increased investment, dissemination of more advanced techniques, expansion of markets, etc. All these developments, assuming the prevalence of private enterprise, currency convertibility and a system of international co-operation which would stimulate the development of the weaker countries, would improve conditions throughout the world.

The *Proposals* represented an advance in the trend towards the liberalization of trade. This movement had begun in the United States during President F. D. Roosevelt's first administration and had originally been given concrete form in the Reciprocal Trade Agreements Act (1934), which authorized the President to enter into foreign trade agreements without prior ratification by Congress, to reduce existing tariffs up to 50 per cent on a reciprocal basis, and to extend bilateral concessions to all those countries with which the United States Government had agreed upon the application of the most-favoured-nation clause. The *Proposals* aimed at the complete elimination of restrictive and discriminatory practices arising from and aggravating maladjustments in the world economy during the two decades prior to the Second World War, as well as at the establishment of rules for equitable treatment in trade relations between all countries, through the unconditional application of the most-favoured-nation clause. They did not admit exceptions for the maintenance of preferential blocs such as those formed by certain metropolitan areas and their associated countries, colonies or dependencies. The *Proposals* did, however, accept the principle that neighbouring states could grant each other special benefits or could establish customs unions deriving from their geographical proximity and the complementary nature of their economies. As regards an anticyclical policy to achieve a minimum stability of markets for basic commodities, the *Proposals* advocated the conclusion of agreements designed to exert a controlling influence on the production, trade and prices of the principal primary products, whenever the disequilibrium between supply and demand made it advisable to employ stabilization measures of this kind. The whole argument was based on the assumption that the obstacles to development did not arise from a scarcity of natural resources but from inadequate utilization of technical and human resources and that a substantial improvement could be achieved if barriers connected with trade policy and other hindrances to the free circulation of goods were removed.

During the successive international meetings which led to the adoption of the Havana Charter in 1948, the Latin American Republics unanimously maintained the position they had taken up a short while previously, when the agreement known as the Charter of Chapultepec had been concluded in 1945. At that time, after studying the risks which a liberalization of trade entailed for them, they had bound themselves to co-operate in reducing the barriers to trade "within those limits which guarantee to all peoples of the earth a high standard of living and the development of their economies upon solid bases".

It was not easy to reach the consensus of opinion required to give a final form to the Havana Charter. Obstacles were inherent in the task of preparing a comprehensive body of inter-governmental agreements on measures for stabilizing the world market in primary

[14] The Plan was based on six fundamental points: (1) Greater exports and imports; (2) freedom for private enterprise; (3) multilateral trade; (4) non-preferential trade; (5) a stable commercial policy; and (6) international co-operation.

commodities, on tariffs, subsidies, restrictive practices, economic development, preferences and so forth. The nations advocating recognition of the need to adopt or maintain a protective policy for national economic development, especially in its industrial phase, had not apparently gone into the matter deeply enough to be able to put forward specific proposals and to support them by joint action. Nevertheless, the opposing viewpoints were reconciled. Without minimizing the desirability of liberalization, the final text of the Havana Charter included clauses permitting the application of the selective measures necessary for the stabilization of the balance of payments or for the strengthening of certain branches of domestic production. In order to limit any adverse effect upon other countries, the proposed International Trade Organization was to see that such action went no farther than was essential to achieve these objectives. At the same time, the contracting parties agreed to eliminate the trade barriers not covered by these saving clauses and to undertake immediate negotiations for reducing tariffs, such as those which a group of countries had initiated shortly before the Havana Conference, under the provisional rules of the GATT.

Despite the spirit of unconditional multilateralism which inspired the original *Proposals*, the Havana Charter in actual fact left the preferential blocs of the British Commonwealth, of the French Union and others intact, although it provided for the reduction of such preferences through customs negotiations, as in the case of ordinary tariffs. It also respected certain systems of special tariff treatment between neighbouring states, or of a semi-regional nature, which some Latin American Republics excluded from the commitment of non-discrimination involved in signing the Charter. The most-favoured-nation clause, under such conditions, did not entitle all members of the new Organization to benefit from the existing systems of exemption, unless the country concerned obtained such an advantage at a later date.

During the Havana Conference lively discussion centred upon the Article providing that integration agreements should be concluded on the subject of trade in specific commodities between adjacent countries or countries belonging to the same economic region, and should be accepted automatically by the States signing the Charter.

The Havana Charter contained provisions the text of which could hardly satisfy all the contracting parties. But, in addition to creating a powerful instrument for international co-operation, it established for the first time in world history a code of rules for foreign trade designed to rationalize commercial methods. Its aim was to integrate the economies of the weaker countries with the rest of the world without sacrificing the employment level of the smaller nations, since it would to some extent be linked to the mitigation of the disparities in productivity and of the customary balance-of-payments disequilibria.

Events subsequent to the adoption of the Havana Charter showed that it would not obtain Congressional ratification in the United States. Some sections of the final text had been drafted with the voting power of nations which were numerically predominant at the Havana Conference, but which did not play a major role in world trade. The controversies which the Charter aroused among public opinion in the United States caused its ratification to be postponed.[15] Many countries in other parts of the world adopted a policy of waiting for the decision of the United States Congress, which was put off from 1949 to 1951. In the latter year, the United States Government announced its intention not to re-submit the Havana Charter for the approval of Congress.[16] On 8 February 1951, the Government of the United Kingdom declared that it had arrived at the conclusion that "there was no likelihood of the International Trade Organization mentioned in the Havana Charter being established and developed as an official instrument for the encouragement of international trade", adding that "it would in no case recommend to Parliament that the United Kingdom should ratify the Charter".

To avoid any further delay in establishing the tariff concessions in favour of wider world trade and to guarantee their stability by the previous application of many of the regulations in the Havana Charter, the General Agreement on Tariffs and Trade (GATT) was brought into force in January 1948. It was invested with the character of a trade agreement based on mutual tariff concessions between contracting parties, who agreed to submit their foreign trade to the general rules of non-discrimination and reciprocity laid down in the Havana Charter, the mainspring of which is unconditional application of the most-favoured-nation clause. The Contracting Parties also accepted the condition that before restricting the import or export of any goods on which tariff duties had been the subject of agreement or before giving effect to any national decision at variance with the rules of the GATT, they would hold bilateral negotiations or collective consultations. In such consultations decisions would be reached through a system of corporate voting.

At the present time, since there seems little hope of raising the Havana Charter to positive international status, circumstances are leading the GATT to exceed its original provisional character. In paragraph 3 of article XXIX it was stated that, if the Charter had not entered into force by a certain date, the contracting parties should decide whether the General Agreement should be amended, supplemented or maintained. To this end, the ninth session of the Contracting Parties was held at Geneva (October 1954-March 1955). Reference is made at a later stage to some of the Protocols adopted there.

5. Effects on Latin America

Varying interpretations have been placed by the Latin American countries upon the application of the GATT to their trade policy. Eight have subscribed to it and twelve have not (see table 32). The consequences of their differing attitudes, while felt by both groups, only in-

[15] In addition to tariffs, which in United States trade policy are the main instrument for the control of imports, there are others of a quantitative nature, the chief of which is the quota system introduced under Section 22 of the Agricultural Adjustment Act and Section 104 of the Defense Production Act, as well as in the "Buy American" legislation.

[16] This statement, made at the meeting of the GATT at Torquay in 1951, added that the United States Government would ask Congress for legislation in favour of more effective participation in the GATT.

directly affect the second, whose members are watching with interest the results obtained by the Contracting Parties in the region.

An analysis of the GATT's contribution to over-all inter-Latin-American trade policy is a complex matter, owing to the wide range of questions involved and the dissimilarity of their repercussions in each country. Therefore, in conformity with the findings of the survey to which allusion has already been made and which was conducted in most of the countries of the region among officials responsible for the guidance of trade policy, consideration will be given to the significance of those features of the GATT which concern the greatest number of Republics, with a view to deducing at a later stage the prospects it may offer for expanding reciprocal trade relations. The background information on the trade policy of specific Latin American countries supplied by the survey also underlines aspects pertaining to the influence exerted by the GATT, within the scope of a methodology that seeks to ascertain — especially with respect to Brazil — the effects of the reciprocal tariff concessions agreed upon in this instrument.

The data assembled indicate that the Latin American attitude towards the GATT was undoubtedly coloured by the omission from its text, firstly of an essential section on economic development comprised in the precepts and regulations laid down in chapter III of the Havana Charter, and secondly of the stipulations in chapter VI which entrusted the proposed World Trade Organization with the responsibility of studying and suggesting solutions to a problem of vital consequence for Latin America's trade policy, namely, the instability of its export market. Similarly, the GATT failed to include some of the basic regulations established by the Havana Charter for the control of the system of subsidizing exports of primary commodities. Since the General Agreement can thus exert only a limited influence on the direction of international collaboration aimed at stabilizing markets, most Latin American countries are inclined to appraise the desirability of joining it from more direct points of view, i.e.: (*a*) the advantages for domestic exports that would result from tariff negotiations under the aegis of the GATT; (*b*) the practical value of these advantages in relation to the fiscal loss consequent upon concessions which, on reciprocal terms, would be granted to products imported from the other contracting parties; and (*c*) the scope of the limiting clauses which, for the same reason, it would be necessary to introduce into trade, tariff or other measures, designed for the protection of domestic activities. Attention has also been drawn to the indirect benefits that might be derived from the system of low tariff duties applied by the GATT to primary goods imported by the large centres of consumption, since such a system would exert some restraining influence on competition from synthetic substitutes.

Both before and after their accession to the GATT, various Latin American countries carefully considered the extent of the limitations which the commitments might in practice impose upon their contractual power, and especially on their adoption of measures designed to give constant protection to their economic development at its present stage. A clear indication of the actual magnitude of such limitations is also of interest to those countries which, in order to avoid them, deemed it advisable not to join the GATT. Furthermore, on a varying scale, scarcely any Latin American State appears to be unaffected by the favourable or adverse incidence of the GATT on the liberalization of intra-regional trade, a process usually felt to be a logical consequence of development plans.

TABLE 32. LATIN AMERICA: SHARE OF MEMBERS OF THE GATT IN WORLD AND IN REGIONAL TRADE, 1951

		Foreign trade (imports plus exports)	
	Millions of dollars	*Share in Latin American trade*	*Share in world trade*
		(Percentages)	
Brazil	3,768.0	24.6	2.42
Chile	701.3	4.6	0.45
Cuba	1,464.2	9.6	0.94
Dominican Republic	171.8	1.1	0.11
Haiti	95.0	0.6	0.06
Nicaragua	69.8	0.5	0.04
Peru	516.8	3.3	0.33
Uruguay	552.0	3.6	0.35
TOTAL 8 COUNTRIES	7,338.9	47.9	4.70
TOTAL LATIN AMERICA	15,303.4	—	9.81
Other members of the GATT:			
United States	26,778.6	—	17.19
France [a]	8,725.7	—	5.60
United Kingdom [b]	17,799.1	—	11.42
23 remaining members of the GATT [c]	54,980.6	—	35.29
Dependent territories parties to the GATT	14,880.0	—	9.60
TOTAL 34 MEMBERS OF THE GATT (including their overseas territories)	130,502.9	—	83.80
TOTAL WORLD TRADE [d]	155,791.0	—	100.0

SOURCE: *Restrictive Business Practices* (E/2380 and E/AC.37/3), publication of the United Nations and the Secretariat of the General Agreement on Tariffs and Trade.

[a] France and overseas dependencies: 12,524.6 million dollars; 8.04 per cent of world trade.

[b] United Kingdom and overseas dependencies: 27,364.7 million dollars; 17.57 per cent of world trade.

[c] Australia, Austria, Belgium, Burma, Canada, Central Africa Federation, Ceylon, Denmark, Finland, Federal Republic of Germany, Greece, India, Indonesia, Italy, Luxembourg, the Netherlands, New Zealand, Norway, Pakistan, Sweden, Turkey, Union of South Africa. (Czechoslovakia is excluded for lack of data.)

[d] Including all countries taking part in world trade, with the exception of Bulgaria, The Peoples' Republic of China, Czechoslovakia, Eastern Germany, Hungary, Poland, Romania and the U.S.S.R., for which sources of information are not available.

The main problems posed by the General Agreement in Latin America — relating to the unconditional most-favoured-nation clause, the protection of economic development, and the liberalization of trade — may be analysed in the light of the GATT's principles themselves, of its basic structure and of the more flexible clauses embodied in its statutes. In these last it is likely — as will be explained later — that certain amendments will be introduced, which must also be taken into account.

(a) Most-favoured-nation clause

The aims of the GATT are to raise standards of living, to ensure full employment, to increase income and demand, to make the best possible use of the resources of the world, and to expand production and commodity trade among the Contracting Parties [17] — principles which are identical with those of Latin America's economic policy. For the attainment of its objectives, the GATT advocates a substantial reduction in customs tariffs and in trade restrictions of any other kind,[18] as also the elimination of the various forms of preferences.

With non-discrimination and reciprocity as its points of departure, the essential tendency of the GATT is towards two instruments of trade policy only, i.e.: the most-favoured-nation clause, unconditional and unlimited, and customs tariffs, all regulations affecting foreign trade, including selective measures other than customs duties, being subordinated to the most-favoured-nation clause. Latin American treaties of the traditional type generally made this same clause relate to tariffs and rarely prohibited restrictions on imports of commodities that were not negotiable by the parties concerned; the GATT, in contrast, considers the most-favoured-nation clause as an automatic multilateral extension of any measure to encourage foreign trade and places a general embargo on unilateral restrictive policies.

The survey carried out for purposes of this study supplied first-hand knowledge of regional opinion on the most-favoured-nation clause, both in general and in its bearing on inter-Latin-American trade. Apart from stressing the difficulty of forming an over-all conception of the significance of the clause for Latin America, since the positions of individual countries differ widely, the investigation demonstrated the prevalence of the following principal views: (*a*) that the clause would seem to constitute a necessary and sometimes indispensable instrument for the maintenance of the traditional flow of exports to the great consumption centres, though it does not protect the Republics of Latin America from the discrimination arising from the preferential groupings of which these same large nations form a part; (*b*) that as regards the encouragement of those exports to the world market which are the product of diversification in the economies of the Latin American countries — especially semi-processed and manufactured goods — the limitations inherent in the contracting power of these countries and in the inferiority of their productivity to that of other regions hamper or prevent the utilization of the option of free competition offered by the clause; and (*c*) that within the regional sphere, again for reasons connected with productivity, the clause must be reckoned as one of the factors that maintain in trade currents the supremacy of goods imported from the large centres over domestic substitutes produced in Latin America.

In certain Latin American countries careful attention is being devoted to the more thorough investigation of the problems raised by the most-favoured-nation clause and the establishment of a well-grounded definition, not only of the causes and circumstances that determine whether each country should not continue to follow this contractual system, but also of the conditions under which it should do so. This also has its repercussions on another aspect of the question, relating to the combined and simultaneous impact of the most-favoured-nation clause and of special tariff concessions upon the use of customs duties as an instrument of national trade policy.

When the Latin American Republics, in a number of basic trade agreements, granted consolidations and tariff reductions, while at the same time and in the same instrument recognizing most-favoured-nation treatment,

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[17] See the Preamble to the text at present in force. One of the amendments approved at the ninth session of the General Agreement (held at Geneva from October 1954 to March 1955), and now awaiting ratification, proposes that the Preamble be replaced by the following article: "(1) The Contracting Parties recognize that their relations in the field of trade and economic endeavour should be conducted with a view to raising standards of living, ensuring full employment and a large and steadily growing volume of real income and effective demand, developing the full use of the resources of the world and expanding the production and exchange of goods, and promoting the progressive development of the economies of all the Contracting Parties; (2) The Contracting Parties desire to contribute to these objectives through this Agreement by entering into reciprocal and mutually advantageous arrangements directed to the substantial reduction of tariffs and other barriers to trade and to the elimination of discriminatory treatment in international commerce". Also at the ninth session, a proposal was put forward for the elimination of the clause in article XXIX of the GATT which provided that the Contracting Parties should "observe to the fullest extent of their executive authority the general principles of chapters I to VI inclusive and of chapter IX of the Havana Charter".

[18] Such restrictions are those that, in chapter IV of the Havana Charter, were called in the appropriate cases "quantitative restrictions" and "restrictions to safeguard the balance of payments", as distinct from those that chapter V entitled "restrictive business practices", the latter signifying measures adopted by public or private commercial enterprises in international trade in the form of fixed prices, production quotas, cartels, coalitions, abusive use of patents, registered trade marks and copyrights, and others which "restrain competition, limit access to markets, or foster monopolistic control". According to chapter V, which was not incorporated in the text of the GATT, the countries affiliated to the Charter undertook to act against the use of such procedures when they "have harmful effects on the expansion of production or trade". By resolution 375 (XIII) of the Economic and Social Council, dated 13 September 1951, an *Ad Hoc* Committee on Restrictive Business Practices was established to study the possibilities for such action. The United Nations document entitled *Restrictive Business Practices* (E/2380 and E/AC.37/3, 30 March 1953) contains the Committee's report, which adopts, with certain modifications, the text of chapter V mentioned above, and proposes in addition that an *Ad Hoc* Organization should be created within the framework of the United Nations to study the difficulties arising from restrictive practices and to organize inter-governmental action to overcome them. Although the text of the proposal submitted by the Ad Hoc Committee, like chapter V of the Havana Charter, is directed towards the abolition of restrictive practices resorted to by public and private commercial enterprises, the authority of the new Organization would also cover their adoption at governmental level.

they created two extensive special sectors within their tariff system, comprising those countries, which by virtue of the consolidations, remained immune from any increase in customs charges, and those which, as a result of the reductions, preserved their relatively privileged position in the face of any future rise in tariffs. In some countries, the large number of commodities covered by consolidation renders the schedule of tariffs entirely inelastic, since no increase in it can affect goods imported from those countries which are protected by agreements that freeze the absolute value of the customs duty. As already pointed out, this situation is closely bound up with the habit of resorting to trade policy procedures unconnected with tariffs, and using them to remodel the structure of imports and to foster new sources of income. Within the sphere of inter-Latin-American trade, selective procedures of this type have recently taken the form of exemption from permit regulations for transactions that could not be carried out with countries in other areas without prior authorization.

In view of the GATT regulations, which tend to prohibit the widespread use of non-tariff selective measures, but tolerate them in special cases provided that their application is non-discriminatory, the survey reveals that countries with an inelastic tariff system take a very dubious view of the prospect of endowing all trade procedures with automatic multilateral properties, under the terms of the most-favoured-nation clause contained in the General Agreement on Tariffs and Trade. In this same connexion it may be added that certain recent cases in Latin America reflect a definite intention to reduce tariff agreements, in order to reinstate the tariff system in its former dynamic role as an instrument of national trade policy. Significant examples are provided by Colombia, Ecuador and Venezuela, countries that have not joined the GATT. Colombia, in particular, after terminating the bilateral agreements whereby it granted rebates and consolidations which were extended to third countries by virtue of the most-favoured-nation clause, is now in a position to use its tariff system without contractual limitations.

Another aspect covered by the survey is concerned with the exceptions admitted by the GATT in the application of its fundamental principles. It was pointed out by some of the Contracting Parties that the GATT was apparently organized on the assumption that difficulties with respect to international payments were of a temporary nature. In the case of Latin America, practical confirmation of this supposition does not on the whole appear to be likely at any rate over the short and medium term.

When interdependence between the aims of the GATT and the regularization of world monetary relations was in actual fact established, the GATT countenanced, for the benefit of Contracting Parties affected by difficulties in their foreign accounts, various types of exceptions to its basic regulations. Thus, the debtor countries were authorized to make provisional use of non-tariff selective measures, and to restrict imports by means of quotas, without any consequent reprisals in the shape of duties or quotas on the part of supplier countries whose balance-of-payments position was normal. Here the survey reveals the opinion held by some of the Contracting Parties of the GATT that the non-discriminatory distribution of quotas among all customary suppliers, as prescribed by the GATT, is often difficult to reconcile with the realities that demand the measures described, especially when the pressure exerted by exchange holdings or the need to balance trade by currency areas makes it necessary to draw up barter agreements which in actual fact grant the entire quota to one supplier, or to only a few. However, the experience of the past seven years, since the establishment of the GATT, seems to have been that Contracting Parties with an unfavourable balance of payments were able to reconcile the pattern of their foreign trade with their contractual commitments within the organization, even in those cases where past or future imports did not fit into the systems of reciprocity and non-discrimination which are compulsory when the balance of payments is normal. In this connexion, it is acknowledged that the GATT has proved susceptible of adaptation to the requirements of the Contracting Parties. Furthermore, some countries feel that by devoting close attention to measures aimed at equilibrium and by guiding them into proper channels, the GATT would also be useful in moderating the tendency to exaggerate such measures which is often characteristic of foreign exchange authorities. This comment refers particularly to the principles or rules laid down by the GATT at its fifth session (held at Torquay, from September 1950 to April 1951), and designed to prevent undue prejudice to the interests of exporter countries when the countries of destination take steps to reduce imports.

(b) Protection of economic development

From this point of view, the exceptions to the basic principles of the GATT in its original form, at a mere reading (article XVIII), are less extensive and elastic than those concerned with safeguarding the balance of payments (article XII).

The current text of article XVIII of the General Agreement envisages, in essence, three principal methods for the protection of economic development, as follows:

(1) Modification of previously negotiated tariffs;

(2) Application of quotas or other quantitative restrictions to imports of scheduled items; and

(3) Application of the same measures to non-scheduled commodities.

In the first case, agreement must be reached with the original party or parties to the fixing of the tariff on the commodity concerned. This agreement may consist in transferring the concession or consolidation favouring a foreign product, imports of which it is desired to prevent or limit, to other commodities from the same country of origin, the mediation of the GATT being available in the event of failure to come to an accord.

In the second case, protection may be authorized if it can be shown that the application of the foregoing procedure has not in practice yielded the desired results. Before approving protection, the GATT considers whether the proposed formula is the most suitable, or whether an alternative is feasible. If the GATT concurs in the measure it establishes the conditions governing its approval, and also indicates whether or not such protection will involve compensation for injured third parties. Protection may be applied whilst these deliberations are in progress, provided that the restrictions imposed do not cause imports of the foreign commodity affected to drop below the level of the most recent representative period. Should protection not be approved, or should negotiations be broken off, the measure ceases to be applicable. Furthermore, as the GATT is based on the principle of reciprocal advantages, any country whose trade is materially affected by protectionist action may suspend an equivalent concession granted to the country taking such action, provided that it first obtains the approval of the Contracting Parties.

In the third case, the GATT automatically authorizes protection for a specific period when it is clear that the proposed measures are designed[19] to support industries established between 1939 and 1948 under the abnormal conditions created by the war; to stimulate the development of industries manufacturing domestic basic commodities, exports of which have been considerably reduced by restrictions abroad; or to encourage the manufacture of a domestic basic product or by-products of the same industry which would otherwise be wasted, when this permits more complete and economic utilization of the natural resources and manpower of the country, and provided that in the long run international trade will not be adversely affected or subjected to greater restrictions than those arising from other procedures approved by the GATT. In the absence of such prerequisites, the GATT cannot authorize any country to apply restrictive measures for the protection of specific domestic products unless the other Contracting Parties sanction them by a majority vote (article XVIII 8 (b) ii).

The survey suggests that the Latin American members of the GATT have probably not found it easy to interpret the scope of these regulations, the complexity of which is understandable when it is recalled that their final text was the outcome of a compromise reached after long discussion at the Havana Conference, where objections were raised to the views expressed by under-developed countries in favour of the legitimacy of measures designed to protect economic growth. At national level, these difficulties of interpretation would seem to have influenced the determination of a certain number of Latin American countries to refrain from adhering to the clauses of the General Agreement that deal with economic development, preference being given, for similar ends, to those laid down for the benefit of the balance of payments.

Again, the survey indicates that the majority of the Latin American Republics, whether Contracting Parties or not, deem the original text of article XVIII of the General Agreement inadequate to meet the requirements of economic development, as it not only accords insufficient recognition to the need for governmental protection, but subjects such protection to internationally applicable regulations which are felt to be too inflexible. Some countries add that the nature and scope of their tariff commitments would make it difficult for them to withdraw a customs concession — under the terms of article XVIII — and replace it by another of equal value that would satisfy the party or parties to such a modification, should occasion arise for the adoption of protectionist measures in favour of domestic products similar to those imports on which the duty was determined by agreement. Furthermore, they declare that in article XVIII, 7-A ii and iii, the basic means laid down for the protection of domestic products by the curtailment of imports of non-scheduled goods are determined by limitative criteria, since approval is given to protectionist measures when these are designed to foster "the establishment or development of a specific industry manufacturing a domestic basic commodity, exports of which have been appreciably reduced by reason of new or more stringent restrictions abroad", or are felt to be "necessary in view of the possibilities and resources at the disposal of the Contracting Party submitting the application, wherewith to promote the establishment or development of a specific industry for the manufacture of a domestic basic product or of a by-product of the same industry which would otherwise be wasted, so as to achieve fuller and more economic utilization of the natural resources and manpower of the Contracting Party submitting the application". And, finally, they assert that these criteria imply a disregard of the extensive range of Latin America's transforming industry, which in its textile, chemical, pharmacological, metallurgical and other branches of production utilizes in many cases raw materials and semi-manufactured products of foreign origin that are being gradually replaced in some degree by domestic products.[20]

The findings of the survey also bring into evidence the desire, prevalent throughout almost the whole of the region, to obtain wider international recognition of the importance of protective measures than is contained in the text of the GATT as it stands at present. The grounds for this attitude can be very briefly outlined. With regard to Latin America's exports, it is an established fact that the volume of outflow is basically dependent on the fluctuations of world economy and the behaviour pattern of the large centres as determinants of the expansion or contraction of trade. As regards imports, the procedures applied in Latin America to transform their composition do not restrict the value of those purchases of capital goods and services whereby the money supply accruing from exports is returned to the large centres mentioned. Selective measures for this purpose, provided they are kept within certain limits, merely adapt the composition of imports to the requirements of regional development, without detriment to the volume of trade.

The origins and mechanism of the process in question have been described and analysed in studies prepared by ECLA.[21] Progress in development inevitably leads to industrialization, which, in its initial stages, must be safeguarded from the effects of unequal productive

[19] See article XVIII, 7. A.

[20] In some Latin American countries the effect of governmental protection on such evolution is clearly evident in the following industries: rayon, paints, dyes, ink, plastic goods, antibiotics, tools, electric motors, wireless receiving sets and many others.

[21] See *Problemas Teóricos y Prácticos del Crecimiento Económico*, op. cit., and *International Co-operation in a Latin American Development Policy* (E/CN.12/359), United Nations publication, Sales No.: 1954.II.G.2. This latter contains the preliminary report and the recommendations presented to the Meeting of Ministers of Finance or Economy held at Rio de Janeiro in November 1954.

capacity as they make themselves felt in international competition unless this disparity is offset by a fall in wages, and the consequent deterioration in the terms of trade. Such a solution conflicts with social pressure, while the improvement of productivity is hampered both by Latin America's low rate of investment and by the obstacles that the limited size of local markets puts in the way of industries which require the support of a much larger area; hence there is a widespread feeling that selective measures are virtually indispensable if the protection of economic growth is to be attempted.

The regulations of the GATT relating to the safeguarding of economic development have hitherto been put into effect on a reduced scale only, as to this end the Latin American countries have generally preferred to resort to those clauses aimed at maintaining the balance of payments, which are deemed more expeditious and flexible. Nevertheless, the survey makes it plain that the establishment of a clear distinction between the objectives of these two kinds of measure is a matter of concern. Not even the countries whose balance of payments most frequently shows a deficit, or whose exchange reserves need to be augmented from time to time by means of import restrictions, consider it wise for the continuance of such protective measures as are essential if certain industries are to improve their low productivity, to be subordinated to the periodical vicissitudes of the availability of foreign exchange. The establishment of an appropriate protection technique is, as they point out, of necessity incompatible with its subjection to the fluctuations inherent in the balance of payments.[22]

As early as 1953, when the trend towards convertibility[23] began to gain impetus in Europe, it was predicted in some countries of the region that this might reduce the flexibility of the regulations in the General Agreement for overcoming payments difficulties, thus limiting their application on behalf of economic development.

(c) Amendments to the regulations on protection

The survey of which the findings are summarized in the present *Study* was carried out during the last quarter of 1954 and the first quarter of 1955. At about the time when it was nearing completion, the results of the ninth session of the Contracting Parties of the GATT, held at Geneva from October 1954 to March 1955, were also made known. The delegates present at this session resolved to submit for ratification by their Governments various amendments to the text of the General Agreement as it then stood, some of which seem to be of particular interest to Latin America. This is especially true of the changes referring to the application of selective measures to safeguard the balance of payments and to protect economies in process of development.

The prospects of a higher level of convertibility, over the short or medium term, in a number of member countries of the GATT in Europe, probably helped to account for the fact that at the ninth session the Contracting Parties displayed less anxiety than at former meetings for the retention of those rules of procedure which permit the enforcement of import restrictions that are based on an unfavourable balance-of-payments situation and in fact constitute a means of protecting economic development. The countries in question did not consider it equitable that nations whose export activities benefited by the advantages of free trade in the market of destination should impose quantitative restrictions on imports from that same source. In this connexion, the ninth session approved an amendment to article XII, which deals with restrictions to safeguard the balance of payments. It would seem that the object of this amendment was gradually to ensure that the article concerned should be valid only for the purposes defined by its literal tenor. To this end, once a year, as from a date not yet fixed,[24] the Contracting Parties will jointly review the tariff and quantitative restrictions still applied under article XII. If this examination should reveal that any such restrictions are inconsistent with the relevant provisions of the General Agreement, and if the Contracting Party applying them should not be prepared to modify or suspend them in favour of alternative measures deemed more efficacious by the other Contracting Parties of the GATT, the countries adversely affected will be entitled to adopt reprisal measures, whether in the form of tariffs only or of quantitative restrictions also the proposed text does not specify. When the Contracting Parties, in the course of reviewing extant restrictions, discover the presence of an acute disequilibrium in the external payments of the country applying them, they will be empowered to examine the underlying causes of this situation, and to invoke for the

[22] The IV Extraordinary Meeting of the IA-ECOSOC (Rio de Janeiro, November-December 1954) dealt with this subject. Resolution 43/54 states that "industrialization contributing to a better utilization of natural and human resources is an indispensable requirement for the well-balanced economic development of the Latin American countries" and that "in addition to other incentives industrialization can be aided through customs protection, if such protection is kept within reasonable limits and is given in harmony with any obligations that the respective countries may now have or may have in the future within existing international agreements". Furthermore, resolution 54/54, in recommending that governments prepare economic development programmes based on specific plans, urged them "to co-ordinate their efforts with a view to a maximum intensification of regional economic relations, looking toward the complementation of the Latin American economy". Resolution 57/54 declared that "in the field of regional co-operation between specific countries, which should include a trade policy tending to liberalize trade by eliminating customs and other barriers, it is possible to encourage new industrial activities by locating them in the places best adapted to supplying the regional market as a whole at a lower cost and utilizing natural resources more completely and rationally".

[23] "In Western Europe and in most of the sterling area countries, the liberalization of trade was extended considerably in 1953 and the early months of 1954. The application of liberalization was not limited to the countries covered by any regional agreement, but frequently involved also the relaxation of restrictions on imports from dollar countries. Further, each step was usually intended to be permanent, and to constitute a move toward general convertibility. Moreover, some of the restrictions which had been retained since the war and had almost come to be regarded as permanent features of the economy were relaxed, and replaced in part by exchange and trading arrangements more in harmony with the objective of general convertibility". *Annual Report* 1954, International Monetary Fund, Washington, D.C., page 75.

[24] According to the information gathered for this *Study*, some Latin American countries understand that the first review will be made after the principal European countries have returned to convertibility.

purpose the collaboration of appropriate international institutions.

Apart from the amendments aimed at limiting the application of article XII to the ends explicitly specified in its text, the ninth session recognized the need for regulations capable of protecting economic development, without, however, losing sight of the principle of equivalent concessions inherent in the General Agreement. The importance of the new regulations for Latin America is manifest in the revised draft of the first five paragraphs of article XVIII.[25]

The essence of these regulations permits the application of protectionist measures in favour of economic development, as well as the use of quantitative restrictions to restore equilibrium in the balance of payments and maintain reserves at a level adequate to preserve the continuity of development programmes. These regulations are valid for all members of the GATT "the economy of which can only support low standards of living and is in the early stages of development" (article XVIII, 4 (*a*)). Other contracting parties "the economy of which is in process of development, but which does not come within the scope of sub-paragraph (*a*)" are protected by somewhat less liberal provisions.

The following is a brief outline of the system of procedures laid down by article XVIII in its revised form.

Section A of the article allows any country classified as "in the early stages of development" a fairly wide margin of tariff elasticity, to enable it to protect specified branches of activity, whether already existing or about to be established. When it needs to apply, for this purpose, protectionist tariff measures which affect scheduled products, it notifies the Contracting Parties to this effect, and enters into bilateral consultations with the country with which the customs duties concerned were originally agreed upon, as well as with other countries which in the opinion of the Contracting Parties would be adversely affected by the withdrawal of a given concession. The aim of consultations is to concert agreements designed to offset the real damage to their export trade which might be caused by any such modification; but if agreement cannot be reached, the Contracting Parties will reach a corporate decision as to whether the compensation proposed by the country applying the restriction should or should not be regarded as satisfactory. In the former case, the country concerned is free to apply the protectionist measure, at the same time putting into effect the compensation offered to adversely affected countries. In the second instance, if in the opinion of the GATT the compensation represents the greatest effort which can be expected of that particular country, section A does not prohibit the application of the restriction; but its enforcement entitles the countries whose interests suffer to indemnify themselves by withdrawing tariff concessions of equivalent value. In other words, consistently with the principles of reciprocity proper to an organization based on equivalent advantages, the country appealing for authorization is free in any event to use the tariff procedures necessary to protect the development of a specific branch of production, but runs the risk of forfeiting benefits previously enjoyed by its own exports in the market of that country to whose detriment the protectionist measures redound. If the steps taken relate only to foreign commodities not scheduled by the country initiating the action, this latter, even though it is not among those classified as "in the early stages of development", has the right to apply the restriction on its own decision alone.

Section B of article XVIII is aimed at the safeguarding of the external-payments situation and the maintenance of a level of reserves adequate for putting economic development programmes into effect. For this purpose, nations in the early stages of development can have recourse to quantitative restrictions on imports of goods similar to those which they desire to protect. There is a clause in Section B which adds that restrictions of this kind are subject to review by the Contracting Parties every two years. If such restrictions are then felt to be inconsistent

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[25] "1. The contracting parties recognize that the attainment of the objectives of this Agreement will be facilitated by the progressive development of their economies, particularly of those contracting parties the economies of which can only support low standards of living and are in the early stages of development.

"2. The contracting parties recognize further that it may be necessary for those contracting parties, in order to implement programmes and policies of economic development designed to raise the general standard of living of their people, to take protective or other measures affecting imports, and that such measures are justified in so far as they facilitate the attainment of the objectives of this Agreement. They agree, therefore, that those contracting parties should enjoy additional facilities to enable them (*a*) to maintain sufficient flexibility in their tariff structure to be able to grant the tariff protection required for the establishment of a particular industry and (*b*) to apply quantitative restrictions for balance-of-payments purposes in a manner which takes full account of the continued high level of demand for imports likely to be generated by their programmes of economic development.

"3. The contracting parties recognize finally that with those additional facilities which are provided for in Sections A and B of this Article, the provisions of this Agreement would normally be sufficient to enable contracting parties to meet the requirements of their economic development. They agree, however, that there may be circumstances where no measure consistent with those provisions is practicable to permit a contracting party in the process of economic development to grant the governmental assistance required to promote the establishment of particular industries with a view to raising the general standard of living of its people. Special procedures are laid down in Sections C and D of this Article to deal with those cases.

"4. (*a*) Consequently, a contracting party the economy of which can only support low standards of living and is in the early stages of development shall be free to deviate temporarily from the provisions of the other articles of this Agreement, as provided in Sections A, B and C of this article.

"(*b*) A contracting party the economy of which is in the process of development but which does not come within the scope of sub-paragraph (*a*) above, may submit applications to the CONTRACTING PARTIES under Section D of this article.

"5. The contracting parties recognize that the export earnings of contracting parties the economies of which are of the type described in paragraph 4 (*a*) and (*b*) above, and which depend on exports of a small number of primary commodities, may be seriously reduced by a decline in the sale of such commodities. Accordingly, when the exports of primary commodities by such a contracting party are seriously affected by measures taken by another contracting party, it may have resort to the consultation provisions of article XXIII of this Agreement."

with the existing regulations, the contracting parties will recommend the appropriate adjustments. It seems of interest to stress that, as can be inferred from the relevant text, the only grounds on which damage could be alleged to have been caused to the export trade of any member country of the GATT by protectionist action under the terms of Section B would be discriminatory treatment on the part of the country initiating the action, or the overstepping of the limits required for the adequate safeguarding of its monetary reserves.

Section C of article XVIII authorizes the adoption of special measures to stimulate specific branches of production. To this end, when a country in the early stages of development finds that other protectionist methods approved by the GATT do not enable it to establish or expand a branch of activity conducive to raising the standard of living, and wishes to protect such activity by means of some other selective system, it can do so if it first notifies the Contracting Parties of its intention, any country seriously prejudiced thereby retaining its right to withdraw concessions of equivalent value from the country taking such a step. But when scheduled goods are affected, the rule of procedure provides for the signing of bilateral agreements to compensate the exporter country for any real damage which it may suffer. If, however, such a bilateral agreement is not reached, the protectionist measure may still be put into effect, in which case the country that suffers damage is free — provided that no disapproval is expressed by the Contracting Parties — to withdraw equivalent benefits formerly enjoyed by the exports of the country initiating the action.

Section D is similar to C, but is applicable to countries whose economy is in process of development although its structure precludes their classification among those in the early stages of development.

Emphasis should be laid on three special aspects of the regulations whose basic features have been outlined. Firstly, without prejudice to these provisions, on matters relating to the approval not only of the quantitative restrictions envisaged in article XVIII for the protection of development, but also of those embodied in article XII for the stabilization of the balance of payments, the decision of the International Monetary Fund continues to be binding. The intervention of the Fund in such questions, subject to certain regulations, is the outcome of its Articles of Agreement and of article XV of the General Agreement. The second aspect is the difference between the conditions laid down for the application of protectionist measures by countries in the early stages of development, and those that are in force for countries of which the economies are in process of growth. The former are entitled to adhere to the regulations of article XVIII *en bloc*, or as alternatives. The latter — apart from the stipulations in article XII relating to the balance of payments — can have recourse only to Section D of article XVIII to protect their economic development, and not to Sections A, B and C. Finally, the third aspect derives from the second; import restrictions based on the maintenance of the balance of payments are governed by the principles laid down in article XVIII when countries in the early stages of development are in question, and by those of article XII when the country concerned is not in that category. The flexibility and liberality of the regulations that can be invoked by the Contracting Parties therefore depend upon the group to which they are allocated.

(*d*) Stimulus to inter-Latin-American trade

The survey carried out in Latin America shows that some countries clearly appreciate the interdependence of economic development, of the protection of such growth and of the establishment of trade agreements channelling economic collaboration among the countries of the region towards the establishment of common markets for selected commodities. Some of the prevailing concepts on this subject find expression in the agreements recently signed in the Southern Zone of Latin America.[26] The same line of thought seems to have been behind the unsuccessful motion brought forward at the ninth session of the GATT, proposing that the text of the General Agreement should recognize the establishment of preferences to serve the ends of economic development. On the other hand, in the same countries that maintain this argument, one fact is discounted; the possibility of providing each Republic with a trading area larger than its own depends, among other factors, upon the existing contractual margin for according it special treatment, the pattern of which, as already pointed out in connexion with the problem of liberalization, would be inconsistent with the most-favoured-nation clause. On the same plane, the survey illustrated a number of different views held in Latin American countries on the practical difficulties connected with liberalization, and indicated the desirability of investigating how far the GATT might be able to collaborate in the achievement of this aim. Such a wish accounts for the existence in other regions of trade blocs whose operation has been reconciled with the system of the GATT, in which the countries forming such blocs appear to have found a suitable framework for the promotion their interests.

In this connexion it should first and foremost be recalled that the basic objective of the General Agreement, as enunciated in article I, is that of contributing to higher standards of living, full employment and the expansion of effective demand and real income, by means of reciprocal and mutually advantageous arrangements designed to reduce tariffs and other barriers to trade, as well as to eliminate discriminatory treatment. Not only from article I, but also from article II, which establishes the most-favoured-nation clause as the fundamental rule for the contracting parties of the GATT, it may be inferred that the text of the Agreement is opposed to the establishment of special treatment, except in cases of customs unions or free-trade areas which help to increase trade among the component nations, without detriment to the tariff treatment of countries not included in the system concerned, or to the volume of reciprocal trade with such coun-

[26] In the third paragraph of the preamble to the trade agreement signed on 28 April 1955 by the Republics of Colombia and Ecuador the following clause appears: "Considering, further, that it is consistent with the principles laid down at various international economic conferences for adjacent States or those belonging to the same economic region to sign preferential agreements for the purposes of economic development . . ."

tries. The adaptation of the Agreement's basic regulations to the actual conditions of the world economy is represented by the existence of various discriminatory systems, on behalf of which appropriate reservations were made by various member countries when they became Contracting Parties of the GATT. It is also evident in subsequent resolutions introducing changes in such systems, or approving the formation of others by an extraordinary decision of the Contracting Parties. In the interest of this adaptability, the text of the General Agreement, and especially of the present article XXV,[27] places at the disposal of member countries certain clauses which empower them to adopt preferences, provided that not less than two-thirds of the voting power of the Contracting Parties is in favour of such a procedure.

In cases of this type the Contracting Parties can exempt the country or countries submitting the appeal from compliance with certain contractual obligations; they can determine the conditions of approval; and they can keep watch on the subsequent development of systems established on the basis of such approval. The GATT at present recognizes the preferences or similar régimes which unite, economically speaking, the countries belonging to the British Commonwealth of Nations, the Territories of the French Union, Benelux, the United States and Cuba, the European Coal and Steel Community and other groups that have remained exempt from the effects of the most-favoured-nation clause contained in the General Agreement. A short time ago, as on previous occasions, the number of exceptions increased when, at the Ninth Session of the Contracting Parties of the General Agreement, the United Kingdom, in order to stimulate the economic development of its associated territories, was authorized under certain conditions to guarantee exclusive benefits to agricultural and mining products purchased from these territories on the British market. Again, a *sine die* agreement left the United States free to disregard certain clauses of the GATT in carrying on its foreign trade, should compliance with Section 22 of the Agricultural Adjustment Act [28] render it necessary. Most of the preferential systems applied to their frontier trade, through bilateral agreements, by the Latin American signatories of the GATT were also exempted from the most-favoured-nation clause. But these systems, as the Survey demonstrated, do not at present seem to constitute blocs capable of imparting stability and breadth to reciprocal trade among the Contracting Parties in Latin America.[29] Neither do they indirectly help these countries to offset, by an extension of the area of their reciprocal trade, the limitations that might be imposed on the sale of Latin American products in the large consumer centres by the incorporation of these latter in preferential blocs. In close connexion with this last circumstance, it should be noted that in a United Nations document [30] an analysis has already been made [31] of the effect produced upon Latin America's outflow of exports by the discriminatory treatment applied in favour of its members by the British Commonwealth of Nations. According to this study, Latin America is relegated to the position of a marginal supplier of those items in its export trade which are protected by quotas or other benefits unaffected by the most-favoured-nation clause.

Although it is recognized in Latin America that a thorough examination has not yet been made of the possibilities of concluding direct clearing agreements between the Republics and countries in other economic regions — agreements which in the case of some products may prove tantamount to the system of discriminatory treatment applied by the trade blocs mentioned above — the findings of the survey here bring to light a point which demands careful consideration. In some Latin American countries importance is attached to possible disparities in the respective positions within the GATT of countries forming special blocs and others acting under the General Agreement merely as individuals. When the GATT was established, Latin America had no preferential system of any substantive value already established for its own benefit. The reservations to the most-favoured-nation clause made by Latin American countries therefore lacked the breadth of those formulated to safeguard the future of the large existing blocs. Latin American opinion holds that the consequences of these contrasting positions would include one of considerable importance. The countries of this region would not possess, within the framework of the GATT, as powerful a means of promoting their own interests as that enjoyed by the component States of the large trade blocs. Some examples of the vital significance of this fact were pointed out. At the ninth session of the GATT, when an amendment was proposed which tended on the whole to favour the estab-

[27] Article XIII of the projected Organization for Trade Co-operation.

[28] For two decades the United States has been promoting the development of its agriculture by means of guarantee prices as an incentive to the farmer, and a further impetus was given to this policy by the Second World War and the need to relieve food shortages in various parts of the world. Free trade would make the United States market, where certain agricultural commodities are quoted at higher prices than on the world market, very attractive to similar products from foreign sources. To avoid a flood of goods from abroad, therefore, Section 22 of the Agricultural Adjustment Act authorizes the restriction of imports which might be prejudicial to the domestic agricultural programme, either by imposing a surcharge which may amount to as much as 50 per cent of the customs duties in force, or by limiting quotas in some cases to as little as half the volume purchased by the United States market in a previous representative period. In March 1955, import restrictions were applicable in the United States to the following agricultural commodities: (*a*) in the form of surcharges, to hazelnuts, almonds, linseed, linseed oil, peanut oil; (*b*) in the form of quantitative restrictions, to long- and short-fibre cotton, yarns, finely or coarsely ground wheat, wheat flour, semolina and similar products, butter, full cream milk, semi-skimmed and skimmed milk, dry cream, malted milk and its components and substitutes, cheeses, peanuts, hulled and unhulled oats, whole oatmeal, rye and rye meal and flour, hulled and unhulled barley, both coarsely and finely ground, and malted barley.

[29] Perhaps the only exceptions are the bilateral free-trade agreements which El Salvador maintains with Costa Rica, Guatemala, Honduras and Nicaragua, and which, if converted into a multilateral pact, would establish a common market for these Central American countries.

[30] *A Study of Trade between Latin America and Europe* (E/CN. 12/225), United Nations publication, Sales No.: 1952.II.G.2.

[31] These exemptions, in addition to customs benefits favouring those products covered by preferential treatment within the Commonwealth, are applicable to the agreements determining United Kingdom import quotas for beef, pork and mutton from Australia, Canada and New Zealand.

lishment of preferences, the Latin American Republics would seem to have been faced with the following dilemma. They could either have voted against it, to avoid consequent damage to their own export trade with the territories of the component nations of groups benefiting by such discriminatory treatment; or they could have voted in its favour, because to support the principle represented by the proposal would be consistent with Latin American aims for the building up of the common markets required by their diversification programmes.

If the failure of this proposal to obtain a majority was partly due to the influence of some Latin American countries, these in their turn were unable to secure a favourable reception for a suggestion that the regulations laid down in article XV of the Havana Charter, which envisage the establishment of preferential treatments in the interests of economic development, should be included in the revised text of the GATT. In the opinion of certain local experts, both on this and on other occasions the lack of some group organization similar to that existing among countries of other regions has limited the co-ordination of the Latin American Republics, and, therefore, their power of negotiating on behalf of the over-all interests of the region and of the objectives of the General Agreement. It is further added that two other factors probably weakened this power to negotiate. One was Latin America's numerically inferior position in the GATT, although it is usually assumed that the system of equal votes for all countries may favour those parties whose economic situation tends to reduce their negotiatory capacity. Another was the want of unanimity shown by those countries of the region that are Contracting Parties of the GATT in their expressions of opinion on the adoption of specific intra-regional preferential treatments. (As these were not open to all, the opposition of some countries seemed to arise from the discriminatory nature of the system proposed.)

On the assumption that these and other difficulties would be lessened if the expansion of inter-Latin-American trade were begun on the basis of preconceived programmes, however modest their initial character, a certain number of countries display interest in discovering whether and how far the need for common regional markets might be satisfied through the GATT. These expressions of opinion found encouragement in the precedent created by the GATT's successful method of dealing with various requirements which had not been met by the system of non-discrimination and reciprocity. Apart from the approval[32] accorded to the free-trade system already mentioned as existing between Nicaragua and El Salvador — a system which has the peculiar feature that the former country is a contracting party of the General Agreement and the latter is not — another example arouses particular interest in Latin America. This is the bloc formed by Belgium, France, the Federal Republic of Germany, Italy, Luxembourg and the Netherlands, countries whose reciprocal financial operations are facilitated by the European Payments Union; in addition, since 1952, these countries have in fact constituted a common market, free from customs duties and quantitative restrictions, for coal, iron ore, scrap and steel, with a view to the reduction of costs and the expansion both of productivity and of demand. In these and other cases, the basically unconditional nature of the GATT's regulations seems to have opposed no barrier to the adoption of liberalization measures of which the wide scope alone is felt in some Latin American countries to be favourable to other more or less similar applications, if they are submitted in an appropriate form.

With respect to the specific projects which might be formulated, the comment is often made in Latin America that the customs unions authorized by the GATT, subject to compliance with certain requisites on the part of the Contracting Parties desirous of establishing them, would in practice encounter serious obstacles in Latin America at the present time. The breadth of their aims, which comprise unification of most of the trade areas concerned and a common tariff system with respect to other states, would mean that for Latin America they must represent one of the ultimate objectives of a liberalizing process and not a feature of its early stages. Furthermore, the peculiar features of intra-regional trade would make it very difficult to exclude non-members of the GATT from effective trade blocs in Latin America. Similar, though less widespread, is the view usually expressed on free-trade areas. (As is well known, a condition for their establishment, according to article XXIV, 8. B, is the elimination of tariff duties and restrictive regulations "with respect to substantially all the trade" among their components. Unlike the customs union, this system does not comprise the obligation to unify the system of customs and trade regulations applied to third nations.) Although both members and non-members of the GATT can take part in the free-trade areas, and these, like the customs unions, can be inaugurated by means of more restricted interim agreements, in some countries it is usual to allude to them as formulae which are perhaps too broad for the real requirements of an inter-Latin-American special treatment system over the short and medium term.

Another aspect brought to light by the survey concerns the granting of tariff concessions to third nations as a result of the constitution of preferential blocs, in cases where these are composed, as might occur in Latin America, of both members and non-members of the GATT. For the former, compensation would be subject to such conditions as the Contracting Parties should establish. If the usual practice were adhered to, the second category would have to undertake direct bilateral negotiations to modify treaties whose most-favoured-nation clause did not embody the reservation necessary to prevent the extension of the new preferential system to third nations. Because, with some exceptions, Latin America's experience in this type of negotiation has been unfavourable, this aspect of the question is of the first importance.

To sum up, the ideas and suggestions expressed through the medium of the survey bring up certain doubtful points whose elucidation might simplify the quest for the possible forms to be assumed by the GATT's contribution to the expansion of inter-Latin-American trade. These problems include:

[32] Approval was accorded on the basis of the General Agreement, article XXIV, paragraph 10.

(i) The possible outlook for liberalization systems which might be approved by the GATT on the basis of the powers granted to its Contracting Parties by article XXIV, paragraph 10 or article XXV, paragraph 5 (*a*),[33] according to the case involved. Under the terms of these articles, such systems could be approved by a majority of two-thirds of the said Contracting Parties (though differently computed in each instance), even if their proposed bases were not entirely consistent with the general regulations of the Agreement.

(ii) The definition of the tariff margin which the countries forming part of a preferential bloc would have at their disposal to indemnify countries in other regions for the damage to their export trade which such a bloc might entail, if the compensations were to be established on the basis of equivalent values.[34]

(iii) The possibility of including non-members of the General Agreement in inter-Latin-American trade blocs approved by the GATT, and the regulations and conditions under which this could be done, due consideration being given to the fact that the special features of trade in some localities within the region, and particularly in its southern zone, would render these groupings ineffective without the participation of certain Republics that represent important factors in trade; and

(iv) The position of non-members of the GATT incorporated in the possible trade bloc, as regards the negotiation with third nations of modifications in basic agreements whose most-favoured-nation clauses contain no waiver on behalf of inter-Latin-American special treatment. One of the questions that arises is whether, in the case of these non-member countries, it would be possible for exceptions to be made, allowing such transactions to be effected within the GATT so as to facilitate the clearing agreements to which the bloc might give rise.

(*e*) Basic commodities

The Contracting Parties to the General Agreement, at the ninth session, resolved to submit for the consideration of Member Governments a provisional project, approval of which would determine the lines for collective action in cases where the normal inter-play of market factors should prove incapable of correcting world disequilibrium between the production and consumption of essential commodities. For this purpose, a permanent organization, which would not begin to function until the final project had received the approval of at least twenty countries, would undertake the study, negotiation and administration of concrete agreements with respect to basic commodities.

Further, in relation to problems created by the sale of non-commercial stocks of primary products and agricultural surpluses, the Ninth Session adopted various recommendations inspired by the advisability of establishing a system of consultations and understandings designed to safeguard the interests of the producer and consumer countries.

(*f*) Subsidies

Over and above these problems, which are a source of concern to Latin America on account of the repercussions of the GATT on the region's trade policy, there is another whose interest is limited to fewer countries or embraces aspects which have no direct bearing on the purposes of this study, though some mention must be made of it here. According to the findings of the survey, the regulations of article XVI in the existing text of the GATT, which deal with the subsidies granted to foreign trade commodities, are not regarded by Latin America as a whole as satisfactory for the region's interests.

Here one feature was particularly stressed. Because subsidies of this nature are instruments more easily accessible to the large industrial centres than to countries in the early stages of development, some of the latter feel that their use would in practice assume the character of a discriminatory procedure. There is also a feeling, brought out by the Survey, that it would perhaps be equitable to base assessment of the subsidies on the balance of concessions between the nation applying such subsidies and the exporting country suffering from their restrictive effects. In this way the subsidy would be employed as an auxiliary element in balancing the negotiation concerned. As regards the impact of this procedure upon the domestic production of those countries which need to import articles subsidized in their territory of origin, it should be recalled that the GATT enables its prejudicial effects to be offset by the application of compensatory duties.

Among the amendments proposed to Member Governments of the GATT at the ninth session there were some relating to article XVI. Adopting opinions which were embodied in the Havana Charter, the revised text recognizes that the granting of export subsidies may have harmful effects for other Contracting Parties of the GATT. As a positive measure, it stipulates that from a certain date the granting of any form of subsidy on the export of commodities which are not primary products shall cease. The subsidy on primary products is approved, provided that it does not bring about an increase in the customary share of the country granting it — with reference to a previous representative period — in foreign trade in the favoured commodity.

(*g*) Consular fees

In connexion with article VIII of the General Agreement, which aims at relaxing and simplifying consular intervention in foreign trade documents, the Contracting Parties of the GATT adopted a resolution on 7 November 1952 recommending members to abolish consular bills of lading — the commercial bill of lading being deemed sufficient — as well as visas on other documents (commercial billl of lading, certificates of origin and manifests) if

[33] Article XIII of the Organization for Trade Co-operation, a proposal for which was submitted to the signatory Governments of the GATT at its ninth session.

[34] At the ninth session, the Contracting Parties adopted and put into effect a provision under the terms of which tariff compensations granted by the importer country may favour exporter countries in the following order: (*a*) the country with whom agreement was originally reached as to the duty on the product; (*b*) the country which was the principal supplier at the time of this negotiation, or which potentially might become the principal supplier, but has not done so because of restrictions applied by the importer country or for other exceptional reasons.

possible before 31 December 1956.[35] The recommendation expresses the objective of gradually eliminating consular fees on trade documents. Greater importance was given to article VIII, on which this recommendation is based, by virtue of an amendment which was approved at the ninth session of the GATT, and is awaiting ratification. Under the terms of this amendment, the article will make it compulsory for any fees and charges on imports or exports, other than duties, to be limited to the approximate cost of services rendered; they should neither constitute an indirect form of protection to domestic products nor represent taxation for fiscal purposes.

In this connexion the Survey revealed a wide variety of situations in Latin America. Some countries refrain from imposing the charges mentioned, apparently on the grounds that their exchange holdings are not increased thereby, since as a general rule the same country that receives the duty grants the exchange necessary for its payment along with that supplied to cover the c.i.f. price of the goods concerned. A mere transfer of funds would therefore seem to be involved, bringing in no real assets to the balance of payments. Then there are some republics which apply differential consular duties, making them heavier when they have no trade treaties with the countries affected. Yet others reduce the rate of the duty when the goods are brought from the country of origin in ships belonging to the importer nation (see table 33).

TABLE 33. LATIN AMERICA: CONSULAR FEES ON INVOICES
(in selected countries)

Country	*Fee*	*Comments*
Argentina	2 per thousand on c.i.f. value	Fixed fee of 50 Argentine pesos on the first 10 thousand pesos.
Bolivia	5 dollars	This fee is collected through the purchase of forms in quintuplicate for each invoice.
Brazil	Up to 1 thousand dollars: 8 gold cruzeiros. For each subsequent 500 dollars or fraction thereof: 2 gold cruzeiros	50-per-cent reduction for imports shipped by the Brazilian merchant fleet.
Chile	2.5 per cent of the f.o.b. value	Only 1 per cent of the f.o.b. value for unginned cotton, sugar, coffee, tea, diesel oil, petrol, and agricultural machinery.
Colombia	9 dollars	5 dollars for purchase of consular forms and 4 for visas.
Cuba	1 dollar and 5 per cent *ad valorem*	The *ad valorem* tax drops to 2 per cent when the merchandise comes from countries with which Cuba has signed trade agreements, including members of the GATT.
Ecuador	7 per cent of f.o.b. value	50-per-cent reduction if goods are transported on ships belonging to the Flota Grancolombiana.
Mexico	5 pesos	Applied when the value of the merchandise exceeds 1,000 pesos.
Panama	2 dollars	Purchase of consular forms.
Paraguay	5 per cent of c.i.f. value	
Peru	2 dollars	1 dollar for forms and 1 for visa.
Venezuela	No tax	

SOURCE: National consulates.

II. Analysis of the situation by countries

A general outline of Latin America's over-all trade policy having been traced in the foregoing pages, the time has now come for a somewhat more detailed description of the position of specific countries and for an attempt at examination and analysis of the situation in each case. It has already been explained why such a description cannot embrace all the countries of the region; basic data are incomplete in some cases, and there is a lack of homogeneity in those which are available.

1. Argentina

1. INTRODUCTION

The country whose interests in inter-Latin-American trade are relatively largest from the standpoint of absolute values is Argentina, which has long been pursuing an agreements policy designed to establish and

[35] The following Contracting Parties of the GATT do not require consular bills of lading or visas: Australia, Austria, Belgium (including the Belgian Congo), Canada, the Central African Federation, Czechoslovakia, Denmark, Finland, the Federal Republic of Germany, India, Japan, Luxembourg, the Netherlands, New Zealand, Norway and Pakistan.

broaden the foundations of its intra-regional export trade. Since its production of foodstuffs provides exportable surpluses of cereals, meat and fats of vital importance in the diet of various Latin American countries, particularly those in the Southern Zone, its agreements policy also aims at attracting the flow of imports from the consumer countries necessary for the development of trade on reciprocally advantageous bases.

Typical instances will later be cited of the care with which this Republic's trade policy takes into account the present and future potentialities of the regional market as a field for the sale of surpluses and the purchase of supplies. Although its trade with the United States is increasing proportionately in relation to the pre-war period, mainly on account of the relative expansion of exports of wools, tinned meat, tans and tung oil to that country, the similarity between certain items of Argentina's agricultural production and some of the commodities produced by the United States in excess of its own domestic demand seems to set limits to the future growth of Argentina's sales in convertible currency markets. This is especially true of foodstuffs. The present and potential significance of other areas, among them Latin America, for the expansion of its flow of exports seems, therefore, not unallied to the factors determining the direction of Argentina's trade policy, which embraces extensive contractual activities within the region itself.

The Second World War brought about changes in Argentina's foreign trade which apparently confer still greater importance on the Latin American territories in this connexion. Of this country's total export trade, the geographical distribution of which covered a wide range of markets in the pre-war period, one-third was with the United Kingdom. In the post-war years, although this proportion was reduced to about 25 per cent, Great Britain has still been the principal buyer of Argentina's agricultural surpluses.

For various reasons, including the remodelling of Argentina's import structure in virtue of the country's economic growth, the flow of its supplies from the United Kingdom is declining more sharply than its exports to this market (see table 34). As it utilizes a large share of the favourable balances accruing from this trend to purchase petroleum in the sterling area, there is some likelihood that modifications in the existing situation may take place, now that Argentina is endeavouring to attain a higher degree of self-sufficiency with respect to its supplies of solid and liquid fuels. If the programmes concerned are successful in reducing the outflow — approximately 100 million pounds sterling in 1953 — represented in Argentina's balance of payments by purchases of coal and petroleum, and, consequently, in lessening the need to continue selling as high a proportion of its exports to the sterling area as at present, the resulting readjustment might well have an encouraging effect on the volume of Argentina's intra-regional trade. It should not be forgotten, however, that the adaptation of Britain's export market to the current requirements of Argentina with respect to imports of capital goods, semi-finished products and raw materials, as well as the degree of convertibility attained by the pound sterling, constitute factors which might in such circumstances influence the channelling of Argentine foreign trade.

2. Trade agreements

The numerous trade agreements concluded by Argentina with the principal countries of the world before the great depression of the 'thirties seem as a general rule to have had a favourable effect upon the expansion of its trade. It was usual for such treaties to include the most-favoured-nation clause, in either a conditional or an unconditional form. In addition, other trade facilities were concerted in accordance with the demands of existing circumstances. The country thus had the benefit of a body of contractual instruments which encouraged its export trade and promoted its economic development. The first treaty of this type, signed with Britain in 1825, and still valid, embodies the most-favoured-nation clause in its unconditional form. Once the country had been organized, its Constitution had been established in 1853 and its unification had become an accomplished fact in 1859, its agreements policy gained impetus. In the matter of tariffs it conformed to the liberal principles and the fiscal concepts inherent in the Constitution itself. Legislative evolution can be traced in the Customs Regulations imposed in 1876, the new Customs Act and the Tariff Schedules adopted in 1905, and the 1920 and 1923 reforms.

The fundamental aim of Argentina's trade policy during this period was to secure propitious conditions for its increasing exportable production. The country was

Table 34. Argentina: Distribution of foreign trade

(Percentages)

	Latin America	*United States*	*Canada*	*United Kingdom*	*Europe* [a]
			Exports (f.o.b.)		
Average 1934–38	8.7	10.5	1.6	33.5	43.4
Average 1946–51	13.8	13.7	0.6	23.5	42.0
1953	21.7	19.0	—	19.5	31.6
			Imports (c.i.f.)		
Average 1934–38	10.0	15.2	1.3	22.7	39.2
Average 1946–51	15.7	28.2	1.3	11.2	32.7
1953	26.2	17.0	—	6.3	31.5

Source: Official foreign trade statistics.
[a] Including the U.S.S.R. and excluding the United Kingdom.

thus enabled to import its subsistence and development requirements and, in addition, to achieve favourable balances with which to cover transfers of currency. The most-favoured-nation clause was at that time a means of furthering these purposes.

The altered world conditions created by the depression gave rise to a change of direction in Argentina's trade policy, which began to exert a more direct influence on the country's over-all economy, through the readjustment of the tariffs system and the establishment of exchange control. With bilateral reciprocity in trade relations as its basic principle, this policy was reflected in the conclusion of tariff treaties granting mutual concessions, in clearing agreements, and in the fixing of quotas with a view to the recovery or stabilization of the export position in traditional markets, and the obtaining of access to others.

Later, when the Second World War once again modified or interrupted the customary flow of trade, one of the changes thus brought about in the structure of Argentina's foreign trade was an increase in exports to the rest of Latin America. This applied not only to agricultural products, on which Argentina's trade relations with the other countries of the region had long been founded, but also to manufactured goods. The latter branch of production, which, during the war years, had expanded owing to the reduction in the supply of similar commodities from foreign sources, found an attractive market for various items within the region itself, and especially in its Southern Zone. Intra-regional agreements signed during this period aimed at the consolidation of the new trade channels. It will later be shown that some of these treaties attempted economic co-ordination with neighbouring countries by means of customs unions.

The 108 trade instruments to which Argentina acceded in the interim between the great depression and the Second World War bear witness to this country's contractual activity: of the 59 of these that were concluded with other Latin American countries, 42 are still valid. Among the 49 agreements signed during the same period of years with nations in other regions, the most important was that contracted with Great Britain in 1933.

This last treaty was the point of departure for the radical alteration since observable in Argentina's trade policy with relation to the multilateral régime of the most-favoured-nation clause. It offered Argentina certain safeguards against the probable incidence on some of its basic exports of the preferential treatments extended to the British Commonwealth as a result of the Ottawa Conference in 1932. Under the terms of the agreement, imports of chilled meat into the United Kingdom would not in any event be curtailed by more than one-tenth of their 1931/32 volume, unless an equivalent reduction were made in similar supplies whose countries of origin were members of the British Commonwealth of Nations. Argentina, for its part, granted a number of tariff consolidations freezing the duty and the official base value to which it would be applied. The inflow of pounds sterling accruing from sales to Great Britain was to be earmarked for purchases from the United Kingdom, once the sums required for the servicing of the public debt in other countries had been deducted. The system of permits provided for the channelling of a large proportion of imports from the British market. Another fact contributed to this result. All payments to the United Kingdom were made at the official rate of exchange, while for almost one-third of payments to other nations recourse was had to the free exchange market, on which quotations were from 10 to 20 per cent higher.[36]

With the United States, whose exports to Argentina had decreased after the signing of the treaty with Great Britain in 1933, a trade agreement was concluded in 1941 which embodied the most-favoured-nation clause and reciprocal tariff concessions. By exchange of notes both parties defined the practical limitations which the payments regulations in the Argentine–United Kingdom pact imposed upon this latter country with respect to the granting of the non-discriminatory treatment stipulated by the clause. Another exchange of notes in the same treaty, which was dated 14 October 1941, provided that, under certain conditions, the United States would not avail itself of the preferential tariffs or other concessions accorded by Argentina to adjacent countries and Peru "with a view to mitigating the serious effects of the contraction of overseas markets as a consequence of the war". It was specified that these preferences would be implemented "through trade agreements containing tariff exemptions or rebates, and that in such agreements the parties should reserve the right to reduce or abolish customs duties on similar imports from other countries". It was also stipulated that any preferential treatments extended by Argentina to non-adjacent territories should likewise be granted to the United States. Finally, it was established that any discriminatory systems for exchange or quotas which Argentina might establish in favour of the neighbouring republics and Peru, should automatically cease to be applied, unless new pacts were signed, at the end of the World War.

The customs treatment — consolidations of rates and official base values, concessions and exemptions — granted to the United Kingdom and the United States in the 1933 and 1941 agreements, to which the most-favoured-nation clause valid for other countries imparted a multilateral character, was incorporated into Argentina's normal tariff régime when the decision was taken to extend such treatment to goods from whatsoever source.

When the war came to an end, world economic conditions led to fresh readjustments in Argentina's trade policy. The volume of supplies required by countries on the way to recovery, and the inability of these countries to provide appreciable quantities of goods as a counterpart, posed serious problems for Argentina. The increasing expansion of its industry called for more rapid remodelling of its import structure and for the satisfaction of the demand which had been neglected for the duration of hostilities. Economic development programmes and the sale of exports to European countries on credit terms compelled Argentina to avail itself of the exchange holdings accumulated in previous years. These circum-

[36] See *Trade Trends and Policies of Latin American Countries* (E/CN.12/165), in which the share of the United Kingdom in Argentina's allocation of official foreign exchange to payments for goods and services is shown to have risen from 33.7 per cent in 1933 to 40.7 per cent in 1934.

stances, together with the inconvertibility of the pound sterling, and the small proportion of Marshall Plan funds devoted to purchases from Argentina, strengthened the tendency towards a system of bilateral trade, mainly based on clearing accounts.

Prevailing circumstances were reflected in the extensive network of agreements concluded during the post-war years. These instruments simultaneously aimed at promoting convertible currency exports in the few cases where the existing situation allowed it, and at ensuring markets for agricultural surpluses, which were utilized for obtaining in exchange the goods most urgently required for Argentina's economic development. Many of these agreements were based on barter arrangements, and determined quotas or fixed the minimum percentages of total supplies from foreign sources which were to be obtained in this manner. In many cases they established clearing accounts, credit limits and clauses providing for revaluation of balances in terms of gold.

3. The tariff situation

(a) *General outlook*

One of the outstanding characteristics of Argentina's tariff system, which was principally based upon the 1905 Tariff, was that it long maintained, alongside specific duties, *ad valorem* duties calculated on a pre-determined valuation and not on the real value of the goods in question at the date when they were imported. The system was pre-eminently designed to increase revenue, since as far as domestic production was concerned, only sugar, wines and a few other commodities received the benefit of protectionist tariffs.

Although the rate most commonly applied for the liquidation of the duty reached a high figure — 42 per cent in 1932 — the system of pre-determined official base values lowered it in actual fact, besides giving it a persistent downward trend. After the establishment of increases in the official base values in 1920 (20 per cent), in 1923 (60 per cent) and in 1932, in which year they underwent certain partial modifications of both a fiscal and a protectionist character, these assessments long remained stationary, becoming increasingly farther removed from real quotations for imported goods. In 1933, however, the "exchange margin" was adopted, through an indirect tax levied on the importer, who had to pay the *Banco Central* a higher price for foreign exchange than that paid by the bank to exporters; and this measure in effect counterbalanced, at least to a certain extent, the growing inefficacy, as an instrument of taxation, of the customs system based on pre-determined official base values. This system was abandoned in August 1950, the measure forming part of a whole series designed to protect the balance of payments and domestic production. It will later be explained how thenceforth, except in the case of imports whose tariff treatment was consolidated by trade agreements, *ad valorem* duties were calculated by applying the appropriate rates to the c.i.f. value. The 1950 readjustment raised these rates for a number of commodities and reduced them for a few others. By virtue of the most-favoured-nation clause and the tariff agreements concluded with Great Britain, the United States and certain other countries, which provide for consolidation of the duty, and at times exemption from it, for a large number of import categories, a substantial sector of Argentina's tariff system — about 60 per cent of total

Table 35. Argentina: Dutiable and duty-free imports

Years	Total imports Real value [a]	Total imported [a]	Official base values				Percentage of the total	Hypothetical real values [a]	
			Percentage of real value over tariff value	Value of dutiable goods [a]	Percentage of the total	Value of duty-free goods [a]		Dutiable goods	Duty-free goods
	b	c	d = b/c	e	f = e/c	g	h = g/c	i = e.d.	j = g.d.
1920	2.125	742	286.4	550	74.1	192	25.9	1,576	549
Average 1921–25	1.824	1.104	165.26	806	73	298	27	1,351	493
Average 1926–30	1.872	1.776	105.4	1,226	69	550	31	1,292	580
Average 1931–35	1.038	1.039	99.9	778	74.9	261	25.1	777	261
Average 1936–40	1.395	1.286	108.4	932	72.5	354	27.5	1,011	384
Average 1941–45	1.131	591	191.5	418	70.8	173	29.2	800	331
1946	2.332	1.167	198.8	795	68.1	372	31.9	1,589	743
1947	5.349	2.224	240.5	1,633	73.4	591	26.6	3,926	1,423
1948	6.190	2.430	254.7	1,602	65.9	828	34.1	4,081	2,109
1949	4.642	1.915	242.4	927	48.4	988	51.6	2,247	2,395
1950	4.821	2.159	223.3	972	45	1,187	55	2,172	2,649
Average 1946–50	4.667	1.979	235.8	1,186	59.9	793	40.1	2,797	1,870
1951	10.492	2.779	377.6	1,469	52.9	1,310	47.1	5,547	4,945
1952	8.361	2.256	370.6	975	43.2	1,281	56.8	3,612	4,749
1953	5.667	2.130	266.1	797	37.4	1,333	62.6	2,120	3,547
Average 1951–53	8.173	2.388	342.3	1,080	45.2	1,308	54.8	3,697	4,476

Source: Argentine yearbooks of statistics and publications of the *Dirección Nacional del Servicio Estadístico*, Buenos Aires.

[a] Values in millions of Argentine pesos.

imports — remained unaffected by the higher duty rates and the surcharge deriving from the replacement of the system of official base values by one based on real values. Apart from the marked decrease thus occasioned in the flexibility of the tariff régime, its influence on customs revenue continued to decline. Another factor besides consolidation clearly had some bearing on this phenomenon: namely, the change brought about by economic development in the composition of Argentina's imports, and partly reflected in the increasing number of duty-free commodities. This is clear from the ratio between the real values and the official base values of Argentina's imports. (see table 35, which also shows the hypothetical real values calculated by applying to tariff values the ratio between these last, total values and real value.)

Over the period 1920-45, the proportion of imports brought into the country duty-free (taking 5-year averages) fluctuated between 25 and 31 per cent of Argentina's aggregate imports, except in 1944, when it rose to 38 per cent. For the next five-year average the figure of 40.1 per cent was registered, the annual estimates varying from 26.6 to 55 per cent. The increase then became more pronounced. From 1947 onward the proportion rose steadily except for a fall in 1951, and by 1953 it amounted to almost two-thirds of the total value of imports. This reveals, alongside new exemptions, the changes in import structure that have taken place during recent years.

(b) *Remodelling of the system*

In the later years of the period under review, the tariff system underwent considerable modifications, some of which have already been mentioned, and which were designed to establish new nomenclature and a new tariff. An Act passed in 1947 (No. 12964), and amplified in 1950 by another (No. 13925), conferred upon the executive, within certain limits, the following powers: (1) To raise or lower existing duties by not more than 50 per cent, and to impose a tax of up to 25 per cent on duty-free commodities; (2) in urgent cases, to increase duties by as much as 100 per cent, or to reduce them more drastically than was indicated in point (1) and even to abolish them for the time being; (3) to modify the system of levying duties, fixed official base values being annulled in their entirety or in part, though imports had in the last issue to be cleared on their declared c.i.f. value; (4) to abolish additional duties, and (5) to keep import tariffs constantly up to date, making the necessary changes in duties and adapting wherever needful the sub-headings of the nomenclature employed.

By means of a decree issued on 23 August 1950 (No. 17607), the executive laid it down that import duties should be covered on the basis of the c.i.f. values of the goods as confirmed by the original bills of lading; but neither this system nor the new duties would be operative whenever the obligation to maintain former rates was imposed by trade agreements such as those in force with Great Britain, the United States and other countries. In later decrees (Nos. 24156 and 25294, dated 24 and 29 November 1950), the modification and break-down of a number of items was stipulated, the relevant adjustments being made in the text of the tariffs and customs schedules; furthermore, the new scale of duties for the liquidation of the surcharge at the rate based on the real c.i.f. value was established. Setting aside the exemptions specified in this scale, it determined rates ranging from 3 per cent, in the case of those products whose importance to the national economy is greatest, to 60 per cent for luxury goods.

(c) *Customs revenue*

The proportion, in percentage terms, of the value of Argentina's imports represented by customs revenue underwent radical changes in the course of the period 1920-53 (see Table 36).

The fluctuations registered were caused by a number of factors in conjunction. These included the modification of the official base values and duties established in 1920, 1923, 1932 and 1950; annual changes of a circumstantial nature in the composition of imports and a deep-rooted trend towards remodelling their structure, which became more pronounced in the later years of the period; and the effects of the system of *ad valorem* duties on fixed official base values, which, as was seen in table 35, led to a marked discrepancy between these latter and the real values of the goods imported.

The percentage relationship, which had stood at 10.2 per cent in 1920, rose in subsequent years, owing to increases in official base values and duties and a reduction in real values, until it reached 20.9 per cent in 1925 and 25.5 per cent in 1928; from 1931 onward, it was affected by the fall in prices brought about by the world depression. Thus it reached 39 per cent — the peak for the period — in 1933, after which year the downward movement began. In recent years it seems to have become stabilized between 11 and 12 per cent. As customs duties were fixed, their incidence was heaviest in those years when prices were low.

To judge from the table just cited, the modifications introduced in 1950 into the duties themselves and the method of levying them do not seem to have had any important repercussions on the course followed by the series. But this series cannot be adequately analysed unless the evolution of the value of duty-free imports is borne in mind. If the percentage relationship were established for total imports, whether dutiable or duty-free, the series would cover its widest range between the years 1933 (28.7 per cent) and 1953 (4.2 per cent). By this method also average figures of 7.2 per cent for the five-year period 1946-50 (5.6 per cent in 1949 and 1950), and of 5.4 per cent for the three-year period 1951-53 would also be obtained. It will be observed that the incidence of aggregate customs revenue on the total value of dutiable imports was of little importance in the last years of the period under review.

The percentage relationship of the revenue accruing from customs duties to the sum of over-all national revenues reflects the evolution brought about by these two variables. The former is basically dependent on the fluctuations of the total value of imports in each year, on their composition, on the volume of dutiable and duty-free goods and on the changes in official base values and customs duties applicable to these commodities. For over-all revenue an upward trend is recorded, which reflects not only the ordinary course of development, but also the taxation reforms adopted as time went by. In

TABLE 36. ARGENTINA: IMPORTANCE OF CUSTOMS REVENUE

Years	Total over-all revenue [a]	Dutiable imports [b]	Customs revenue from imports		
			Value [a]	Percentage of total over-all revenue	Percentage of value of dutiable imports
a	b	c	d	e = d/b	f = d/c
1920	481	1,576	160	33.3	10.2
Average:					
1921–25	518	1,331	229	44.2	17.2
1926–30	664	1,292	307	46.3	23.8
1931–35	725	777	254	35.1	32.7
1936–40	914	1,011	285	31.1	28.2
1941–45	1,090	800	127	11.6	15.8
1946	1,778	1,589	230	12.9	14.5
1947	3,284	3,926	493	15	12.5
1948	3,947	4,081	442	11.2	10.8
1949	4,586	2,247	258	5.6	11.5
1950	5,202	2,172	265	5.1	12.2
Average:					
1946–50	3,796	2,797	338	8.9	12.1
1951	7,813	5,547	644	8.2	11.6
1952	9,437	3,612	431	4.6	11.9
1953	9,269	2,120	237	2.6	11.2
Average:					
1951–53	8,839	3,697	437	4.9	11.8

SOURCE: *Memorias de la Contaduria General de la Nacion*, published by the Ministry of Finance, Buenos Aires.

[a] Values in millions of Argentine pesos.

[b] Hypothetical real values in millions of Argentine pesos.

contrast, the percentage relationship between over-all revenue and dutiable imports shows a tendency to decrease. During the 'twenties it stood at approximately 50 per cent; then it followed a fluctuating but on the whole downward course — which developed into a sharp decline from 1940 onwards (in consequence of the Second World War) —, falling as low as 6.7 per cent by 1944; in 1947 it once more rose to 15, but later, influenced by the fluctuations in the value of dutiable imports and by the continued growth of over-all revenue, again dropped to 5.1 per cent in 1950. In 1951, a year of voluminous imports, the proportion increased 8.2 per cent, and then decreased once more, until it sank to only 2.6 per cent in 1953. For the period 1951-53 the average percentage relationship was 4.9 per cent.

In former times customs revenue in Argentina was of great importance from the point of view now being analysed; it was long the principal source of public income, in some years contributing almost 50 per cent of total revenue. The relevant figures reflect the radical nature of the change which took place. (See again table 36.) They show that for some considerable time, and especially in recent years, customs duties have been gradually losing their importance, to such an extent that they now constitute a very low proportion of fiscal revenue.

(d) *The General Agreement on Tariffs and Trade*

The Republic of Argentina is not a Contracting Party of the GATT. Its reasons for abstaining to some extent resembled the broad motives[37] that impelled other countries in the region to follow the same line of conduct. The case of Argentina, however, presents certain special features. The numerous consolidations of tariff rates and official base values granted to some countries in bilateral agreements and extended to others by virtue of the most-favoured-nation clause (see table 37), and consequent modifications of the volume of customs revenue had converted the tariff system into a mainly passive instrument. Above all, its lack of flexibility tended to disqualify it as a means of channelling the selection of imports. The GATT was apparently able to offer facilities for improving this situation. As was evidenced in the case of other Latin American republics which did become Contracting Parties, it was capable of providing elements of some importance for the remodelling of the national tariff system then in force. These included an over-all rise in tariffs, approved when the country in question joined the GATT, followed by the negotiation of schedules on the basis of this new tariff level. Such a procedure might ultimately be expected to result in a reduction in the number and size of concessions. Neither did it seem unreasonable to consider that, upon accession to the GATT, it would be feasible to introduce certain reservations in favour of inter-Latin-American trade, so as to remove the limitations imposed on its future development by the omission from basic trade agreements of saving clauses likely to facilitate the establishment of common regional markets.

[37] See pp. 49-60 above.

TABLE 37. ARGENTINA: MOST-FAVOURED-NATION CLAUSES IN TARIFF INSTRUMENTS (IN FORCE)

Clause					*Agreed exceptions to the clause*					*Instrument of agreement*	
Uncon-ditional	*Con-ditional*	*Articles*	*Country*	*Years*	*Adjacent countries*	*Frontier traffic*	*Customs Union*	*Other motives*	*Articles*	*Title*	*Date*
×	—	4th	Great Britain	1825	—	—	—	—	—	Friendship, Trade and Shipping Agreement	2/ 2/825
×	—	1st & 4th	France	1853–92	—	—	—	—	—	Treaty on free navigation of the Rivers Parana and Uruguay	10/ 7/853
										Convention on most-favoured-nation treatment supplementary to above treaty	19/ 8/892
—	× [a]	3rd & 4th	Germany	1857	—	—	—	—	—	Friendship, Trade and Shipping Agreement	19/ 9/857
—	×	10th	Spain	1863	—	—	—	—	—	Treaty of Recognition, Peace and Friendship	21/ 9/863
×	—	12th	Bolivia	1868	—	—	—	—	—	Friendship, Trade and Shipping Agreement	9/ 7/868
—	×	3rd & 4th	Norway and Sweden	1885	—	—	—	—	—	Friendship, Trade and Shipping Agreement	17/ 7/885
×	—	1st	Italy	1894	—	—	—	—	—	Convention on Most-Favoured-Nation Treatment	1/ 6/894
—	× [b]	4th & 5th	Japan	1898	—	—	—	× [c]	4th & 5th	Friendship, Trade and Shipping Agreement	3/ 2/898
×	—	a, b, c, & d	Belgium [d]	1934	—	×	× [e]	—	e	Provisional Trade Convention	16/ 1/934
×	—	1st	Chile	1938	—	—	—	—	—	Protocol supplementary to the Trade Treaty of 3/6/1933	18/ 2/938
× [f]	—	2nd	Brazil	1940	—	×	× [g]	—	5th	Trade and Shipping Treaty	23/ 1/940
×	—	1st	Colombia	1940	—	×	×	—	10th	Trade Treaty	17/10/940
×	—	1st	Cuba	1940	—	—	×	× [h]	10th	Trade Treaty	20/12/940
×	—	1st	Canada	1941	× [i]	×	×	× [j]	8th & 9th	Trade Agreement	2/10/941
× [k]	—	1st	United States of America	1941	—	×	×	× [l]	14th	Trade Agreement	14/10/941
×	—	3rd	Paraguay	1943	—	—	×	—	3rd	Trade Treaty	17/11/943
×	—	2nd	Peru	1949	× [m]	—	—	—	3rd	Treaty on Trade and Finance	22/ 8/949
×	—	1st	Ecuador	1953	×	—	×	× [n]	1st	Trade and Payments Agreements	22/ 8/953

SOURCE: *Instrumentos internacionales de carácter bilateral suscritos por la República Argentina*, Ministry of Foreign Affairs and Worship, Buenos Aires, 1950, and ECLA.

[a] Its interpretation was disputed in 1932, and it was decided that the clause was unconditional (see Dr. Ovidio Victor Shiopetta, *Nociones de Política Económica Internacional*, Volume II, p. 87).

[b] The clause is applicable to the treatment extended to the European countries and to the United States.

[c] See *b*.

[d] Belgium and Luxembourg.

[e] Customs Union already concerted.

[f] First signed in 1856.

[g] Customs Union with adjacent countries.

[h] Favours extended by Cuba to the United States on a *quid pro quo* basis.

[i] Countries adjacent to Argentina.

[j] British Empire and Commonwealth of Nations.

[k] First signed in 1853.

[l] Exemptions as between the United States, its territories or possessions, and the Canal Zone, or extended to the Republic of Cuba.

[m] Advantages already granted to adjacent countries.

[n] Carta de Quito; Acta de Santiago.

As the inquiry carried out for purposes of this study showed, in the case of Argentina such favourable aspects as these did not seem sufficient to outweigh others that were felt to be disadvantageous. The remodelling of this country's fundamentally agricultural economic structure, and the consequent activity in the sphere of industry, rendered it highly important that national trade policy should enjoy a wide margin of freedom to restrict imports of scheduled goods, should this be necessary for the protection or encouragement of given branches of domestic production. It is possible that the special influence exerted, from 1949 onward, on Argentina's balance of payments by the inconvertibility of the pound sterling and by other circumstances which underlined the growing need to channel trade through free currency areas, may also have affected Argentina's decision to remain aloof from an organization of which the liberalizing tendency was in conflict with such an outlook. Another consideration related to Argentina's export trade. According to the findings of the survey, as the GATT's most-favoured-nation clause did not automatically concede to exports from Argentina the preferential treatment which certain agricultural products from colonial sources were accorded by their mother country, affiliation to the General Agreement did not from this point of view seem likely to redound substantially to the advantage of the country's export trade. Its staple items — meat, wheat, maize, wool, quebracho and oilcakes — which in 1946-51 amounted to approximately 70 per cent of Argentina's aggregate sales to the entire world, were already sure of receiving most-favoured-nation treatment in their markets of destination, except where it derived from the preferences to which allusion has been made. Moreover, owing to internal factors in the importing country, some of these commodities might be duty-free, whatever their country of origin. This consideration, and the importance attaching to the concessions opened up on Argentina's market by the continued extension of the most-favoured-nation clause to imports from countries benefiting by the tariff consolidations and exemptions in force, may also have helped to determine the line of conduct pursued.

4. Inter-Latin-American policy

Argentina has a long-standing tradition of intra-regional agreements. Up to 1917, and in the course of little more than a century, it had been a party to 16 instruments — several of them still in force — designed to promote trade and economic relationships within Latin America itself (see table 40). Outstanding among these is that signed with Chile in 1885, whereby a "free Cordillera" system was instituted that was to last twelve years, and the suspension of which was linked to the absence of any margin in the agreement allowing for the extension of a similar régime of tariff exemptions to goods carried by sea.[38]

[38] Protocol of the Conference held in July 1869, to study the renewal of the trade treaty between Argentine and Chile. The text of this protocol is as follows: "The relation between this event and the agreements previously concluded with countries in other regions is implicit in the 1825 Treaty with Great Britain, just as those subsequently contracted with Portugal, the United States, Sardinia, Prussia, Brazil and Spain, place Argentina under the obligation not to impose duties on imports from these countries other or larger than those imposed on the most favoured nation."

In the interval between the great depression and the end of the Second World War, Argentina's contractual activity took the form of 42 agreements signed with other Latin American countries. As a general rule, in conformity with the principle of reciprocally equivalent concessions, these treaties instituted the régime of the most-favoured-nation clause, besides granting tariff benefits of a bilateral type, which were automatically, and by virtue of the same clause, extended to nations in other regions. Some of these instruments are directed towards the building-up of special systems of economic co-ordination in the shape of customs unions. Examples are the *Acta de la Barra de San Juan*, concluded with Uruguay in 1940, and the agreements signed with Chile in 1943, and with Paraguay in 1943 and 1951. To these must also be added that section of the Argentine-Brazilian treaty of 1941 which stipulates the progressive establishment of such a free-trade system as, according to the text of the preamble of this instrument, would permit "the constitution of a customs union between the Republic of Argentina and the United States of Brazil, whereto adjacent countries should have the right of accession". Under the terms of this agreement the parties engaged to promote the setting-up of agricultural and industrial branches of production in their respective territories, and not to impose customs duties or restrictions of any kind on imports of the products of such activities.

These treaties aimed at the formation of customs unions were among the 16 of the 42 agreements mentioned which were not ratified or had no practical effects. Neither did any success attend a project set on foot in 1943 for the constitution of a partial organization of this kind between Chile and Argentina, to the south of Parallel 42. It was adduced in favour of this scheme that both countries maintained, in their contiguous territories at the southern extremity of the continent, similar systems of exemption from customs duties for imports of basic commodities, whatsoever their market of origin.[39]

No very clear light has been shed on the causes of the disfavour incurred by agreements aimed at the creation of common markets under the aegis of special customs régimes. Broadly speaking, the ambitious scope of the projects in their initial form seems to have militated against the ultimate establishment of the proposed unions. Furthermore, some weight must be attributed to factors connected with extant agreements with countries in other regions, wherein no saving clause existed to cover the institution of inter-Latin-American preferences. The consequences of such omissions had long been making themselves more and more strongly felt. As early as 1857, the treaty between Argentine and Chile had given rise to protests on the part of Germany, which at one time culminated in a tenfold-increase in import duties on Argentine products. For the same reasons, in 1916, the free trade agreement concluded between Argentina and

[39] Besides this similarity in the two countries' customs régimes, at the date when the project was under consideration Argentina was giving priority, in accordance with the provisions of Act No. 12922, to import permits for goods destined for consumption by those sectors of its population located south of the 42nd parallel; while in Chile, subject to its foreign exchange budget, many imports for the provinces to the south of this parallel were exempt from the permit requisite.

Paraguay aroused objections from Great Britain. Those formulated on similar grounds by France, Italy and the United Kingdom, with respect to the preferential tariff treatment accorded by Argentina to Chile in a *modus vivendi* signed in 1932, led to the modification of this instrument, from which the offending concessions were removed.[40] As no saving clauses providing for special treatment had been embodied in the agreements in force since 1835 with Great Britain, since 1892 with France and since 1864 with Italy, those introduced into subsequent treaties proved in fact inoperative, so that Argentina's intra-regional tariff system because virtually identical with that of the most-favoured-nation clause.

(a) *Post-war agreements*

During the post-war period, Argentina's efforts to achieve economic complementarity with adjoining countries gave rise to customs union and economic co-operation agreements with Chile, in 1946, and with Bolivia, in 1947, characterized by more or less similar features. The customs union instrument signed with Chile was envisaged as one of a group of treaties designed to strike at the root of mutual problems of trade disequilibrium, by means of the co-ordinated encouragement of specific industries and the improvement of transport. The agreements stipulated that Argentina should extend credit to cover Chile's unfavourable trade balance for three years; that a joint financial body should be set up to expand Chilean industries based on mining (whether of metals or other products), of which the surplus output would be absorbed by Argentine demand; that Argentina should grant Chile a loan to finance a programme of public works designed to promote and co-ordinate trade; that mutual recognition should be accorded to the fullest possible freedom of transit for merchandise; and that a system of free warehouses should be organized. In this scheme, under the guise of exemption from duties within certain nominative and quantitative restrictions, customs union was confined to the surpluses held by each country. As the 1946 treaties, including that concerned with customs union, were not ratified by Chile, tariff relations between this country and Argentina remained subject to the terms of the 1933 agreement, which seems to have made little contribution to solving the disequilibrium and expansion problems arising in Argentine-Chilean trade.[41]

The treaty signed with Bolivia on 26 March 1947[42] was directed towards creating a system of gradual liberation from customs duties, while, however, making it clear that when the agreement came into force, as far as imports from Argentina were concerned, only non-competitive foodstuffs would enter Bolivia duty-free; other commodities from the same source would receive similar treatment in so far as was compatible with Bolivia's external payments situation. As in the 1946 agreement with Chile, Argentina would grant Bolivia unilateral rotary credits for the covering of unfavourable trade balances, to be amortized on expiry in ten six-monthly instalments. Again, to intensify or initiate the production by Bolivia of goods likely to find a ready sale in Argentina, the agreement stipulated that the latter country should contribute 100 million Argentine pesos to the setting-up of joint economic development societies. It also provided for the investment of certain private Argentine capital in Bolivia to promote public works programmes, especially for railways and roads, likely to foster the expansion of reciprocal trade. Such programmes included some aimed at the more satisfactory implementation of the railroad co-operation treaty in force between Argentina and Bolivia, by virtue of which the former country made financial contributions to the building of the Yacuiba-Santa Cruz railway line and the Río Bermejo-Tarija-Potosí road system, designed to facilitate the mining and export of Bolivian petroleum.

Once the 1947 agreements between Argentina and Bolivia had been ratified, to put them into practice several complementary instruments were signed in 1947, 1948 and 1951 (for details see again table 40), besides another relating to the liquidation of the value of trade operations through a clearing account. One of these supplementary agreements, concerted in 1948, but never put into effect, provided for the export to Argentina of tin concentrates for an annual production of up to twelve thousand tons of refined tin, in a projected Argentine foundry.[43] Argentina's balance-of-payments difficulties after the signing of the 1947 agreements with Bolivia seem to have played some part in their relatively small practical effect, as capital goods of considerable value would have had to be purchased from other regions in order to implement some of the economic development agreements.[44]

Apart from agreements directly inspired by the desire for co-ordination, such as those signed with Bolivia and Chile, between 1946 and 1948 Argentina concerted a series of intra-regional barter agreements, comprising one with Brazil and others with Peru and Ecuador in 1946, another with Bolivia in 1947, and yet another with Venezuela in 1948. For varying lengths of time, occasionally covering as much as five years, these agreements provided for trade in necessary and essential goods in predetermined quantities, the parties sometimes undertaking to resort to previous consultation should more attractive tenders be made to the importer nation by other countries. Among these agreements figured one whereby Venezuela exported part of its national royalties in crude petroleum (2 million barrels) to Argentina over a period of two years, in exchange for 15 thousand tons of frozen meat annually.

[40] See Lucio M. Moreno Quintana, *Política Económica*, Librería del Colegio, Buenos Aires, 1944, p. 141.

[41] The decline in the customs régime's influence on trade between the two countries later — in 1952 — found expression in a bilateral agreement to stimulate trade in specific commodities, which made absolutely no mention of tariff arrangements, and utilized only the other selective instruments, such as barter arrangements and agreements as to the mutual concession of import and export licences for the commodities covered by the terms of the treaty.

[42] Modified by exchange of notes on 30 April and 28 August 1947.

[43] Exchange of notes dated 6 March 1948, paragraph 3.

[44] On 3 March 1955, an exchange of notes between Argentina and Bolivia provided for the interchange within one year, and up to a value of 10.1 million dollars on either part, of commodities which on Argentina's side will chiefly comprise cattle on the hoof, wheat, wool and rice, and on Bolivia's part, petroleum.

Since 1949 certain tendencies have manifested themselves in Argentina's intra-regional trade agreements which apparently indicate a desire to remedy the defects of the long-term barter system on the basis of fixed quotas. One of these defects is the interruption of the continuity of trade caused by the omission from barter agreements of any procedure for their renewal before expiry. To offset this, instruments concerted between the years 1949 and 1954 laid it down that trade schedules should be periodically revised. At the same time other measures were adopted to impart greater elasticity to agreements of a quantitative type.[45]

In addition to the commodities typical of this reciprocal trade, in recent years the schedules have included manufactured goods. In some cases[46] it is agreed that under this head will be included all manufactured articles of which imports from third countries are allowed,[47] while at the same time they are granted a trade treatment, with respect to the system of permits and to rates of exchange, not inferior to that extended to similar products from other sources.[48]

In the Argentine–Chilean agreement signed in 1952 four schedules of trade commodities appear, of which two — "A2" and "B2" — enumerate less essential goods, trade in which will be based on compensatory values, though their maximum values will not be previously determined. In the 1954 agreement between Argentina and Chile, too, appear, schedules of less essential goods — "A2" and "C2" — subject to exchange permits, but with the stipulation that unfavourable balances arising from this trade will be cancelled only on the expiry of the agreement. The treaty concerted with Colombia in 1954 establishes that in so far as this country purchases manufactured goods from Argentina in excess of the volume contemplated in the schedules concerned, Argentina will grant additional permits for coffee imports up to a volume equivalent to this excess and to a value of 2 million dollars. In the agreements signed with Brazil in 1953 and 1954, provisions are made for the sale to Argentina on deferred payment terms[49] of capital goods from Brazil (items of railway stock and equipment).

During the last six years new measures to promote trade have been adopted. Examples are the exemption from permits of the fruit trade between Argentina and Brazil (1950), and the introduction of the same régime, in 1954, for most of the commodities comprised in traditional Argentine–Chilean trade. In view of the dynamic influence on trade attributed in South American countries to the system of exemption from permits, it is worth while to give a brief indication of some of its characteristics in the case of the fruit trade, covering also trade in tinned vegetables, between Argentina and Brazil. Permit-free trade in fresh, dried, dehydrated and processed fruits, as well as inc ertain vegetables and pulses, was based on an agreement signed in June 1950, which to this end provided for annual transactions to an assumed value of 275 million cruzeiros (15 million dollars) on either part.

To follow up this system a statistical account was opened in which f.o.b. values were to be registered, on the postulate that, for purposes of the agreement, equilibrium would exist if, at the end of the year, balances in either direction were not higher than 30 million cruzeiros; if this sum were exceeded, the country which had made fewer purchases was to adopt measures to increase them; if this were not achieved within a given term, the other party would then limit its imports.

In 1953 this "free trade régime within the principle of reciprocal compensation" was prolonged until December 1956, the minimum non-limitative programme for fresh, dried and dehydrated fruits being expanded to 380 million cruzeiros annually for each party, and specific quantitative limits being imposed at the same time on tinned fruit, vegetables and pulses.

Again, new Brazilian measures were designed to cover the auctioning of foreign exchange for imports on a basis of minimum bids, the level of which was determined by classification of commodities in five categories. In view of this, Brazil, in a treaty dated 25 June 1954, agreed to place fruit from Argentina in the group for which exchange was to be auctioned at the lowest initial level, within a basic annual programme, non-limitative in character, for imports to the value of 20 million dollars. Argentina undertook to apply to Brazilian fruit the most favourable exchange treatment granted to fruit from any other source.

As has already been stated, the Argentine-Chilean agreement signed on 19 February 1954 also embodied special clauses directed towards the liberalization of trade. This was the aim of the régime established for schedules of Argentine products to be imported into Chile without permits ("A1"), and of Chilean commodities to be guaranteed equivalent facilities in Argentina ("C1"). These schedules comprise the most important traditional items of trade between the two countries.

(b) *Payments*

During the Second World War, to replace the system of payments in convertible currencies, Argentina made a greater effort to concert agreements for the liquidation of intra-regional transactions through clearing accounts. The obstacles that the war had put in the way of exports of agricultural commodities to the great consumer centres undoubtedly helped to induce Argentina to use this means

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[45] During the period 1949 to 1954, Argentina signed with various Latin American countries twelve agreements which contain schedules of goods or to which these are appended. Eight of these lists of products with values attached included six for equivalent values and two (signed with Brazil, in 1950 and 1953) without *quid pro quo* specifications. Schedules without values attached were embodied in the agreements concluded with Brazil in 1949 and 1954, with Paraguay in 1949 and with Chile in 1952. In the 1949 treaty with Brazil the only commitment was for the purchase and sale of specific quantities of wheat; imports of other commodities were simply to be facilitated, with a view to ensuring that their values did not fall below the average for the three-year period 1946-48. In the 1954 agreement with Brazil, in which the schedules appear without values attached, minimum volumes are allotted to certain Argentine commodities (wheat, wheat flour and fruit) and others from Brazil (cacao, coffee, maté and fruit).

[46] Colombia, 1954; Bolivia, 1954.

[47] Colombia, 1954: including those from countries with which it has, or is a party to, agreements, and from others with whom its trade balance is more or less stabilized.

[48] Chile, 1954.

[49] One hundred million cruzeiros.

of attempting to secure them a wider outlet within Latin American territory. The procedure was in actual fact established on a firmer footing in face of the persistence of the disequilibrium in the dollar-area balance of payments of most of the Latin American countries in the Southern Zone. At the present time Argentina has bilateral clearing agreements with all the republics of South America except Venezuela.[50] In recent years these agreements have developed in the direction of widening margins of reciprocal rotary credit and of imparting more flexibility to the stipulations as to payment of debit balances. Some of these, under the terms of the treaties, will be covered with commodities.[51]

(c) *Prices*

The instruments signed by Argentina during recent years with other republics of the region also contain clauses relating to the price régime. As intra-regional trade is for the most part carried on through clearing accounts, because of the shortage of convertible currencies, prices under this system of transactions usually fail to coincide with those prevailing in the open market. The undervaluation of certain currencies, some hiatuses in the system of parities, and other factors, often raise quotations for goods on account to levels higher — sometimes very much higher — than those prevailing in the world market. From time to time this feature brings about abrupt interruptions in specific inter-Latin-American trade flows, as price considerations generally induce importer countries, when their foreign exchange availabilities allow it, to purchase from other regions those commodities for which they are more or less traditionally dependent on Latin America. This is especially true of foodstuffs. To protect the consumer, the authorities responsible for fixing price ceilings for specific goods endeavour to ensure that they are imported from those markets where the quotation is lowest.

In the most recent agreements signed by Argentina, some standardizing clauses are included as guide-lines for the negotiating of duties on staple items. Effectively applied, they might establish precedents of considerable value in solving the problem constituted by the practice of over-pricing in operations liquidated through clearing accounts. Thus, in the treaty concluded with Chile in 1954, both parties agreed to adopt measures for the bartering of trade commodities at the prices current on the world market; should no representative quotations exist, the most advantageous prices, given equality of conditions and circumstances, will be taken as a basis. For those products whose nature precludes their inclusion in this system, the agreement provides for the concerting of specific arrangements.[52]

(d) *Economic unions*

The aim of building up, within Latin American territory, the common markets which are deemed necessary for the encouragement and stabilization of economic development, especially in some of its aspects, has been reflected in recent years in the concluding of so-called "economic union" agreements between Argentina and other republics. They express the desire to remove obstructions to trade between the signatories, and, at the same time, the intention of putting into effect measures directed towards the integration of their economies. *Ad hoc* commissions are being set up to study and promote the measures to be adopted. Cases in point are the bilateral instruments and treaties signed by Argentina, with Paraguay in 1953, with Ecuador and Nicaragua in 1953 and with Bolivia and Chile in 1954. The text of these documents shows that the trade policy of the parties is planned to achieve the same ends within the programme of economic co-ordination.[53] Among the means enumerated in some of these agreements as being suitable for the attainment of such objectives are those concerning the establishment of special tariff systems.[54]

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[50] With a view to encouraging intra-regional trade, until December 1948 the value obtained by the Argentine exporter for sales to Bolivia, Chile, Paraguay, Peru and Uruguay was liquidated at the preferential rate of exchange of 4.01 Argentine pesos to the dollar instead of the exchange rate of 3.35 in force for similar transactions with other countries.

[51] See *Study of Inter-Latin American Trade* (*Southern Zone of the Region*) op. cit., pp. 28-29.

[52] The treaty signed with Bolivia in 1954 assigns to a joint commission for economic union the responsibility of determining parity or compensatory prices for trade commodities. Until this commission is set up, an exchange of notes establishes the prices at which transactions in respect of Argentine cattle on the hoof and Bolivian petroleum will be compounded during the first six months that the agreement is in force.

[53] In an Act passed in Argentina (No. 14184) on 20 December 1953, the following statement occurs: "Foreign trade with other Latin American Republics will be carried on with an eye to the urgent need for the national economies to become mutually complementary, in conditions of strict economic and political equality and independence, and with the aim of co-ordinating the protection of Latin America's economy and the promotion of its material progress, indispensable for the development of a social economy on which to base social justice and thus effectively promote the welfare of its peoples."

[54] The text of the Argentine-Chilean treaty of economic union, in addition to stipulations respecting economic complementarity, reciprocal contributions of capital for industrialization and other questions, states in Article 2b that a fundamental rule will be "the abolition of customs duties, taxes, exchange margins, excessive rates and all other measures which hamper or restrict import and export trade between the two countries. These reforms shall be carried out whenever need arises, in gradual and co-ordinated fashion, due attention being also devoted, where expedient, to the treatment to be applied to third countries."

TABLE 38. ARGENTINA: IMPORTS FROM LATIN AMERICA (STAPLE ITEMS)

	Average 1934-38		*Average 1946-51*		*Year 1953*	
	Value [a]	*Percentage*	*Value* [a]	*Percentage*	*Value* [a]	*Percentage*
Total imports	37.5	100	182.7	100	214	100
Foodstuffs	16.7	44.5	43.7	23.9	63.9	29.9
Refined sugar	× [d]	0.0	0.7	0.4	4.6	2.1
Cacao	0.7	1.9	3.8	2.1	6.0	2.8
Coffee	3.73	9.95	16.3	8.9	35.5	16.6
Brazilian coffee	3.72	9.92	16.2	8.9	35.5	16.6
Maté	2.15	5.7	3.7	2.0	2.2	1.0
Fresh fruit	4.8	12.8	14.2	7.8	15.1	7.1
Brazilian fruit	3.9	10.4	14.1	7.7	14.8	7.0
Dried fruit	0.5	1.3	0.5	0.3	0.4	0.2
Leaf tobacco	2.7	7.2	3.6	2.0	0.14	0.0
Raw materials	10.2	27.2	99.0	54.1	138.9	64.9
A. *Agricultural*	4.7	12.5	52.5	28.7	49.5	23.1
Ungined cotton	× [d]	0.1	1.9	1.1	6.4	3.0
Vegetable fibres	—	—	1.8	1.0	1.1	0.5
Wood in the round	0.3	0.7	8.6	4.7	9.4	4.4
Boards or planks	3.9	10.4	36.8	20.1	32.1	15.0
Brazilian lumber	3.3	8.8	30.2	16.5	22.8	10.7
Chilean lumber	0.5	1.3	5.5	3.0	8.8	4.1
B. *Mining*	0.2	0.5	13.0	7.1	31.7	14.8
Sulphur	0.1	0.3	0.1	0.1	3.2	1.5
Copper bars and plates	0.1	0.3	4.1	2.2	9.1	4.3
Chilean copper	0.1	0.3	3.4	1.9	7.2	3.4
Pig-iron	—	—	1.8	1.0	2.5	1.2
Billets	—	—	× [d]	0.0	—	—
Iron and steel plates and expanded metal	—	—	1.5	0.8	13.2	6.2
Lead bars and ingots	× [d]	0.0	2.3	1.3	1.2	0.5
Nitrate	0.1	0.2	1.4	0.8	0.6	0.3
C. *Fuels*	5.3	14.2	33.5	18.3	57.7	27.0
Coal	0.1	0.4	1.6	0.9	0.9	0.4
Crude petroleum	4.4	11.7	25.7	14.1	52.0	24.3
Venezuelan petroleum	0.4	1.1	19.7	10.8	41.8	19.5
Peruvian petroleum	3.4	9.1	3.5	1.9	4.9	2.3
Diesel oil	0.1	0.4	0.1	0.0	3.2	1.5
Fuel oil	0.4	1.1	6.0	3.3	1.5	0.7
Venezuelan fuel oil	0.1	0.27	6.0	3.3	1.5	0.7
Manufactured goods	0.3	0.8	21.5	11.8	4.2	2.0
Cotton yarn	—	—	4.5 [b]	2.5	4.0	1.9
Cotton textiles	0.2	0.5	14.5 [c]	7.9	× [d]	0.0

SOURCE: Official foreign trade statistics.
[a] Value in millions of dollars.
[b] In 1951: 17.9 millions and 7.8 per cent.
[c] In 1947: 33.4 millions and 17.9 per cent.
[d] Less than 0.1.

TABLE 39. ARGENTINA: EXPORTS TO LATIN AMERICA (STAPLE ITEMS)

	Average 1934-38		*Average 1946-51*		*Year 1953*	
	Value [a]	*Percentage*	*Value* [a]	*Percentage*	*Value* [a]	*Percentage*
Total exports	47.0	100.0	181.8	100.0	260.8	100.0
Foodstuffs	37.5	79.8	139.6	76.7	220.8	84.7
Chilled meat	× [c]	0.0	4.8	2.6	3.6	1.4
Tinned meat	× [c]	0.0	0.6	0.3	0.2	0.1
Tinned fruit	× [c]	0.0	0.6	0.3	0.3	0.1
Maté	× [c]	0.0	0.3	0.2	0.5	0.2
Fresh fruit	0.4	0.9	10.0	5.5	20.0	7.7
id. to Brazil	0.4	0.9	9.8	5.4	19.9	7.6
Dried fruit	× [c]	0.1	1.3	0.7	4.8	1.8
Sheep	1.1	2.2	1.5	0.8	0.7	0.3
Cattle	1.7	3.5	18.6	10.2	11.1	4.2
id. to Chile	0.5	1.1	12.1	6.7	8.9	3.4
Oils	× [c]	0.0	4.5	2.5	9.4	3.6
Fats	0.1	0.2	2.8	1.5	8.8	3.4
Butter	0.1	0.2	1.5	0.8	2.1	0.8
Wheat	31.1	66.2	84.1	46.3	152.4	58.4
id. to Brazil [b]	23.3	49.6	61.9	34.0	127.8	49.0
Wheat flour	2.4	5.2	2.0	1.1	1.1	0.4
Raw materials	3.4	7.2	13.4	7.4	13.4	5.1
A. *Agricultural*	2.7	5.7	13.1	7.2	13.3	5.1
Raw hides	0.4	0.8	1.0	0.5	2.4	0.9
Wools: greasy	0.2	0.4	1.3	0.7	1.0	0.4
washed	0.5	1.1	3.4	1.9	2.1	0.8
combed or carded	—	—	0.6	0.3	3.0	1.2
Quebracho	0.7	1.5	3.4	1.9	4.5	1.7
B. *Mining*	0.1	0.2	—	—	—	—
Tin bars and ingots . .	0.1	0.2	—	—	—	—

SOURCE: Official foreign trade statistics.

[a] Value in millions of dollars.

[b] Percentages of Argentina's exports of wheat to Latin America: 1934-38, 75.2 per cent; 1946-51, 73.6 per cent; 1952, 49.1 per cent; 1953, 83.9 per cent.

[c] Less than 0.1.

TABLE 40. ARGENTINA: TREATIES WITH OTHER LATIN AMERICAN COUNTRIES[a]

Date			Country	Title
Year	Month	Day		
	A. 1810-1929			
1812	October	23	Chile	Agreement on exchange of mercury for gunpowder
1852	July	15	Paraguay	Frontier, trade and shipping treaty
1855	August	30	Chile	Peace, friendship, trade and shipping agreement
1856	March	7	Brazil	Peace, friendship, trade and shipping agreement
1857	July	29	Paraguay	Friendship, trade and shipping agreement
1857	November	20	Brazil	Convention on river traffic
1868	July	9	Bolivia	Friendship, trade and shipping agreement
1874	March	9	Peru	Friendship, trade and shipping agreement
1876	February	3	Paraguay	Friendship, trade and shipping agreement
1894	June	30	Bolivia	Convention on Railway Union
1899	October	26	Uruguay	Agreement on imports and exports of cattle
1901	September	25	Uruguay	Additional protocol to the agreement on imports and exports of cattle signed on 26/10/1899
1902	December	11	Bolivia	Agreement to modify the railway convention of 30/6/1894
1907	May	18	Bolivia	Convention on railway connexions
1908	May	30	Paraguay	Agreement on trade in cattle
1917	September	30	Chile	Protocol relating to trans-Andean railways
	B. 1930-1945			
1932	November	12	Chile	Commercial *modus vivendi*
1933	February	2	Chile	Minute to modify the commercial *modus vivendi* of 1932
1933	June	3	Chile	Trade treaty
1935	July	2	Chile	Protocol concerning the appointment of a joint commission to study trans-Andean railways
1937	February	3	Peru	Commercial *modus vivendi*
1937	September	17	Bolivia	Frontier trade agreement
1937	September	17	Bolivia	Preliminary railway convention
1938	February	18	Chile	Additional protocol to the trade treaty concluded on 3 June 1933
1939	April	13	Brazil	Protocol on exchange rates
1939	July	5	Paraguay	Agreement on the establishment of an agency of the Banco de la Nación Argentina in Asunción
1939	July	31	Chile	Agreement modifying the quota determined by Article 2 of the additional protocol to the treaty of 3 June 1933
1940	January	23	Brazil	Trade and shipping treaty
1940	October	17	Colombia	Trade treaty
1940	December	14	Uruguay	Acta de la Barra de San Juan, on a joint commission to study a trade treaty embodying agreement on customs union
1940	December	20	Cuba	Trade treaty
1940	December	20	Cuba	Protocol to the trade treaty
1940	December	27	Chile	Agreement extending for a period of 2 years the agreement modifying the quota determined in Article 2 of the additional protocol
1941	February	10	Bolivia	Treaty on railway connexions and the building of an oil pipe-line
1941	February	10	Bolivia	Minute on the study of a Balcarce-Tarija-Orán railway

TABLE 40. ARGENTINA: TREATIES WITH OTHER LATIN AMERICAN COUNTRIES[a] (cont.)

Date			Country	Title
Year	Month	Day		
1941	February	10	Paraguay	Minutes on foreign exchange reserves
1941	April	9	Brazil	Agreement on exchange rates and the suppression of substitutes
1941	August	14	Bolivia	Notes on the enlargement of the Bermejo deposits
1942	February	6	Bolivia	Agreement on the building of Frontier-Villa-Montes branch of the Yacuiba-Santa Cruz de la Sierra-Sucre railway
1942	February	6	Bolivia	Agreement to establish the terms of a contract between the Yacimientos Petrolíferos Fiscales of Argentina and Bolivia on sale and purchase of petroleum
1942	February	6	Bolivia	Agreement on road connexions
1942	May	8	Chile	Convention on animal and plant sanitation
1942	May	8	Chile	Agreement on importing cattle for pasturing
1943	March	23	Chile	Agreement extending for a period of 2 years the previous agreement on frozen meat signed on 27 December 1940
1943	April	14	Chile	Exchange of notes relating to the supply of the Argentine market with sodium nitrate from Chile
1943	August	24	Chile	Agreement on development of communications
1943	August	24	Chile	Agreement on procedure for the establishment of a customs union
1943	August	24	Chile	Trade and transit agreement and an appended note
1943	November	17	Paraguay	Trade treaty
1943	November	17	Paraguay	Finance agreement complementary to the treaty of 17 November 1943
1943	December	15	Paraguay	Customs union concerted
1943	December	15	Paraguay	Agreement for the establishment of free warehouses in Buenos Aires and Rosario
1944	November	12	Chile	Agreement to amplify and extend for a period of 2 years the previous agreement on frozen meat of 23 March 1943
1945	April	20	Chile	Notes on the prolongation of the agreement signed on 3 June 1933 and the additional protocol of 18 February 1938
1945	May	2	Brazil	Notes on the supply of rubber inner tubes and tyres to Argentina
1945	June	2	Bolivia	Notes on the amplification of the treaty on railway connexions dated 10 February 1941
1945	August	16	Paraguay	Agreement on the convoking of the joint commission to study customs union
1945	December	22	Bolivia	Protocol to supplement the notes exchanged on 2 June 1945 with exchange of notes appended
	C. 1946-1954			
1946	June	15	Peru	Exchange of notes on the sale of Argentine wheat and of coal, petroleum, rubber, lead, antimony and other minerals from Peru
1946	August	5	Ecuador	Exchange of notes on barter of wheat and cattle for rubber, petroleum, balsa wood and cinchona bark, and on customs exemptions to be conceded
1946	November	16	Paraguay	Minute on the constitution of the joint commission to study trade problems of mutual interest
1946	November	29	Brazil	Trade agreement

TABLE 40. ARGENTINA: TREATIES WITH OTHER LATIN AMERICAN COUNTRIES [a] (cont.)

Date			Country	Title
Year	*Month*	*Day*		
1946 [b]	December	13	Chile	Agreement on customs union and economic co-operation [c]
1947	March	26	Bolivia	Agreement on economic, financial and cultural co-operation [d e] Appended protocol on commodity trade and tin agreement
1947	December	5	Chile	Additional protocol to the agreement on trans-Andean railways and international road networks signed on 24/8/43
1947	December	30	Chile	Exchange of notes on the prolongation of the exemption of chilled or frozen beef (10,000 tons annually) from import duties
1948	February	13	Venezuela	Trade agreement on sale and purchase of petroleum and meat
1948	July	26	Bolivia	Payments agreement
1948	August	27	Uruguay	Payments agreement [f]
1948 [g]	October	22	Brazil	Payments agreement
1949	May	16	Brazil	Complementary agreement on sale of wheat and encouragement of commodity trade
1949	August	8	Colombia	Barter of coffee for Argentine commodities
1949	August	22	Peru	Trade and finance agreement. Appendix on credit for refrigerated warehouses
1949	December	20	Paraguay	Trade and finance agreement
1950	June	23	Brazil	Trade agreement Agreement on trade in fresh, dried, dehydrated and processed fruit and tinned vegetables Agreement on sale and purchase of flour and wheat
1950	July	3	Mexico	Agreement on payment for books and magazines [h]
1951 [i]	February	1	Chile	Agreement on international railway traffic (Salta-Antofagasta)
1952	April	9	Chile	Trade agreement and notes appended
1953	February	21	Chile	Acta de Santiago de Chile. Economic union
1953	March	23	Brazil	Exchange of notes specifying lists of goods to be exchanged; and establishing bases for purchases of railway equipment and capital goods
1953	July	8	Chile	Economic union treaty
1953	August	14	Paraguay	Economic union agreement (including trade and finance clauses and list of commodities to be traded)
1953	August	22	Ecuador	Trade and payments agreements
1953	September	25	Paraguay	Additional protocol to the economic union agreement
1953	October	17	Nicaragua	Declaration of Buenos Aires, signed by the Presidents of both Republics
1953	December	12	Ecuador	Minute on economic union and appended protocol Notes on sale and purchase of petroleum and wheat Notes on the building of a refrigerated slaughterhouse in Guayaquil
1953 [j]	December	21	Paraguay	Agreement to increase the capital of the Asunción agency of the Banco de la Nación Argentina and to install branch agencies
1954	February	19	Chile	Trade and finance agreement and notes appended

TABLE 40. ARGENTINA: TREATIES WITH OTHER LATIN AMERICAN COUNTRIES[a] (concluded)

Date			Country	Title
Year	Month	Day		
1954	April	23	Colombia	Agreement on commodity trade and payments system, and notes appended
1954	April	28	Paraguay	Exchange of notes on increasing the capital of the Asunción agency of the Banco de la Nación Argentina; imports of Paraguayan tobacco
1954	June	25	Brazil	Payments agreement and notes on trade
1954	September	9	Bolivia	Economic union agreement and trade and finance measures (notes and schedules appended)

SOURCE: Ministry of Foreign Affairs and Worship, *Instrumentes internacionales de carácter bilateral suscritos por la República Argentina,* Buenos Aires, Republic of Argentina, 1950, and other official sources.

[a] Formerly or still in force.

[b] Modified by exchanges of notes dated 30 May and 28 August 1947.

[c] Modified by exchanges of notes dated 21 January, 2 March and 17 November 1947. Neither this treaty nor the supplementary nitrate agreement signed on 12 July 1947 was put into effect.

[d] Modified by exchanges of notes dated 30 April and 28 August 1947.

[e] To implement this agreement the following instruments were signed:

28 August 1947. Additional agreement through exchange of notes on loans of 50 million Argentine pesos.

28 August 1947. Notes on placing of this loan in Buenos Aires.

6 March 1948. Contract as to utilization of the rotary credit granted for 50 million Argentine pesos.

6 March 1948. Contract on the constitution and organization of the joint Argentine–Bolivian Economic Development Society.

6 March 1948. Contract for sale and purchase of coca leaves.

6 March 1948. Exchange of notes on sale and purchase of tin concentrates.

6 March 1948. Contract for sale and purchase of tin ores and/or concentrates.

6 March 1948. Contract for the negotiation of the foreign loan at $3\frac{1}{2}$ per cent (value 50 million Argentine pesos).

6 March 1948. Contract for the negotiation of the foreign loan at $3\frac{3}{4}$ per cent (value 600 million Argentine pesos).

6 March 1948. General bonus on loan $3\frac{1}{2}$ per cent (value 50 million Argentine pesos).

6 March 1948. General bonus on loan $3\frac{3}{4}$ per cent (value 600 million Argentine pesos).

5 July 1948. Note with reference to sale and purchase of copper ores with silver and gold content.

24 July 1948. Notes with reference to the placing in Buenos Aires of a loan of 10 million Argentine pesos.

16 August 1951. Notes on financial contributions to Economic Development Society.

[f] Signed by the Banco Central de la República Argentina and the Banco de la República Oriental del Uruguay.

[g] On 5 July 1948 an agreement was signed to extend until 30 November of the same year the payments agreement between the Banco Central de la República Argentina and the Banco do Brasil dated 10 July 1941; it was afterwards again extended until 31 December 1948.

[h] Extended and partly modified in 1952.

[i] On 6 December Argentina exchanged notes with Bolivia relating to the granting of a credit, within Argentina's public works budget, for proceeding with the works alluded to in the treaty on railway connexions dated 10 February 1941.

[j] On 26 August 1953, a contract was signed between the Instituto Argentino para la promoción del intercambio (IAPI) and the Compañia Financiera del Perú relating to purchases of Argentine wheat, beef and mutton and Peruvian anthracite, copper and petroleum.

2. Brazil

1. Introduction

Brazil's contractual experiences within the General Agreement on Tariffs and Trade (GATT) over the last seven years are extremely interesting to those Latin American countries that are trying to bring their foreign trade policy into line with the new conditions arising from economic development.

The replacement of imported consumer goods by national substitutes, which is effecting a notable structural change in Brazil's economy,[55] has not sufficed to check the trend towards a deficit in the balance of payments, mainly attributable to imports of machinery and raw materials on the one hand, and of wheat and petroleum on the other. Nor do exports and the inflow of foreign capital offset this trend to the necessary extent. Thus, Brazil's trade policy faces some complex problems. In the first place, while it seems essential to accelerate import replacement — a task hindered by the fact that four-fifths of Brazil's purchases abroad are composed of essential goods very difficult to produce within the country, at least over the short or medium term,[56] trade policy must protect the capacity to import, which is largely bound up with the fortunes of the country's export trade. Since the amount of essential goods from abroad available for Brazil's growth depends largely on world market sales of only three products — coffee, cotton and cacao[57] — diversification of exports is also regarded as a desirable goal if the vicissitudes to which the rate of development is at present subject are to be moderated.

It is not easy to establish what results Brazil's accession to the GATT has so far achieved in the way of stimulating exports and fostering their diversification by means of reciprocal tariff agreements. When Brazil became a party to this instrument, from 1948 onward her commercial relations abroad (with certain exceptions in the case of Latin America) were governed by GATT provisions, and by customs agreements entered into under its auspices and covering the greater part of Brazil's foreign trade.[58]

Apart from such factors as the non-convertibility of Brazil's currency, which entails the concluding of barter agreements in accordance with foreign exchange availabilities by currency areas, and the influence exerted on exports by the accumulation of stocks on account of hostilities in Korea, there are other reasons why it is difficult to assess the effects of tariff agreements entered into by Brazil through the GATT. A high proportion of Brazilian exports consists of primary goods which purchaser countries are unable to produce at home for reasons of climate. In such cases tariff reductions or exemptions on the imports concerned are usually the result of domestic supply policy, rather than of any desire to sway the course of bilateral relations with the exporter country. Again, when a number of suppliers are competing in the same consumer market, sales are strongly affected by production costs and by the exchange rate established in the country of origin for exports of the commodity in question. Although the influence of customs treatment is not negligible, it obviously carries much less weight than all these other factors. Here it should be noted that, in order to overcome difficulties arising not only from domestic price structure but also from the over-valued exchange rate long maintained for exports, and sometimes from the lower cost of synthetic products similar to the natural products it exports, Brazil has often been able to dispose of its surpluses in the world market only by means of barter agreements. By this method the losses accruing to the exporter from sales abroad at prices below the cost in Brazil are offset by profits on the domestic distribution of foreign goods which are generally scarce. Thus, if the tariff régime has not substantially improved the outlook for Brazilian exports, neither does it seem to have increased the country's imports of the many foreign goods for which concessions were granted within the GATT. Since the tax level on the basis of which these were negotiated was low, the most important aspect of the resultant agreements lay not so much in the intrinsic value of the reductions accorded, as in the obligation to continue to maintain in the future customs tariffs with little incidence on the value of the goods imported.

From another point of view, the magnitude of these concessions, inasmuch as they extended to a very large number of articles, accentuated the inelasticity of the Brazilian customs tariff as an instrument of import selection. In the vast majority of cases, any influence which the customs agreements might have exercised on the inflow of foreign goods was counteracted by the policy of exchange restrictions whereby from 1947 onward, Brazil sought to eliminate or to reduce deficits in its balance of payments. These measures were supplemented by the introduction, in 1948, of a system of import licences. Simultaneously, Brazil embarked upon a programme of bilateral agreements for trade in equally essential commodities on a basis of compensatory values and sometimes of matching quality. Such agreements, which have not always helped to eliminate exchange shortages,[59] were replaced in 1953 by selection of imports, to which foreign exchange was allocated by auction, on the basis of bids varying in value, in accordance with the categories established for the different goods.

Measures to protect domestic production, inherent in the import replacement process, were adopted by Brazil

[55] The *Economic Survey of Latin America, 1951-1952* (E/CN. 12/291/Rev.2), United Nations publication, Sales No.: 1953.II.G.3, establishes that the mean annual rate of growth of production in Brazil between 1945 and 1952 was 6.9 per cent, and that per capita consumption rose by 5.6 per cent annually.

[56] Conselho Nacional de Economia do Brasil, *Exposição geral da situação econômica do Brasil, 1952*, p. 17.

[57] These three commodities cover about 80 per cent of Brazil's total exports.

[58] Practically 80 per cent of exports and 60 per cent of imports, approximately, on the basis of trade statistics for 1953.

[59] According to the 1953 statement of the Bank of Brazil, the trade balance deficit for 1952 amounted to 600.7 million dollars. Of this unfavourable balance, 36.1 per cent, that is, 216.8 million dollars, originated in the convertible currencies area, within which the clearing accounts are operated. On 31 December of that year, the commercial arrears registered in the same area amounted to 189 million dollars. This situation was reversed in 1953, owing in part to the stimulus given to exports of expensive commodities, and, more especially, to restrictive measures affecting imports.

in accordance with GATT regulations, which accept, on certain conditions, the introduction of provisional quantitative restrictions directed towards the re-establishment of foreign exchange holdings. Like other Latin American signatories of the General Agreement, Brazil resorted to these clauses rather than to the articles in the GATT specifically designed to promote development.[60] In Brazil, as was brought out clearly by the survey made for purposes of the present *Study*, there is a widespread feeling that these latter provisos cannot, or can only, with great difficulty, be adapted to the special features of the structural transformation which the country's economy is undergoing.

Even if Brazil's development in the next few years shows a lower rate than hitherto, its balance of payments is not likely to be stabilized at an early date, in which event the GATT regulations relative to the restoration of exchange equilibrium will continue to be of use in protecting the country's economic development. If, however, fortuitous circumstances — such, for instance, as a substantial improvement in the terms of trade, or more intensive technical or financial co-operation from abroad than at present — were to bring about a radical improvement in Brazil's foreign exchange position, this would demolish the legislative bases of industrial protection by means of exchange controls based on the defence of the balance of payments.[61] In Brazil, the permanence of protectionist measures would be deemed a necessary condition for the maintenance of those branches of production still at the low-productivity stage. The abovementioned survey revealed that both considerations of economic development and experience of the tariff agreements in force since 1948 may have influenced Brazil's recent decisions on trade policy, whereby, without renouncing the General Agreement, which is considered a promising instrument of international trade co-operation, it determined not to subscribe to the protocol extending the duration of the members' reciprocal customs concessions up to June 1955. At the same time Brazil proposed the adoption of the agreement to study the reforms which the Contracting Parties to the General Agreement considered at the ninth session (Geneva, October 1954 to March 1955). Similarly, the Brazilian Government submitted to Parliament a bill — No. 4,441, dated 19 May 1954 — to increase the *ad valorem* tariff duties on imports.[62] Later circumstances induced the Government to refrain from pressing for this bill to be passed, and to advocate instead a complete revision of the customs tariffs, now in the stage of final study.

2. Brazil's Latin American policy

Brazil's trade relations with Latin America would appear to be of considerable intrinsic importance to the country's economy, both because the region supplies or could supply it with essential goods — foodstuffs, raw materials and fuel — and because the rate of economic activity in certain Brazilian States depends up to a point on sales to the Latin American area. This is particularly true of trade with Argentina, the amount of pinewood purchased by the latter having direct repercussions on the level of industry in the States of Paraná, Santa Catarina and Rio Grande do Sul. The same applies, although to a lesser degree, to exports of maté from Paraná to the markets of Argentina, Chile and Uruguay.

So far as tariffs are concerned, Brazil has only two extant agreements with Latin American countries: one with Argentina (1941) and another with Chile (1943). Without being exclusive, since the most-favoured-nation clause extends to third nations the customs benefits bilaterally compacted, the schedules established by these treaties mainly cover trade in foodstuffs and raw materials, while concessions for manufactured goods proper are the exception. Brazil also applied a preferential tariff agreement entered into with Uruguay in 1934 — to which another was added in 1935 — to free from customs duties a large number of goods traded via the land frontiers of both countries. This agreement, concerning which no saving clause was formulated when the parties accepted, through the GATT, the obligation to grant non-discriminatory customs treatment to goods from any source, lapsed in 1949.

Brazil seems to lay the greatest store by instruments which stimulate trade through commitments to acquire given quantities of products, or to concede permits for private enterprise to puchase fixed amounts, since it has entered into several agreements of this type with Argentina and Uruguay. Its treaties with Bolivia and Paraguay, on account of special geographic and economic conditions, go rather beyond the scope of commercial agreements, covering as they do the search for solutions to transport, transit and other problems. Among the agreements concluded with Bolivia, particular importance attaches to that on the construction of the Corumba-Santa Cruz railway, financed in part by a Brazilian loan, repayable in petroleum products. With Peru, also, Brazil entered into three very important agreements in 1953, which regulate frontier traffic, and determine the bases for exporting Peruvian crude oil from Ganso Azul by river to a Brazilian refinery to be set up at Manaos on the Amazon. An economic co-operation agreement had been signed with Chile in 1947. This contained provisions of a quantitative character for commodity trade, as well as a pledge by Brazil not to set up its own synthetic nitrogen plants.[63] This agreement was terminated by Brazil in

[60] The annual rate of growth of per capita gross income in Brazil during the period 1945-1954 was 4.8 per cent.

[61] See pp. 54-56 above, where a résumé is given of the amendments to the regulations for the safeguarding of economic development proposed to the Contracting Parties at the ninth session of the GATT (October 1954–March 1955).

[62] According to the explanatory memorandum on this bill, the new *ad valorem* duty would amount on an average to about 50 per cent of the value of the corresponding merchandise, arrived at by converting its value in foreign currency to cruzeiros at the previous month's average auction rate for imports of commodities in the same category.

[63] Under the terms of this agreement, Brazil was to import for the nitrogen requirements of its agriculture only Chilean nitrate. For the duration of the agreement, no Government plants for the production of synthetic nitrogenous fertilizers, including ammonium and nitric acid, were to be set up, nor were any concessions to be granted for the establishment of such plants, although ammonium by-products of other industries might be used for purposes other than the manufacture of synthetic nitrogen. As in the case of a

1955, when the Government announced its intention of pursuing its plans to manufacture nitrogenous fertilizers out of gases from the new oil refinery at Cubatao near the port of Santos.

3. GATT negotiations

On accession to the GATT, Brazil still maintained several bilateral agreements affecting customs tariffs: that of 1936, with the United States, which was the basic instrument of its foreign trade; those of 1934 and 1935 with Uruguay; that of 1940 with Argentina, and that of 1943 with Chile. These agreements, the terms of which were extended to cover third countries by means of a most-favoured-nation clause, established the pattern of Brazil's contractual tariff treatment for exports and imports.

When the GATT came into force in 1948, the United States requested that its earlier agreement with Brazil be suspended. Chile did not follow the same course, despite the fact that both countries were Contracting Parties to the General Agreement. Moreover, an unusual situation arose in the relations between the two countries, for not only did the previous agreement remain in force, but its effects were combined with those of another agreement which both countries signed under the auspices of the GATT. This duality is simplified, in practice, by applying the most suitable alternative to individual foreign trade operations, as occasion arises. The 1940 agreement with Argentina continued in force, for this country is not a signatory of the General Agreement. On the other hand, the agreements with Uruguay, on which no reservation was made within the GATT, were terminated by both parties in 1949.

The tariffs negotiated by Brazil as a member of the GATT, at Geneva, Annecy and Torquay, have been in effect since 1948, 1952 and 1953 respectively. The most important was that established in Geneva; the others can hardly be considered of more than marginal significance.

The effect of these pacts can be judged only from 1951 statistics, no others being at present available.[64] They throw a certain amount of light on the tariff régime agreed upon in Geneva. Although there are no corresponding data on which to form an opinion as regards the Annecy and Torquay agreements, for analytical purposes this lacuna is of little importance, since the Geneva negotiations covered 59 per cent of Brazil's imports (66 per cent if petroleum is excluded), while those concerted at Annecy represented only 1.73 per cent, and those of Torquay less than 0.67 per cent.[65]

(a) *Exports*

The negotiations which Brazil carried out under the aegis of the GATT extend in all to 19[66] of the 34 Contracting Parties. The remaining 15,[67] except for Denmark and Germany, do not offer large enough markets for Brazilian products to justify the conclusion of direct agreements. Although the two countries mentioned absorb 11 per cent of Brazil's exports, no direct customs agreements were reached because neither Denmark nor Germany was willing to accord reductions in favour of coffee.

Table 41. Brazil: Exports to contracting parties of the GATT with whom Brazil concluded customs tariff agreements

Year	*Exports (Millions of cruzeiros)* Total	*To signatories of the GATT with whom agreements were concluded*	*Percentage of total exports*
1937	5,092	3,404	66.8
1938	5,097	3,335	65.4
1947	21,179	15,439	72.9
1948	21,697	16,588	76.4
1949	20,153	16,300	80.9
1950	24,913	21,172	85.0
1951	32,514	36,245	80.7
1952	20,065	15,992	79.7
1953	32,047	24,383	76.1

Source: Official statistics, Ministry of Finance, Brazil.

The area covered by agreements[68] absorbs about four-fifths of Brazil's total exports, and it is worth noting that its importance as a purchaser of Brazilian products slightly increased after the GATT came into force in 1948. This expansion reached its peak in 1950, and the upward movement ended in 1951; in the succeeding years exports were maintained at a level just above that of 1937 (see table 41). If to the figures for Brazil's exports to the countries with which direct agreements were signed within the GATT are added those for sales to the other signatories, the proportion of sales to the contractual area becomes higher. Thus, in 1953, the share of exports corresponding to the latter rose to 87 per cent, as opposed to the 76 per cent absorbed by the 19 countries which made direct concessions in favour of Brazilian products.

The study of Brazil's foreign trade embodied in *Projections of the Economic Development of Brazil* (E/CN. 12/364), a document jointly prepared by the Economic Commission for Latin America and the Banco Nacional do Desenvolvimento Econômico of Rio de Janeiro, traces the curve of Brazil's total export quantum. After declining in 1949, and recovering slightly in 1950 and 1951, the quantum decreased notably in 1952, and rose again in 1953 (see table 42), showing irregular fluctuations along a general line not very different from that followed

similar agreement between Chile and Argentina, the treaty would lapse if a South American country were to set up plants for manufacturing any of the products mentioned. Chile, in turn, engaged to sell Brazil all the nitrate it might require, at world prices, and to maintain a permanent stock of 25,000 tons in Brazilian territory.

[64] Second half of 1954.

[65] 1951 percentage.

[66] Australia, Austria, Benelux, Canada, Chile, Cuba, Czechoslovakia, Finland, France, Great Britain, Greece, India, Italy, New Zealand, Norway, Sweden, the Union of South Africa, the United States and Uruguay.

[67] Belgium, Burma, Ceylon, Denmark, the Dominican Republic, Haiti, Indonesia, Luxembourg, the Netherlands, Nicaragua, Nyasaland, Pakistan, Peru, Rhodesia, Turkey and Western Germany.

[68] That represented by the whole body of Brazilian exports which enjoy customs treatment deriving either from bilateral agreements entered into by Brazil, or from the most-favoured-nation clause in force between this country and the importer concerned.

TABLE 42. BRAZIL: INDEX OF EXPORT QUANTUM

(1948 = 100)

Year	General index	Exports to United States			Exports to Great Britain		
		Total	Coffee	Other products	Total	Unginned cotton	Others
1949	88	108	105	115	83	91	76
1950	90	93	83	121	111	88	133
1951	98	96	90	114	95	84	105
1952	72	72	80	50	24	0	46
1953	85	74	77	67	53	56	50

SOURCE: Economic Commission for Latin America.

by the proportion of exports sold by Brazil to the 19 countries with which it signed agreements under the GATT (see again table 41). This evidence corroborates previous observations on the importance of these countries' markets to Brazil's export trade, and therefore to its capacity for foreign payments.

By way of further illustration, the above-mentioned document, in a conclusion valid not only for Brazil's total exports but also for purchases made on the Brazilian market by importer nations with whom this country negotiated within the GATT, points out that production costs, as well as world prices, were responsible for the decline in the quantum after 1947. The rise in prices resulting from the Korean conflict and the military preparations it involved, neutralized the effect of the fall in the quantum during 1949. Once the tension of the international situation was relaxed, lower prices still further weakened the competitive power of Brazil's exports, already affected by the influence of domestic inflation on costs, and by the rate fixed for converting foreign exchange receipts into cruzeiros.[69]

Patently, the adoption of the theory that variations in the export quantum are allied to the course taken by prices, especially when the disparity between domestic and foreign price levels becomes as marked as it was in Brazil between 1947 and 1953, brings out more clearly the effect of customs duties on the behaviour of such fluctuations. So far as Brazil is concerned, the decline in the quantum just after the customs concessions obtained under the GATT became operative seems to confirm the inadequacy of the negotiated duties to counteract downward movements occasioned by price levels.

Among the 31 Brazilian products which enjoy tariff benefits (see table 43), the foremost is coffee, the only commodity whose relative importance within the aggregate is substantially increasing, although there is no rise in the proportion of purchases made by those countries which have granted it customs concessions. In contrast with the expansion in coffee sales, the proportional importance of the other 30 items tends rather to decline or to remain static within total exports, while sales in all those markets where duties are established by agreement show very irregular trends. If 13 items are selling better than before the signing of the GATT, in 14 cases the situation has visibly deteriorated, and 3 products remain more or less stationary. Most of these movements are reflected in relatively low figures, since of the 31 articles in question, coffee, cotton and cacao made up 80 per cent of total exports in 1953. Of the remainder only 4 accounted for more than 1 per cent of the aggregate: carnaúba wax, 1.2; cacao butter, 1.01; tobacco, 1.3; and lumber, 3.2 per cent.

A detailed examination of the position with respect to some of these products follows below.

(i) *Coffee*

This commodity, which in 1953 accounted for somewhat more than two-thirds of total exports, enjoys freedom from customs duty in the United States, which in that year absorbed 58.1 per cent of the aggregate tonnage of Brazil's world sales of coffee. Exemption was first granted in an agreement between Brazil and the United States in 1935, and later formed part of the reciprocal concessions to which both countries subscribed within the GATT.

What is the effect of exemption from duty on exports of coffee to the United States? It was previously stressed that within Brazil's aggregate sales to that country, the behaviour of the coffee quantum was not consistent with that of other products purchased by the United States. While the former decreased in 1950, the index for other articles reacted as a result of the hostilities in Korea (see again table 42). In the succeeding years, up to 1953, the fluctuations were dissimilar. In the case of coffee they depended rather on the supply from Brazil and its short-term trends. Those of other products were chiefly the outcome of the inter-action of supply and demand. The study entitled *Projections of the Development of the Brazilian Economy* (op. cit.), in the course of a full examination of the phenomenon in question, confirms the well-known fact that coffee consumption is not very sensitive to the contraction of per capita income or to fairly moderate fluctuations in world coffee prices.

It seems clear that as long as price fluctuations are not very large, they hardly affect demand, especially in purchaser countries where per capita income is high. Thus, in the formation of price structures, customs treatment is a merely marginal factor whose impact on levels of consumption, and therefore on the volume of imports, is very slight.

[69] Between 1948 and 1952 the coffee quantum was reduced by 9.6 per cent, and that of other products by 67 per cent. From the end of 1953 onward, as a result of exchange measures which assigned a better conversion rate to exchange accruing from exports, the quantum of these latter began to rise.

TABLE 43. BRAZIL: EXPORTS OF NEGOTIATED PRODUCTS

(Percentages)

Year	Cotton (A)	Cotton (B)	Linters (A)	Linters (B)	Rice (A)	Rice (B)	Coconut oil (A)	Coconut oil (B)	Coffee (A)	Coffee (B)
1937	18.5	25.0	0.7	27.4	0.0	32.2	0.8	99.7	42.4	79.4
1947	14.5	24.9	0.8	17.0	3.2	12.6	0.2	95.8	36.6	88.3
1948	15.6	37.1	0.3	12.2	3.4	35.6	0.7	83.3	41.6	86.4
1951	11.8	53.5	0.7	9.3	0.9	23.3	0.2	79.0	59.8	83.1
1952	2.4	35.8	0.4	14.2	1.8	0.7	—	—	73.7	82.7
1953	7.0	34.7	0.5	2.4	0.0	—	—	—	67.7	79.0

Year	Caffein (A)	Caffein (B)	Para Chestnut (A)	Para Chestnut (B)	Carnauba wax and curicuri (A)	Carnauba wax and curicuri (B)	Rubber (A)	Rubber (B)	Cacao (A)	Cacao (B)
1937	—	—	1.6	90.8	1.9	93.8	1.5	95.0	4.5	83.5
1947	0.1	35.9	0.7	98.2	2.1	97.8	0.9	87.5	4.9	72.5
1948	0.1	68.4	0.4	98.1	1.5	93.7	0.2	82.3	4.9	82.4
1951	0.0	45.8	0.7	96.0	1.1	93.6	0.2	66.6	3.9	59.9
1952	0.0	100.0	0.5	94.6	1.0	86.4	0.3	30.4	2.9	61.7
1953	—	—	0.9	75.0	1.2	82.8	0.0	86.1	4.8	37.0

Year	Cacao paste (A)	Cacao paste (B)	Cacao butter (A)	Cacao butter (B)	Skins (A)	Skins (B)	Emetine (A)	Emetine (B)	Pine-apples (A)	Pine-apples (B)
1937	0.0	38.1	0.1	54.5	1.1	11.9	—	—	0.1	1.1
1947	0.2	—	0.4	68.1	1.1	18.5	0.0	6.7	0.0	—
1948	0.0	—	0.6	56.6	0.8	17.8	0.0	7.7	0.0	—
1951	0.1	—	0.8	70.6	0.3	18.2	0.0	62.7	0.0	—
1952	0.0	—	0.3	60.4	0.1	56.4	0.0	15.3	0.0	—
1953	0.3	—	1.0	54.4	0.2	30.8	0.0	64.5	0.1	—

Year	Oranges (A)	Oranges (B)	Bananas (A)	Bananas (B)	Tobacco (A)	Tobacco (B)	Lumber (A)	Lumber (B)	Plywood (A)	Plywood (B)
1937	2.5	58.9	0.5	0.8	1.7	—	1.3	8.2	—	—
1947	0.5	7.6	0.4	8.0	1.7	0.0	4.0	11.0	0.7	29.1
1948	0.8	36.4	0.5	2.6	1.2	0.0	4.3	8.5	0.2	26.1
1951	0.4	21.4	0.7	0.1	1.0	0.0	2.8	7.3	0.1	46.1
1952	0.3	41.2	1.0	—	1.3	0.0	2.3	6.5	0.0	58.0
1953	0.2	53.0	0.8	0.3	1.3	0.0	3.2	5.6	0.0	68.4

Year	Vegetable oils (A)	Vegetable oils (B)	Quartz (A)	Quartz (B)	Theobromine (A)	Theobromine (B)	Zirconium (A)	Zirconium (B)	Castor oil beans (A)	Castor oil beans (B)
1937	0.9	92.6	0.1	24.5	—	—	0.0	19.0	1.8	61.3
1947	0.1	60.8	0.2	90.1	0.2	47.2	0.0	96.8	2.9	74.3
1948	0.7	93.5	0.4	98.0	0.1	3.6	0.0	67.7	2.0	81.4
1951	1.6	87.0	0.2	69.4	0.0	—	0.0	59.2	0.7	76.6
1952	0.9	89.3	0.2	81.6	0.0	100.0	0.0	75.1	0.5	91.8
1953	0.9	96.2	0.2	88.4	—	—	0.0	100.0	0.2	87.2

Year	Manganese (A)	Manganese (B)	Maté (A)	Maté (B)	Menthol (A)	Menthol (B)	Beryllium (A)	Beryllium (B)	Mica (A)	Mica (B)
1937	0.9	57.7	1.3	52.7	—	—	—	—	0.1	31.0
1947	0.1	100.0	1.7	58.6	0.4	89.1	0.0	91.6	0.2	59.6
1948	0.1	95.7	0.6	57.0	0.2	77.2	0.0	95.1	0.1	69.9
1951	0.1	86.4	0.5	76.3	0.3	92.8	0.0	100.0	0.1	86.2
1952	0.3	100.0	0.6	78.5	0.2	84.4	0.0	100.0	0.0	92.9
1953	0.3	98.0	0.5	85.1	0.1	90.3	0.1	100.0	0.0	95.3

Year	Manioc, Tapioca, etc. (A)	Manioc, Tapioca, etc. (B)
1937	0.0	4.4
1948	0.5	9.1
1951	0.1	2.9
1952	0.2	1.8
1953	0.0	49.0

SOURCE: Economic Commission for Latin America.
(*A*) = Of total exports represented by the value exported.
(*B*) = Of total value of exports of each product, represented by the value of exports purchased by countries which concluded tariff agreements with Brazil.

TABLE 44. BRAZIL: NEGOTIATED DUTIES ON COFFEE AND RELATIVE IMPORTANCE OF EXPORTS TO 16 COUNTRIES

Importing country	*Customs duty in national currency*	*U.S. dollar equivalent per 100 kg*	*Percentage share of each country in total exported from Brazil, 1947-53*	
			Minimum	*Maximum*
Australia	3d. per lb	0.42	0.01	0.2
Austria[a]	200 gold crowns per 100 kg		0.00	0.2
Belgium[a]	300 francs per 100 kg	6.00	1.5	8.7
Canada	2 cents per lb	4.53	1.7	2.2
Chile	0.25 gold pesos at 6d. per kg	5.16	0.3	0.7
Czechoslovakia	1,650 crowns per 100 kg	214.00	0.02	0.6
Finland	330 marks per kg	130.00	0.2	2.2
France	20-per-cent reduction on the tariff		0.1	6.4
Greece[a]	65 drachmas per 100 kg	0.00415	0.1	0.4
Italy	50 per cent + 125 lire per kg	20.0	1.3	2.9
Netherlands	18.16 guilders per 100 kg	4.78	—	—
New Zealand	1d. rebate on preferential tariff		0.0	0.0
Norway	0.30 kroner and 100 per cent	0.003	0.2	1.7
Sweden	43 + 35 kronor per 100 kg	0.20	1.9	5.5
Union of South Africa	1d. per lb	0.53	0.3	0.8
United States	Duty-free		58.8	72.3

SOURCE: Economic Commission for Latin America.

[a] This concession was valid up to and including 1952. As from 1953 the duties were no longer negotiated and were paid in accordance with the ordinary tariff: in Belgium, 600 francs per 100 kg; in the Netherlands, 36.32 guilders per 100 kg.

Of the 19 countries with which Brazil negotiated directly within the GATT, 16 conceded customs concessions to coffee (see table 44). The relative importance of sales of Brazilian coffee to countries where it receives treatment determined by agreement, after attaining more than 86 per cent of total coffee exports in 1948, declined in the following years, until it represented a little less than 80 per cent in 1953 (see again table 43). Brazil's aggregate foreign trade depends increasingly on coffee. In 1937 it accounted for 42.4 per cent of all Brazilian exports; in recent years, the improvement in the coffee market, together with a weakening in the competitive power of most of the country's other exports, has strengthened coffee's relative position, which in 1952 and 1953 rose almost to 74 and 68 per cent of total exports, respectively.

(ii) *Cotton*

This commodity is Brazil's second export product. After representing more than 18 per cent of total exports in 1937/1938, its share decreased in the post-war period, until it amounted to barely 2.4 per cent in 1952, and 7 per cent in 1953. If 1948 is taken as the base year, its quantum in 1952 was only 10.9 as against the 103.0 which it had reached in 1938.[70] The most notable fall took place between 1949 and 1952, in which latter year the lowest figure on record was registered. A decline in world cotton consumption, alongside larger crops in producer countries, and the unfavourable competitive position in which Brazilian cotton was placed by its price, accounted for the drop in sales.[71]

[70] See *Projections of the Development of the Brazilian Economy*, op. cit., chapter IV.

[71] In August 1952 the price of United States Upland, grade 5, was 904.50 dollars per ton f.o.b. and that of ordinary Brazilian cotton 1,186.70 dollars f.o.b., a price which represented a 31.2-per-cent surcharge over world quotations.

In spite of the reduced importance of cotton exports, Brazilian production remained stationary, since an expansion of domestic consumption offset the effect of the falling-off in external demand. It should be noted that the over-all decline in the quantum of Brazil's total cotton exports is due above all to the decrease in sales, with the special feature that cotton is the principal commodity that Brazil can offer as a counterpart to its purchases from some of its European suppliers. Average annual exports of Brazilian cotton, which had reached 224,000 tons in the period 1939-1948, amounted to only 116,000 during 1949-1953. The curtailment of British and Japanese purchases was among the chief causes of so sharp a drop.

Under the auspices of the GATT, Brazil negotiated all duties on raw cotton with Chile, France, Norway and the United Kingdom. According to the agreement concluded with the first of these countries, cotton was subjected to a customs duty of 2 dollar cents per kilogramme; the treaties with the other three countries stipulated exemption from duties.

Total exports of Brazilian cotton to markets where customs treatment was regulated by agreement reached their peak in 1950, when they slightly exceeded 56 per cent of aggregate cotton sales. Subsequently these relative values declined: by 1953 they had fallen to less than 35 per cent, a level rather below that of 1948.

(iii) *Cacao*

It is well known that favourable conditions prevail in the world market for this commodity, per capita consumption of which — on account of its being in rather short supply — has been declining since 1947 in the principal purchaser countries taken as a whole.[72] In these

[72] See *Projections of the Development of the Brazilian Economy*, op. cit., chapter IV.

circumstances, Brazil's contribution to world supplies seems to depend chiefly on its ability to increase its exportable balances. Thus customs policy is likely to affect a markedly inelastic demand such as that for cacao. Within the GATT, Brazil obtained customs concessions for cacao in Australia, Chile, Czechoslovakia, Italy, New Zealand, Norway, South Africa and the United States. Curiously enough, while these eight countries bought 37 per cent of Brazil's surplus cacao in 1953, one of them alone — the United States — had purchased 73 per cent of its total exports in 1948 (see again table 43).

(iv) *Other products*

Among the 13 items that recorded relatively larger sales to countries with which Brazil signed agreements under the GATT, special mention should be made of the following minerals: quartz, zirconium, beryl, mica and manganese. The improvement in the position of the last-named in the United States — its only purchaser — was directly due to its use as a basic material in certain United States industries; this country made heavy investments in the development of manganese deposits in the region of Amapá, in Northern Brazil. From the point of view of productive capacity, it would also be feasible to maintain a fairly considerable flow of exports of certain commodities derived from natural resources, i.e., caffein, theobromine, and emetine. But, despite the customs treatment which the negotiations ensured, little progress has been made in these export lines, apparently because of competition from low-cost synthetic products of a similar kind. An expansion of exports to the contractual area was registered for some animal products, such as snake-, alligator- and lizard-skins, etc.; the rise in sales of such articles, however, seems to have been attributable rather to their use as a raw material for certain luxury goods in the United States — the principal purchaser — than to customs treatment. Among manufactured goods, pine plywood improved its position, although the duties agreed upon during the customs negotiations within the GATT for imports effected by the United States and Great Britain were somewhat high, namely 25 and 17.5 per cent[73] *ad valorem*, while in the United States other varieties, such as birch, red pine, and Spanish cedar, enjoyed lower rates. The first of these paid 15 per cent and the other two 20 per cent.

With respect to the 14 articles whose relative position within the contractual area deteriorated (see again table 43), certain observations may prove useful. The erratic movement of the figures for rice shows that this product cannot, strictly speaking, be called an export item, as its sales abroad correspond rather to the liquidations of such surpluses as may happen to remain after domestic requirements have been satisfied. Bananas, in spite of customs concessions obtained in the United Kingdom, France, the Benelux countries and Austria, failed to react to this stimulus; so far as the first two are concerned, the reason is thought in Brazil to be the special preferences accorded to production from these countries' colonial territories. Neither did lumber show any improvement, owing — according to Brazilian opinion — to the restrictive effect of the import rate applied to certain types of lumber in the United States, where this article was free of customs duties proper. Exports of Para chestnut, which, as a typically Brazilian product, became the subject of agreements with nine countries, also tended to decline. The same was true of exports of oil obtained from the Babasú coconut, which in 1952 and 1953 ceased to appear in export statistics. The three products of which there was no continuous flow of exports to the countries granting them customs concessions, were cacao paste, pineapples, and tobacco, the figures for which registered a few sporadic sales of the last two items to the contractual area in 1950.

(b) *Imports and tariff levels*

Brazil negotiated import duties within the GATT on the basis of its 1934 tariff plus a 40-per-cent increment. The present tariff, which is mainly designed to increase revenue, is the result of modifications and amendments to the structure of the old customs tariff of 1900, which underwent a radical change in 1934 with the abolition of the gold clause in the system of collecting duties. At the time when the new tariff was drawn up, its objectives could not have been other than they were. The natural predominance of export activities and the lack of manufacturing enterprises on a sufficient scale to justify a protectionist movement provide the historical explanation for the mainly fiscal character of the Brazilian tariff. Nevertheless, some of its provisions sprang from the desire to support certain industries. That of cotton, besides enjoying the benefit of protectionist duties, was accorded the invisible safeguards embodied in the first part of the tariff regulations (principles of classification). The manufacture of certain kinds of paper also obtained tariff protection. But the examples given are merely exceptions.

The tariff in force — mainly specific and fixed in national currency — classifies duties as general, minimum, and negotiated. The first, which are the most severe, are applied to those countries with which Brazil has no commercial agreements; the second — not so high as the first — to countries guaranteeing minimum customs treatment to Brazilian products, and the third — equal to or lower than the second — are assigned to countries benefiting by the most-favoured-nation clause, or by special reductions of a reciprocal nature.

The minimum treatment was accorded during 1935 to 99.9 per cent of Brazil's total imports; in 1936, the year in which the trade agreement with the United States was brought into force, it was applied to only 86.2 per cent, while the negotiated tariff covered 13.7 per cent, and the general 0.07 per cent.

By 1947, the proportion corresponding to the negotiated treatment had increased to 33.4 per cent, and that of the minimum had diminished to 66.4 per cent. Such a decided change was due to modifications in import structure, to the signature of bilateral agreements with Argentina, Chile and Uruguay, and to the extension of customs benefits granted through these instruments to countries

[73] In Great Britain, the import duty on pine plywood was later reduced to 10 per cent *ad valorem* (see *Consolidated Schedules of Tariff Concessions*, GATT/CP/133, vol. 3).

Table 45.

Brazil: *Ad valorem* equivalents and relative importance of general, minimum and negotiated tariffs

(Percentages)

Year	General		Minimum		Negotiated	
	Ad valorem duties	*Proportion of total imports*	Ad valorem duties [a]	*Proportion of total imports*	Ad valorem duties	*Proportion of total imports*
1935	41.6	0.04	29.4	99.9	—	—
1936	14.8	0.07	23.1	86.2	20.9	13.7
1947	19.7	0.2	13.2	66.4	8.2	33.4
1949	13.8	1.0	17.9	42.6	6.7	56.3
1950	17.0	1.3	20.7	40.5	7.4	58.2
1951	17.2	1.1	16.8	40.1	6.8	58.8

Source: Ministry of Finance, Brazil.

[a] Duty on petroleum deducted.

with which Brazil had subscribed most-favoured-nation clauses.

The year 1948 witnessed the entry into force of the General Agreement. Thenceforward, in consequence of the Geneva negotiations, the predominance of the negotiated over the minimum tariff became increasingly marked. In 1949 the former registered 56.3 per cent and the latter only 42.6. Alongside this reversal of their order of importance, the relative significance of customs revenue for the national treasury rapidly declined: in 1935 customs duties had supplied nearly 38 per cent of the State's resources, and in 1953 they contributed less than 4 per cent. The causes of so sharp a decrease are to be found in the specific nature of Brazil's tariff, and in the departure from the gold standard. With regard to the latter, it should be recalled that prior to 1934 customs duties were calculated partly in terms of gold. This system counteracted, up to a point, the decline in the percentage level of the duty which was brought about by the rise in the price of imported goods, and by the devaluation of the currency. As in practice the gold standard fulfilled a function similar to that of the *ad valorem* tariff, its abolition in 1934 was bound to reduce the real importance of the duty.

The average incidence of Brazilian customs duties is low. Owing to the very rigidity of the tariff within the specific system, increases in the prices of imported goods produce effects in inverse proportion to the percentage equivalent of the duties. The combination of this structural aspect with international commitments to grant rebates rendered a downward trend in the incidence of the duties inevitable.[74]

The proportion of Brazilian tax revenue represented by the tariff has dropped considerably since 1935. From 33.2 per cent in that year, it had declined to 14.4 per cent by 1951. Furthermore, if the so-called "unitary" or specific tax paid by petroleum products is eliminated — it represents 56 per cent of the value of imports, and yields 60 per cent of total customs receipts — the incidence resulting from the adjusted values amounted to 25.3 per cent in 1935, and 8.1 per cent in 1951 (see table 46). Computed on either of the two bases indicated, these adjusted values denote an index of contraction which reveals both the progressive weakening of the Brazilian tariff as a fiscal measure, and its inefficacy for protectionist purposes.

Classification of Brazil's imports under the five scales of rates indicated in table 47 showed that the majority of products imported under the contractual tariff régime pay duties whose incidence fluctuates between 5 and 10 per cent. It is interesting to note that according to the tabulation made for purposes of the present analysis, there is no relation at all between the economic values of articles subject to one and the same scale of negotiated tariffs. Radio transmitters and receivers and ice-boxes, for instance, appear in the group on which duties range from 1 to 5 per cent, while chemical and metallurgical raw materials figure in some of the most highly taxed categories.

Brazil's right to raise its customs tariffs by 40 per cent, which was recognized at the Geneva Session in 1947, purely on the basis of the devaluation of the cruzeiro, led in practice to an adjustment below that limit. When Act No. 313 was promulgated in Brazil in 1948 with that object, the increase in the duty was confined to 10 per cent on some groups of commodities and to 20 per cent on others, while petroleum products were excluded altogether from the adjustment. Thus, only some

Table 46. Brazil: Average incidence of customs tariffs on real values of goods imported

Year	*Total imports (millions of cruzeiros*	*Average duty (percentages)*	
		Of total imports	*Excluding petroleum products*
1935	3,085	33.2	25.3
1936	4,218	25.6	18.4
1947	21,129	14.0	9.0
1949	20,035	16.1	8.4
1950	19,672	17.7	8.7
1951	34,618	14.4	8.1

Source: Ministry of Finance, Brazil.

[74] The statistical series show that in 1935, the average duty per ton was 348 cruzeiros and in 1951, 551 cruzeiros. This is due to changes in the composition of imports.

TABLE 47.

BRAZIL: SCALE OF INCIDENCE OF CUSTOMS TARIFF ON VALUE OF IMPORTS, 1951

Ad valorem *equivalent*	Tariffs					
	Negotiated		Minimum (excluding petroleum products)		Total	
	Import values [a]	Percentage	Import values [a]	Percentage	Import values [a]	Percentage
Under 1 per cent . . .	194	0.95	—	—	194	0.63
From 1 to 5 per cent.	6,535	32.13	64	0.63	6,599	21.31
From 5 to 10 per cent	11,638	57.21	3,326	32.46	14,964	48.31
From 10 to 15 per cent	763	3.75	868	8.47	1,631	5.26
Over 15 per cent . . .	1,211	5.96	5,987	58.44	7,198	24.49

SOURCE: Ministry of Finance, Brazil.
[a] Values in millions of cruzeiros.

imported articles were actually subjected to the 40-per-cent surcharge.[75]

In spite of the rise in tariffs in 1948, the increase in their incidence was slight. (See again table 46). Higher world prices, and, to a secondary degree, the additional reductions which Brazil negotiated within the GATT, largely neutralized the effects of the adjustment, which was also restricted under the terms of Act No. 313 itself. The operation of these factors becomes evident when it is realized that the average incidence in 1947 was 14 per cent and in 1949, 16 per cent. If petroleum products are included, the trend becomes definitely negative, declining from 11.4 per cent in 1947 to 10.9 per cent in 1949.

The results of the increase in the minimum tariff emphasize the validity of the foregoing remarks. In 1944 and 1949, its incidence, if the "unitary tax" on petroleum products is deducted, was 13.2 and 17.9 per cent respectively, while that of the negotiated tariff was 8.2 and 6.7 per cent. The course followed by the relationship between the two tariffs indicates opposite trends. Moreover, the evolution recorded for the contractual area, which is the more important, is consistent with the general average trend of the tariff. In brief, the influence of Act No. 313, limited by the specific nature of the duties, and by new tariff commitments, did not materially intensify the average incidence of the Brazilian tariff. Consequently, the weakness of this latter both as a fiscal and as a protectionist measure persisted.

4. TAX ON CONSUMPTION

Closely related to the Brazilian customs tariff is the tax on consumption. Brazil maintains a discriminatory tax on consumption which applies differential rates to domestically-produced and imported goods, the percentage being lower for the former. It originated from both fiscal and protectionist motives. *Ad valorem* taxes of this type normally vary from 2 to 12 per cent of the c.i.f. value plus customs duties and clearance rates in the case of imported goods, and of the factory selling price in that of domestically-produced commodities. Most frequently they work out at 4 per cent on Brazilian and 6 per cent on foreign products. Other pairs of rates often applied, in accordance with the categories established, are 4 and 8, 2 and 6, 6 and 10, and 3 and 5 per cent. The total yield of this tax accrues mainly from its application to Brazilian products, and amounted to 18.3 per cent of Brazil's aggregate federal, state and municipal revenue from all sources in 1951, a year in which customs duties proper, plus other similar taxes, contributed only 6.2 per cent of such receipts.[76] As the tax bears upon Brazilian products whose costs reflect the inflationary process, while it is applied to similar imported commodities on the basis of their price in foreign currency plus duty and clearance charges, the whole converted at the official rate of exchange, until 1954 the burden of the tax in absolute values, was heavier for the domestic product, and adversely affected its ability to compete with the imported substitute. Assuming the tax rates to be 4 and 6 per cent respectively, all that is required for the difference to be levelled out is that the price of the imported article be less than 33.4 per cent of that of the domestically-produced counterpart; if the tax rates are 4 and 8 per cent, the same thing happens when the price of the foreign commodity is less than half that of the domestic article. This anomaly was corrected in 1954 by means of regulations which assessed the taxable value of foreign goods on the basis of the corresponding auction exchange rate.

The readjustments of some of the consumption tax rates introduced in 1948 under the terms of Act No. 494, induced certain exporter countries to submit a protest to the GATT on the grounds that in practice the widening of the discriminatory margin of the tax reduced the tariff concessions granted by Brazil to the items concerned. In this connexion, during the Ninth Session of the Contracting Parties to the GATT (Geneva, October 1954–March 1955), the Brazilian delegation announced [77] that their

[75] The differential scale set up by Act No. 313 was as follows:

(*a*) Surcharge of 10 per cent: dyed leather, grained or otherwise: woollen textiles, except tropical suitings; fresh fruits from temperate climates; malt, flax, jute, hemp and ramie, in fibre, yarn or woven; asbestos; cement; sanitary fittings; lead piping.

(*b*) Surcharge of 20 per cent: wool, raw and washed; ink; galvanized barbed wire; various raw materials and preparations which according to the existing tariff are free of duty (except fertilizers); goods covered by article 987; any unclassified raw material; soaps, saponaceous products, etc.; dyes, varnishes, surgical instruments and apparatus; aeroplanes, ambulances, lorries, omnibuses and other vehicles whose unit weight does not exceed 2,000 kilos; iron or steel boats for port use; miscellaneous machines, apparatus, tools and implements.

(*c*) Surcharge of 40 per cent: all other commodities, except agricultural implements, and leaf tobacco.

[76] Conselho Nacional de Economia, *Exposição geral da situação econômica do Brasil, 1953*, p. 104.

[77] At the meeting held on 4 November, 1954.

TABLE 48. BRAZIL: RELATIVE IMPORTANCE OF NEGOTIATED IMPORT TARIFF AND *ad valorem* EQUIVALENTS, BY PRODUCTS

Group of import products	*Year*	*Percentages of total value of*			Ad valorem equivalents	
		Each product imported	*Negotiated imports*	*Imports excluding petroleum products*	*Minimum*	*Negotiated*
1 Livestock	1935	—	—	—	44.0	—
	1936	—	—	—	18.0	—
	1947	—	—	—	6.8	—
	1948	16.8	0.1	0.0	3.6	9.6
	1951	58.3	0.3	0.2	6.4	6.4
2 Hair and furs	1935	—	—	—	18.4	—
	1936	—	—	—	14.1	—
	1947	—	—	—	4.8	—
	1948	42.8	0.3	0.1	—	0.8
	1951	97.9	0.2	0.1	12.6	0.1/0.3
3 Hides and skins	1935	—	—	—	22.6	—
	1936	44.0	2.0	0.3	19.0	13.6
	1947	33.4	0.3	0.1	8.1	5.7
	1948	34.4	0.3	0.1	5.5	4.6
	1951	26.1	0.2	0.1	7.8	0.1
4 Meat and fish	1935	—	—	—	32.9	—
	1936	7.6	0.9	0.1	25.2	52.3
	1947	21.7	0.8	0.3	8.4	15.5
	1948	48.1	1.6	0.7	8.4	4.9
	1951	92.6	2.6	1.7	19.6	4.8
5 Mother-of-pearl, ivory, tortoise-shell, etc.	1935	—	—	—	63.4	—
	1936	—	—	—	44.8	—
	1947	—	—	—	14.0	—
	1948	3.2	0.0	0.0	16.4	11.5
	1951	2.3	0.0	0.0	10.3	21.2
6 Wool	1935	—	—	—	28.2	—
	1936	—	—	—	22.6	—
	1947	—	—	—	12.9	—
	1948	3.0	0.1	0.1	11.8	5.5
	1951	0.0	0.0	0.0	12.3	18.4
7 Silk	1935	—	—	—	46.2	—
	1936	—	—	—	52.2	—
	1947	—	—	—	22.8	—
	1948	0.2	0.0	0.0	29.2	38.9
	1951	1.3	0.0	0.0	30.5	35.3
8 Fruit, cereals, and vegetables	1935	—	—	—	27.7	—
	1936	0.7	0.7	0.1	15.4	31.3
	1947	94.9	36.7	13.2	10.7	3.9
	1948	93.3	24.4	10.8	8.7	5.1
	1951	90.5	12.4	8.1	9.0	0.5/12.7

Groups of import products	*Year*	*Percentages of total value of*			Ad valorem equivalents	
		Each product imported	*Negotiated imports*	*Imports excluding petroleum products*	*Minimum*	*Negotiated*
19 Aluminium, tin, zinc, etc.	1935	—	—	—	18.4	—
	1936	—	—	—	15.0	—
	1947	—	—	—	11.9	—
	1948	29.2	0.7	0.3	16.2	3.5
	1951	63.6	2.4	1.6	22.8	2.9
20 Copper, nickel and their alloys	1935	—	—	—	32.5	—
	1936	—	—	—	26.7	25.9
	1947	—	—	—	10.0	—
	1948	20.7	0.7	0.3	9.8	4.5
	1951	59.1	1.5	1.0	12.7	3.0
21 Iron, steel and their alloys	1935	—	—	—	42.3	—
	1936	0.1	0.1	0.0	32.9	—
	1947	0.6	0.1	0.1	14.9	13.7
	1948	4.3	0.7	0.3	14.5	12.6
	1951	28.9	3.0	1.9	14.6	12.0
22 Gold, platinum, silver	1935	—	—	—	36.7	—
	1936	—	—	—	14.9	—
	1947	—	—	—	2.6	—
	1948	0.9	0.0	0.0	2.4	11.9
	1951	—	0.0	0.0	2.3	28.3
23 Metalloids and miscellaneous metals	1935	—	—	—	16.4	—
	1936	—	—	—	14.0	—
	1947	0.7	0.0	0.0	7.0	30.0
	1948	71.6	0.2	0.1	16.6	4.3
	1951	83.5	0.4	0.3	20.1	1.5
24 Unclassified raw materials for industry	1935	—	—	—	22.3	—
	1936	4.0	1.5	0.2	16.8	24.2
	1947	17.8	2.3	0.8	11.6	3.6
	1948	39.4	3.8	1.7	13.4	7.1
	1951	83.6	9.2	6.0	28.1	4.2
25 Organic and inorganic chemical products	1935	—	—	—	37.6	—
	1936	—	—	—	37.0	—
	1947	1.4	0.1	0.0	17.0	8.0
	1948	5.7	0.4	0.2	15.8	18.1
	1951	13.2	0.7	0.5	19.2	18.0
26 Drugs, medicines, pharmaceutical preparations	1935	—	—	—	19.4	—
	1936	—	—	—	16.3	—
	1947	—	—	—	16.6	—
	1948	22.5	0.9	0.4	18.5	5.9
	1951	40.4	1.4	0.9	24.6	15.2

	1951	89.0	1.3	0.9	23.2	5.8		1951	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
10 Vegetable juices and alcoholic beverages	1935	—	—	—	44.8	—	28 Cutlery	1935	—	—	—	39.0	—
	1936	8.8	1.3	0.2	41.1	13.6		1936	—	—	—	37.7	—
	1947	46.5	3.3	1.2	18.6	11.2		1947	—	—	—	13.0	—
	1948	40.5	2.0	0.9	17.9	16.0		1948	2.8	0.0	0.0	14.9	12.8
	1951	61.4	2.0	1.3	31.2	17.8		1951	40.2	0.1	0.0	13.6	18.3
11 Lumber	1935	—	—	—	25.4	—	29 Clocks and watches	1935	—	—	—	49.7	—
	1936	—	—	—	34.0	—		1936	—	—	—	30.5	—
	1947	—	—	—	16.9	—		1947	—	—	—	6.9	—
	1948	9.4	0.1	0.0	14.8	2.9		1948	20.5	0.5	0.2	7.3	7.5
	1951	24.5	0.1	0.1	18.3	3.5		1951	95.4	0.6	0.4	12.4	12.8
12 Bamboo	1935	—	—	—	35.1	—	30 Instruments and apparatus for physics and chemistry, and optical instruments	1935	—	—	—	24.1	—
	1936	—	—	—	31.4	—		1936	52.1	17.5	2.6	19.3	19.7
	1947	26.0	0.0	0.0	10.4	2.8		1947	53.4	7.8	2.8	9.2	12.0
	1948	27.0	0.0	0.0	8.7	7.5		1948	58.2	6.0	2.6	9.6	10.2
	1951	91.0	0.0	0.0	29.3	11.8		1951	85.2	6.0	3.9	14.8	9.8
13 Cairo, esparto grass, abaca, sisal, etc.	1935	—	—	—	39.3	—	31 Surgical instruments and appliances	1935	—	—	—	15.1	—
	1936	—	—	—	32.9	—		1936	1.9	0.1	0.0	10.0	—
	1947	67.8	0.1	0.0	16.6	6.8		1947	0.5	0.0	0.0	7.4	23.1
	1948	45.6	0.1	0.0	16.1	7.2		1948	22.1	0.2	0.1	7.2	5.9
	1951	29.3	0.0	0.0	9.3	2.7		1951	80.9	0.5	0.3	12.9	6.2
14 Cotton	1935	—	—	—	43.7	—	32 Musical instruments	1935	—	—	—	37.6	—
	1936	1.2	0.0	0.0	37.6	37.4		1936	—	—	—	29.1	22.2
	1947	2.0	0.0	0.0	12.8	15.5		1947	—	—	—	21.4	—
	1948	4.2	0.1	0.0	13.1	14.3		1948	0.1	0.0	0.0	24.3	12.9
	1951	11.4	0.0	0.0	15.1	16.0		1951	2.4	0.0	0.0	22.6	24.4
15 Flax, jute, hemp, etc.	1935	—	—	—	27.7	—	33 Vehicles and accessories thereof	1935	—	—	—	33.0	—
	1936	—	—	—	23.7	—		1936	74.8	51.8	7.6	14.0	23.8
	1947	—	—	—	9.6	—		1947	77.9	34.6	12.4	5.1	10.0
	1948	—	0.0	0.0	8.3	60.0		1948	89.8	32.6	14.8	5.7	9.4
	1951	0.0	0.0	0.0	9.4	58.0		1951	90.8	25.6	16.8	9.4	9.5
16 Paper and its products	1935	—	—	—	27.7	—	34 Machinery, appliances, tools, etc.	1935	—	—	—	10.8	—
	1936	—	—	—	23.7	—		1936	19.5	17.9	2.6	10.1	8.5
	1947	6.7	0.4	0.1	9.6	—		1947	17.0	9.0	3.2	4.5	4.2
	1948	28.0	1.3	0.6	8.3	60.0		1948	35.8	16.0	7.0	4.4	3.3
	1951	76.2	2.3	1.5	9.4	58.0		1951	71.5	24.7	16.2	5.3	3.1
17 Stones, earth, minerals, etc.	1935	—	—	—	64.4	—	35 Miscellaneous commodities	1935	—	—	—	45.9	—
	1936	2.4	2.1	0.3	54.8	62.0		1936	14.3	0.1	0.2	39.7	48.8
	1947	8.7	3.9	1.1	43.4	15.5		1947	7.0	0.3	0.1	21.9	15.7
	1948	14.0	4.9	2.2	47.9	11.8		1948	6.8	0.1	0.1	30.7	15.1
	1951	7.3	1.8	1.2	44.7	22.7/23.8		1951	0.2	0.0	0.0	38.1	5.5
18 China and glass	1935	—	—	—	50.5	—	36 Others	1935	—	—	—	19.6	—
	1936	—	—	—	45.8	—		1936	7.0	2.7	0.4	10.5	5.8
	1947	—	—	—	28.7	—		1947	7.7	0.0	0.0	259.2	255.0
	1948	9.2	0.2	0.1	22.7	19.8		1948	15.2	0.0	0.0	230.5	16.2
	1951	46.1	0.3	0.2	41.1	25.3		1951	3.8	0.0	0.0	162.7	789.4

Government had decided to deal with this matter conjointly with the question of the customs tariffs, and that a bill had been tabled providing for the suppression of the discrimination in the internal rates.

5. Industrial protection

During 1947, more than 1,100 items of Brazil's customs tariffs were negotiated in Geneva, in agreements concluded with Australia, the Benelux countries, Canada, Chile, China, Czechoslovakia, Cuba, France, India, New Zealand, Norway, the Union of South Africa, the United Kingdom and the United States.[78] At Annecy, Brazil withdrew some products which had been negotiated at Geneva, granting compensatory concessions to the United States and to the United Kingdom,[79] and accorded certain customs benefits to Finland, Greece, Italy, Sweden and Uruguay, countries which, from that time onward, became members of the GATT.[80] At Torquay, Brazil made direct concessions only to Austria, and negotiated with the United States the replacement of 14 articles previously included in agreements, among them certain items of which Brazil was anxious to protect domestic production (for example, dried milk products, pills and injections).

The extent of the tariff commitments undertaken in favour of goods from abroad gives some idea of the degree of contractual interdependence of the customs tariff (see again table 45, and, from another point of view, table 48, showing the groups of articles most strongly affected by Brazil's tariff agreements, and the extent of the area involved). A substantial proportion of the goods negotiated comprises imports of obvious interest to Brazil's economy. At the same time, it may be noted that among these commodities there are several of which the domestic production would appear to figure in the plans for expanding the country's industry. Consequently, of more importance than the immediate effects of the concessions granted are the restrictions they may impose on any subsequent readjustments of the tariff in the interests of economic development, when the goods in question are manufactured within the country and need internal protection. As for those already produced in Brazil, the survey revealed that the system of quantitative restrictions on imports afforded certain domestic activities protection from the growing foreign competition consequent upon the extension of the contractual area. Thus imports of a number of articles on which duties had been negotiated with third countries and which were produced in Brazil were either prohibited, or restricted by means of physical quotas applied by the Brazilian authority controlling foreign exchange. Although the list of these goods is lengthy, it is worth including, since it indicates the magnitude of the problem of reconciling the customs régime with the protection of Brazil's own production.

Fish liver oil, except cod liver oil	Carafes and glass jars
Amyl and ethyl acetate	Gauze for bandages
Cellulose (acetate)	Wheat and maize flour
Boric acid	Iceboxes
Copper ornaments	Tools
Feather ornaments	Insecticides
Porcelain and glass insulators	Soaps
Uncoated steel wire	Milk, other than in powdered form
White lead of titanium	Aloes
Cardamom, capers	Saw mills
Carpets and tapestries	Simple cameras
Ammonia	Water meters
Loud-speakers	Metal furniture
Calcium and lead arsenate	Lampblack
White arsenic	Chinaware for domestic or ornamental use
Tiles	Crepe-, cigarette- and wall-paper
Trunks	Sandpaper
Bicycles	Perfumes
Motor horns	Emery stones
Hand winches	Prismatics
Tin pipes and tubing	Agricultural sprayers
Carbonate of soda	Liver paste
Brushes	Iron receptacles and buckets
Bristles	Millimetre rules
Tinned cereals and vegetables	Scales, up to 5,000 kgs
Chlorate of ethyl	Rope, manufactured
Fish glues	Sulphate of soda
Condiments	Sulphide of soda
Thread-counters	Tartar of potash
Alarm clocks	Scissors
Silk lace	Leaf tobacco
Inks	Pure zinc
Static transformers, up to 3,000 kWa and 44,000 volts	Steel wool
Tinned fruit	

6. Auction of foreign exchange

The effect of Brazilian regulations for the auction of foreign exchange in force since the end of 1953 has been to increase the cruzeiro prices of imported goods, thus affording similar domestic products a marked degree of protection, sufficient in practice to counterbalance the low duties, and at the same time accentuating the marginal nature of the tariff as a means of controlling imports.

Lack of sufficient data precludes an accurate appraisal of the real effect of the auction system on tariff concessions; however, there are elements which give an approximate idea of its significance. By grouping imports effected in 1951 under the contractual régime in the same five categories as were set up for the auctioning of foreign exchange, and taking into account the minimum surcharge imposed by this system on each group of commodities in 1954, the statistics contained in table 49 are arrived at.

The value of foreign goods in cruzeiros increases according to the category in which they are placed. Were the same price increase to be applied through the customs tariff, also divided into five groups, the resultant surcharge would be the same in corresponding *ad valorem* terms as that shown in the foregoing table. In any case, despite

[78] See *General Agreement on Tariffs and Trade*, Vol. 2, United Nations publication, New York, 1947, Sales No.: 1947.II.10, for details of the concessions made by Brazil to the countries cited.

[79] As the Brazilian Act No. 313 of 1948 raised the contractual rates on powdered milk, sheet cellulose, calendars and penicillin — articles negotiated with the United States — substitute benefits were accorded to that country at Annecy in favour of oatmeal, tetra-ethylate of lead, ambulance chassis, lorries, omnibuses, and rollers. As some of these goods enjoyed negotiated duties, the Annecy agreement merely increased the reductions already granted.

[80] The list of articles negotiated with these countries may be found in *Schedules of Tariff Concessions*, Geneva, 1949, and in the 1954 edition of the Brazilian Customs Tariff.

TABLE 49. BRAZIL: MINIMUM SURCHARGE ON PRICE OF FOREIGN EXCHANGE RESULTING FROM THE AUCTION SYSTEM

Category of product	Classification criteria	Importance of each category as a percentage of 1951 imports under negotiated tariff [a]	Surcharge on price of foreign exchange for imports [b] (as a percentage of official exchange rate)
1st	Special necessities	4.89	58
2nd	Agriculture, public health and essential foodstuffs	13.94	64
3rd	Raw materials	28.20	80
4th	Equipment and machinery	11.78	106
5th	Articles similar to domestic products	12.86	265
	Special	16.97	43 & 58

SOURCE: Brazilian Ministry of Finance.

[a] The tabulation which served as a basis for this column covers 89.13 per cent of imports effected in 1951 under the negotiated tariff.

[b] Estimate.

the relative nature of the conclusions reached, it seems to follow that the 1953 exchange régime greatly curtailed or completely counteracted the influence of the contractual tariff on the expansion of Brazil's imports of goods negotiated with third countries.

From another standpoint, it is noticeable that the classifications used by Brazil for the auctioning of foreign exchange patently afford protection to domestic products whose foreign rivals are placed in those import categories subject to the least favourable rate of exchange. This does not seem to apply to imports of industrial equipment, to which the preferential position implied by the fourth category was allotted.

3. Central America [81]

1. INTRODUCTION

Since the Central American Republics became independent nations, their respective trade policies have found expression in their unilateral customs tariffs, and the normal manifestation of contractual relationships constituted by trade agreements. They have also made widespread use of customs, harbour, transport and other internal measures which have an influence on international trade. These regulations — the character and scope of which are mainly determined by fiscal considerations — appear to have frequently hindered the expansion of foreign trade. Since their aim has been to increase revenue, the charges involved were usually converted into veritable taxes. Dictated in many cases by circumstantial pressure from the exchequer, they do not as a general rule form an organic system. On the contrary, they consist rather of a series of regulations the need for whose revision and regularization has more than once been stressed.

2. CUSTOMS TARIFFS AND OTHER TAXES ON FOREIGN TRADE

As regards customs tariffs, too, the fiscal element predominated even before the Central American Federation existed, a fact which played a part in the fixing of duties both on imports and exports. In those times any disturbing element affecting public finances had an impact on customs tariffs. Hitherto this tendency does not appear to have greatly changed, although it has been somewhat weakened, despite the support given to it by certain protectionist leanings. Several factors have militated against it, such as the long-term rise in world prices, which has the effect of reducing the incidence of customs duties, since tariffs have little flexibility owing to their predominantly specific character; the conclusion of bilateral agreements containing the most-favoured-nation clause and an attached schedule of consolidated official base values; accession — in some cases — to multilateral agreements like the GATT; and, finally, currency devaluations, which have usually stressed the loss of the original relationship between the value of the goods traded and the customs duty levied. Even so, the net outcome is that the relationship between customs revenue and total public income today retains the same characteristics as in former times. In Costa Rica it was 60.5 per cent in 1953 and 53.4 in 1954; in El Salvador, in 1937/38 and 1950, it was 62.0 and 59.5 per cent respectively, while in Honduras it amounted to 49.0 per cent in 1930-39 and to 44.9 in 1950-51.

The degree to which the budgets of the Central American countries depend on customs revenues has its repercussions on the general handling of economic matters, since the evolution of trade policy is limited by fiscal considerations. It is difficult to develop a programme of granting tariff concessions to the principal countries purchasing Central American exports, or of safeguarding and promoting the sale of surpluses to them, if the balancing of the budget is largely bound up with the collection of customs duties. (See tables 50 and 51).

It should not be concluded, however, that the level of tariffs has in every case solely reflected the interests of the exchequer. The Central American countries do not fail to observe the general Latin American rule of granting protection to a certain number of domestic products. The history of taxation in these countries reveals a good many instances of the circumstantial application of protectionist procedure with simultaneous fiscal intent. In recent years, moreover, protection has sometimes been introduced with the deliberate object of contributing to development. It bears a different stamp from the protec-

[81] For a more detailed exposition of the subject dealt with in this section, see *Commercial Policy and Free Trade in Central America* (E/CN.12/CCE/11, 20 October 1954).

TABLE 50. CENTRAL AMERICA: RELATION BETWEEN CUSTOMS REVENUE AND TOTAL INCOME

	Percentages
Costa Rica:	
1913 [a]	60.5
1919 [a]	40.5
1940	51.7
1947	50.0
1954 [b]	53.4
El Salvador:	
1937–38	62.0
1946–47	53.0
1950 [c]	59.5
Guatemala:	
1938–39	55.0
1948–49 [d]	42.7
1950–51 [d]	49.0
Honduras:	
1930–39	49.0
1941–42 [e]	44.0
1950–51	44.9
Nicaragua:	
1930–39	Between 50.0 and 70.0
1950–51 [f]	53.9

SOURCE:

Costa Rica: 1913 and 1919, T. Soley Guell, *Historia Económica y Hacendaria de Costa Rica*, Vol. II, pp. 124 and 155; 1940, U.S. Tariff Commission, *Commercial Policies and Trade Relations of Individual Latin American Countries, Costa Rica*; 1947 and 1954, ECLA estimates.

El Salvador: 1937-38, U.S. Tariff Commission, *op. cit.*, *El Salvador*, 1941; 1946-47, *Report by the Minister of Economy to the National Assembly*; 1947-52, *Statistical Yearbook*, United Nations.

Guatemala: 1938-39, U.S. Tariff Commission, *op. cit.*, *Guatemala*, 1941; 1948-51, ECLA estimates.

Honduras: 1930-39, U.S. Tariff Commission, *Economic Controls and Commercial Policy in Honduras*, 1947; 1941/42 and 1950/51, ECLA estimates based on official sources.

Nicaragua: 1930-39, U.S. Tariff Commission, *Economic Controls and Commercial Policy in Nicaragua*, 1947; 1950/51 *Memoria de Hacienda*, Managua.

[a] Percentages obtained in relation to total revenue from taxes on foreign trade, including import duties, the duty on bananas and (in 1919) all other export duties in existence. The wide variation between 1913 and 1919 is explained both by the persistent contraction of imports in this first post-war year and by the increase in the income from alcoholic liquors.

[b] Comprising import duties, export duties (including duties on coffee paid by the processing firms), releasing of foreign liquors from bond, consular fees and payments for special customs service. Excluding other taxes capable of being considered as impositions on foreign trade, in particular the road tax, which could not be distinguished owing to its incorporation in the product of direct taxes.

[c] Excluding the road tax, which in the statistics is incorporated in direct contributions.

[d] Including import, export and consular duties, and the petrol tax, known as the road tax. Excluding services rendered by customs (storage, etc.) and taxes known locally as *rentas consignadas* (consigned revenue): inclusion of these would slightly raise the percentage — by 0.5 and 0.4 per cent in 1948-49 and 1950-51 respectively.

[e] To the figure given in the source has been added £ 5,069,638, representing miscellaneous taxes on foreign trade shown in other sections of the Treasury Accounts.

[f] Including, in addition to duties classed as "customs revenue", consular fees collected by the National Bank or as "internal revenue", the two taxes on coffee exports and other foreign trade taxes collected by both institutions. Excluding the sum of 1,859,017 córdobas produced by "exchange surcharges", which in practice constitute a tax on foreign trade.

TABLE 51. COSTA RICA, EL SALVADOR AND GUATEMALA: RELATION BETWEEN REVENUE FROM IMPORT AND EXPORT DUTIES AND TOTAL TAX REVENUE

(Percentages)

	Import Duties (1)	*Export Duties (2)*	*Total (1+2)*
Costa Rica:			
1929–1933	50.0	..	..
1934–1938	45.0	..	..
1953 [a]	..	..	43.7
1954 [c]	47.6	5.3	52.9
El Salvador:			
1935–1936	52.5	7.2	59.7
1938–1939	53.0	8.0	61.0
1947	45.8	13.5	59.3
1950 [b c]	41.3	18.2	59.5
1952 [b c]	39.9	24.9	64.8
Guatemala:			
1928–1929 [d]	54.7	16.4	71.1
1928–1939 [d]	44.4	17.3	61.7
1948–1949 [d]	42.4	7.7	50.1
1950–1951 [e]	41.5	13.4	54.9

SOURCE:

Costa Rica: 1929-38, U.S. Tariff Commission, *Economic Controls and Commercial Policy in Costa Rica*, Washington, 1945; 1953, calculated on basis of data in the United Nations *Statistical Yearbook*; 1954, *idem*, but in relation to estimated revenue from the budget in operation.

El Salvador: 1935-36, 1938-39 and 1947, Henry G. Wallich and John H. Adler, *Economic Projections of Public Finances: an experimental study in El Salvador*, Mexico, Fondo de Cultura, 1949; 1950-51, calculated on basis of actual revenue in 1950 and estimated revenue in 1952, United Nations *Statistical Yearbook*.

Guatemala: 1928-29, 1928-39 and 1948-49, John H. Adler, Eugene R. Schlesinger and Ernest C. Olson, *Public Finances and the Economic Development of Guatemala*, Mexico, Fondo de Cultura Económica, 1952; 1950-51, calculated from statistics of effective revenue.

[a] Probably only established customs duties on imports and exports, excluding coffee import duties paid by the processing firms, and "road" tax. Prior to this year, especially between 1948 and 1951, exchange surcharges existed, which, while they lasted, and regardless of how they were levied, contributed towards increasing the ratio under consideration, in the sense that, although not a customs duty, they had an inevitable — and, as distinct from internal taxes, exclusive — incidence on imported articles

[b] See note (*b*) to table 50.

[c] Including coffee export tax. Excluding road tax.

[d] It was possible to calculate only the relation between total revenue of all kinds and the yield from import and export duties.

[e] Excluding the yield from the so-called *rentas consignadas* (consigned revenue), separated from the budget. Including as import duties: tariff duties — both normal and those resulting from various surcharges — consular stamp duties and the road tax. Duties on coffee and other products, and the additional surcharges on the former, were considered as export duties.

tion formerly practised, forming part as it now does of more or less organic plans designed to stimulate domestic production, and aimed not at bolstering up traditional lines, as was formerly usual, but rather at encouraging chiefly new branches capable of taking root in the national economy.

The opposite trend may also be noted, in the shape of circumstantial exemptions from import duties in favour of essential articles temporarily in short supply. Equally dependent upon circumstances in the past has been the tendency for free exchange facilities, usually partial, to be granted by one Central American country to one or more of the others, either by agreement or unilaterally.

In addition, tariffs have been, and still are, used in Central America as instruments of commercial policy, to some extent influencing the direction of trade flows. The tariff prevailing in El Salvador, for example, actually consists of four categories: the minimum, the maximum (equivalent to the minimum plus a 200 per cent surcharge, and applied to countries with which the trade balance is favourable), the preferential (special duties stipulated in agreements with other countries) and the Central American (unilateral treatment extended by El Salvador — for certain articles — to the other Central American Republics: it should be noted that the treatment deriving from this tariff does not allow third countries to accede to the most-favoured-nation clause). In Guatemala various surcharges are applied to import duties on products from nations with a trade balance which for a given length of time has been unfavourable to that country.[82] As a general rule, the differential customs treatments arising under this system are not applied to imports from Latin American countries.

3. Unilateral instruments of trade policy

(a) *Direct*

Quantitative restrictions on international trade were applied in sporadic and limited fashion in Central America during the 1914-18 war and the period immediately following, and as a result of the world crisis. The Second World War caused their reappearance in the form of import and export controls, mainly because of the scarcity of essential imports, and in the interests of continental defence. The outcome was the creation of a special department to study essential requirements of certain articles in short supply, generally obtained from the United States, and allocate them among local traders. As regards exports, the contribution to the war effort led to the introduction of controls on their ultimate destination. When peace returned, restrictions and controls were lifted or assumed a new guise, which explains why the direct unilateral instruments of Central American trade policy are so heterogenous. It should be noted that in Honduras such instruments were eliminated entirely. Costa Rica[83] and Nicaragua maintained those export and import controls which operate through the medium of intervention in exchange policy. In El Salvador a selective system governing the importing of certain foodstuffs (cereals) is at present in force, in connexion with domestic price control; and there is a further temporary arrangement, applying to exports, which is designed to ensure supplies for the home market at a moderate price. Finally, in Guatemala the war-time restrictions have developed into a more elaborate scheme of import and export control — although in limited form since 1952 — with the object of fostering domestic industry and agriculture and regulating prices. To this end a series of imports are subject to quotas and licences; certain exports (cattle hides) are restricted to a given percentage of production, while for others (e.g., maize) permits are required.

The common feature of Central American import controls is their limited nature; they apply to only a certain number of articles, and seldom is recourse had to fixed quotas. The general rule is the subjection of selected goods to the permit system, in consideration of the need to protect national activities and at the same time remedy supply deficiencies.

Selective measures of the kind mentioned above are not used in Central America as a means of discriminating against imports. As a general rule, the allocation of quotas has been effected with a view to the maintenance of imports, at their previous proportional levels, according to their country of origin.

(b) *Indirect*

There are at present two Central American countries which make use of indirect selective instruments. In Costa Rica there is an official rate of exchange for essential imports and another rate — semi-free — to cover other imports and the remaining demand for foreign currencies. The latter is handled by the Central Bank. At the same time there is a foreign exchange budget which enables the *Junta de Control de Cambios y Exportación* (Exchange and Exports Control Board) to stipulate that essential imports benefiting by the official rate may themselves be subject to differential treatment as regards the allocation of foreign exchange. The present situation has evolved from the exchange control system established in 1932 to counter the inflation existing at that time.

Export and import licensing remains the basis of the régime now in force in Nicaragua. Import permits are designed to stabilize the balance of payments and ensure selection of goods in accordance with their degree of essentiality. Up to and including April, 1955, the system also comprised a foreign exchange budget and a scale of multiple exchange rates, of which the most favourable were applied to essential commodities.[84]

In Honduras, since the promulgation of the currency legislation of 1950 — which coincided with a reform of the banking system — exchange control has virtually ceased to exist so far as its effects on foreign trade are concerned. The only remnant is the option of the Central Bank to

[82] In 1955 a 100-per-cent surcharge was applied to Guatemalan imports from ten foreign countries, because in 1954 these had exported to Guatemala over 75 per cent of what they had purchased from her. Two Latin American countries — Colombia and Venezuela — were among them.

[83] These controls were eliminated in Costa Rica on account of the abolition of the exchange surcharges on certain imports and the suppression of the corresponding schedules.

[84] Later, when the new tariff was prepared, exchange surcharges as such were abolished, becoming incorporated in the customs duties.

control foreign exchange transactions if the balance-of-payments situation so requires.

4. Trade agreements policy

The Central American countries have subscribed to numerous trade agreements on the most-favoured-nation basis, those with the United States being the most important. All these instruments safeguard, through the so-called "Central American clause", the special trade concessions mutually granted by the countries in question. The significance of existing agreements with the United States lies not only in the proportionally high volume of trade to which they relate, but also in their application of the Reciprocal Trade Agreements programme (Hull Act). Into this category fall the instruments signed with Honduras and Nicaragua in 1936 and with Guatemala, El Salvador and Costa Rica in 1937. This last agreement has lapsed since 1951, while the agreement with Nicaragua was suspended on account of that country's accession to the General Agreement on Tariffs and Trade.[85]

All the agreements with the United States are more or less alike. Their basic feature is the reciprocal granting of tariff concessions (reductions, consolidations and sometimes exemption from duties) for a given number of products. They also include the so-called "general clauses" (stipulation of mutual obligations concerning certain taxes, prohibitions and restrictions), which are common to trade agreements entered into by virtue of the Hull Act and of which the main objectives are to safeguard contractual concessions, grant a number of benefits to products not subject to special tariff relaxations and in general to organize trade policy on bases of reciprocity. Details of these general clauses are given below, and compared with their counterparts in the agreement concluded between the United States and Nicaragua in 1936 — which for the present purpose is representative of others signed by the former country with Central American Republics.

Outline of the Hull reciprocal trade agreements policy	Unites States' Agreement with Nicaragua.[86]
1. Exact definition of most-favoured-nation principle as regards taxes and customs regulations.	Art. 10, which extends this treatment to "all laws or regulations affecting the sale or use of imported merchandise within the country".
2. Equal treatment for domestically-produced and imported articles as regards internal taxes and regulations.	Art. 4.
3. Most-favoured-nation treatment as regards import prohibitions and restrictions.	Not explicitly stated, but may be deduced from Art. 10, which stipulates such treatment "as regards all import or export regulations and formalities".
4. Publicity and fixed rules to ensure non-discriminatory application of quantitative restrictions.	Art. 7.
5. Application of most-favoured-nation treatment to exchange restrictions, and rules for its implementation.	Establishes the principle (Art. 9) that, where exchange control is maintained, an equitable quota based on a representative earlier period will be granted to the other party for its trade. (The agreement with Guatemala also embodies the principle of non-discrimination in respect of the allocation of foreign exchange for non-commercial transactions.)
6. Just an dequitable treatment on the part of State monopolies and as regards the granting of concessions by the public authorities.	This provision is made so far as State institutions or agencies are concerned. It is added that the departments concerned shall determine their purchases or the same basis as any private enterprise in similar circumstances, i.e. bearing in mind only considerations of price, quality and other possibilities and conditions of sale.
7. Publication of laws, regulations, etc. (affecting foreign trade) and guarantee that they will not be applied retroactively nor arbitrary penalties imposed.	Arts. 11 and 13.
8. Consultation on the application of veterinary laws and regulations.	Not included. On the contrary, Art. 14 stipulates that, unless the text expressly provides otherwise, the provisions of the Agreement shall not be applicable in this matter, and Art. 6, which prohibits the establishment of restrictions upon the scheduled commodities, makes an exception, *inter alia*, of restrictions designed to protect animal life.
9. Recognition of the mutual right to levy, on any imported article, taxes and other charges similar to those imposed on the same articles produced within the country.	Not found in the agreements between the United States and Nicaragua or any other Central American Republic. This provision does, however, correspond to Art. 9 of the treaty concluded by the United States with Mexico, and has the object of confirming the mutual right to establish or increase internal taxation, even on articles subject to consolidated official base values, provided this is not done with intent to evade the concession.
10. Prohibition of quantitative restrictions on articles in the schedule of consolidated official base values for imports.	Art. 6. The prohibition is subject to the exceptions detailed below.

[85] Nicaragua has since made reservations with respect to the Central American clause in its commitments with the GATT.

[86] *La Gaceta*, Official Bulletin, Managua, 31 August 1936. See also lists of treaties concluded by El Salvador and Guatemala respectively, Vol. L, pp. 517 and 543, and Decree No. 53 of the Honduras National Congress, 23 January 1936, approving the agreement concluded with the United States Government on 18 December 1935. As regards the agreement between Costa Rica and the United States, see *La Gaceta*, Official Bulletin, San José, Nos. 124 and 132, 6 and 12 June 1937.

11. Reservation of the right to impose quantitative restrictions in connexion with certain official internal measures and in accordance with the provisions of international agreements.	Art. 6. asserts that quantitative restrictions may be imposed on imports of articles subject to consolidated official base values in favour of the other party. Such restrictions may be applied not only by means of public health or security measures, in relation to articles manufactured in prisons or to the observance of police or taxation laws, but also through measures "designed to regulate or control the production, supply or prices of similar domestically-produced articles, or tending to increase the labour costs involved in the production of such articles". As regards commodities not included in the schedule of concessions to the other party, there is an implied option to impose restrictions, provided that these are not applied in a discriminatory manner or that no limitation exists by virtue of some international agreement binding upon the party desirous of imposing the restrictions.
12. Obligation not to alter methods of calculating import duties in such a way as to reduce the scope of the concessions authorized.	Art. 5.
13. Guarantee of freedom of transit.	Not embodied in the agreement between Nicaragua and the United States. Found in some earlier agreements between the latter country and one or other of the Central American Republics.
14. Consultation in the event of the annulment or curtailment, through unilateral action or other circumstances, of the concessions or advantages conferred by one party upon the other.	Art. 15, provides for such consultations when one of the parties deems a situation to have arisen which renders them advisable.
15. Exceptions to most-favoured-nation treatment in the event of the formation of customs unions, and for trade with adjacent countries.	Art. 15 excepts the concessions granted by Nicaragua to the other Central American countries (including Panama), and those accorded by the United States to its territories and possessions and to Cuba, the Philippines and the Canal Zone of Panama.
16. Saving clause whereby, notwithstanding the commitment to impose no restrictions on foreign trade, an exception is made as regards the prohibitions laid down in the Geneva multilateral convention of 1927.	Contains no general prohibition to impose quantitative restrictions on foreign trade; it is only forbidden to restrict imports of articles in the corresponding schedules of consolidated official base values. As regards the latter, the exceptions in the Geneva Convention appear to be applicable up to the limit laid down in Art. 6, which, as has been shown, establishes such exceptions in favour of measures for public order, health, etc.
17. Exemption clause to indemnify producers of articles for which concessions are granted.	Not found in the treaty between the United States and Nicaragua. Contained in Art. 6 of the obsolete United States/Mexican agreement.

The intention of the United States in supporting the introduction of these regulations into its agreements with Nicaragua and other Central American countries was apparently that of aligning the instruments concerned with the trend of its own commercial policy, in order to abolish restrictions and obstacles to international trade. The Central American viewpoint was presumably that of securing, through the medium of the agreements concluded, equality of treatment in the United States market, while granting in return tariff concessions to imports from that country, especially manufactured goods.

The agreements with the United States altered the general pattern of Central American trade policy, especially in its relations with Europe. These latter had formerly evolved through the medium of *modus vivendi* limited to establishing the most-favoured-nation clause, and — except with France, with which agreements granting tariff concessions were concluded — had been based on consolidation.

The customs treatment introduced by the agreements with the United States, by virtue of the unconditional most-favoured-nation clause in force with European countries, was extended to the latter automatically and gratuitously, that is to say, without direct compensations in favour of Central American exports.

In another field, some features of Central American trade policy were modified from 1950 onward, in an effort to solve the problems raised by exports to areas with non-convertible currencies. Agreements concluded to this end have not been uniform. At times, as in the recent case of Costa Rica's *modus vivendi* with Norway (1953),[87] the negotiated arrangements do not greatly overstep the traditional bounds, since they do not include payments agreements, but deal solely with subjects like those included in the most recent short-term trade pacts of the Central American countries. As regards the more numerous occasions when payments agreements as such were stipulated, these were often concluded independently of any trade treaty. Those subscribed by Guatemala and Nicaragua with Italy are thus autonomous clearing agreements. On the other hand, the recent negotiations of El Salvador with France, Italy and Spain rather provide for payments agreements annexed to trade treaties concluded at the same time. The latter, in their turn bear no great resemblance to one another. Sometimes the agreement is extensive and detailed (France); at other

[87] An agreement between Canada and Costa Rica concluded in 1951 is of the same type.

times it is very simple (Western Germany, Italy). The annexes also vary, since some establish a clearing system (Italy), while others provide for a system of payments in free currencies with fixed quotas (France), or determined on the basis of exports from the European country concerned to El Salvador during a representative earlier period (Western Germany).

The agreement between El Salvador and Norway, ratified in October 1953, includes, in addition to the customary mutual exceptions to the most-favoured-nation treatment, a reservation by Norway concerning any advantages which it authorizes, or may authorize, to the member states of the Organization for European Economic Co-operation (OEEC).

Of all the Central American countries, it is El Salvador which has concluded the largest number of commercial agreements, many of them recently, both within and outside Central America. It is followed by Guatemala, although with the exception of this country's agreements with El Salvador, Italy and Denmark (and one with Mexico, not yet ratified), its extant trade treaties date from before the Second World War. Costa Rica, for its part, has commercial pacts in force with Great Britain, France and Norway, apart from a *modus vivendi* with Canada and the free trade agreement with El Salvador. Honduras has been a signatory of only one trade agreement with countries outside Central America, namely, that concluded with the United States in 1935. Nicaragua has a payments agreement with Italy, in addition to belonging to the GATT. As regards Panama, that country also maintains only a single instrument in force, with the United States, but it extends unilateral, unconditional and general most-favoured-nation treatment with the result that all its imports are subject to a uniform tariff régime.

The only trade agreements concluded by Central America with a Latin American country other than the Five Republics are those signed with Mexico by Costa Rica (1946, ratified in 1950), El Salvador (signed in 1950, ratified in 1952) and Guatemala (signed in 1948 and not yet ratified). In all three cases both parties grant each other most-favoured-nation treatment, with the exclusion of that resulting from customs unions, and further excepting the concessions made by El Salvador and Guatemala to other Central American countries. In the agreement with Costa Rica, both the contracting parties express their interest in stimulating the production of articles salable to each other, and in encouraging, to this end, the establishment of industrial or commercial consortia with joint Mexican and Costa Rican membership.

5. Inter-Central-American trade policy [88]

With respect to trade, Central American aspirations in the direction of customs unification and the creation of a common market have so far mainly taken the form of free trade agreements.[89] The most recently concluded are those of El Salvador with Nicaragua (1951), with Guatemala (1951) and with Costa Rica (1953). To these should be added the agreement in force since 1918 between Honduras and El Salvador, amended in January 1954 by means of an additional protocol, and a *modus vivendi* existing since 1946 between Nicaragua and Honduras, by virtue of which the latter country exempts from customs duties the sesame and cotton oil imported from Nicaragua, while Nicaragua makes similar concessions in regard to resin and turpentine from Honduras.[90]

Proposals for economic co-ordination are expressed in varying ways in inter-Central-American agreements. Economic integration is expressly mentioned in those signed by El Salvador with Guatemala and Costa Rica. Concepts of customs union are explicitly stated in the agreements with Nicaragua, Guatemala and Costa Rica; the final aim of the negotiations is the attainment of this goal. This is not the case in the treaty with Honduras, concluded in 1918 and only partially amended in 1954. Nevertheless, the fact that it introduces the free trade system and is the widest of all these agreements justifies the belief that it implies co-ordination as an objective. Again, the trade system provided for in the agreements is in every case flexible, but more so in that concluded with Honduras, because the others contain schedules of products expressly excluded and possibly subject to import and export controls. This latter method inposes some limitations on the aim of customs integration. Inter-Latin-American treaties contain certain provisions as to determination of the quality of goods produced in the area, for purposes of applying the special treatments agreed upon. To this end, the pact with Honduras stipulates that, with the exclusion of articles specifically excepted, all those which do not contain foreign raw

[88] The Central American countries have included and usually continue to include in their commercial agreements with countries outside Central America the so-called "Central American clause", under the terms of which the concessions granted by them to other Central American countries are excluded from the most-favoured-nation treatment accorded by such agreements. Sometimes this exception takes a less general form, comprising only benefits granted on the basis of a customs union (for example, in the agreement between Costa Rica and Mexico). However, in practice even this more limited exception is applied with the same latitude as the Central American clause, and embodies every concession made by one Central American country to another. The principal reason for this procedure would appear to be that the Central American clause, in the course of its repeated application, and also on account of the fact that Central America is regarded as an economic zone whose states traditionally grant each other exclusive preferences, has in the opinion of these states become virtually an implied norm, although this is not specifically mentioned in any agreement.

Nicaragua, the only Central American country which is a member of the GATT, had not introduced the exception represented by the Central American clause when it acceded to the General Agreement; however, when concluding the free trade agreement with El Salvador in 1951, it requested that the concessions granted by that instrument should be exempt from the effects of the most-favoured-nation clause laid down in the GATT. It was so accorded, on condition, firstly, that those concessions should be limited to such as specifically tended towards the establishment of the free trade zone as defined in articles III and IV of the aforesaid treaty between the two countries, and secondly, that the system should be periodically reviewed by the Contracting Parties, for which purposes Nicaragua should submit an annual report to the GATT on the development of the free trade zone in process of formation between itself and El Salvador.

[89] The creation of the Central American Economic Co-operation Committee is an example of the efforts made to achieve the economic integration of the Central American countries.

[90] In addition, an agreement on free trade and economic integration is being negotiated between Guatemala and Costa Rica.

TABLE 52. CENTRAL AMERICA: PERCENTAGE SIGNIFICANCE OF TRADE AMONG CENTRAL AMERICAN COUNTRIES

Countries	Percentage of exports to: Latin America		World		Percentage of imports from: Latin America		World	
	1934-38	1946-51	1934-38	1946-51	1934-38	1946-51	1934-38	1946-51
TOTAL FOR CENTRAL AMERICA	65.6	51.7	1.8	4.4	35.7	37.3	2.1	3.8
Costa Rica	14.2	14.2	0.4	1.2	36.0	30.5	2.3	1.4
El Salvador	77.5	68.6	2.5	6.2	45.6	38.1	3.3	4.0
Guatemala	56.4	41.4	0.4	0.3	19.5	23.8	1.0	2.6
Honduras	96.8	67.0	2.9	14.0	67.9	45.9	2.9	6.2
Nicaragua	74.0	39.0	4.4	5.0	18.5	27.1	1.4	2.4

SOURCE: ECLA, on the basis of official statistics.

materials in excess of 40 per cent of their f.o.b. value shall be considered as produced within the territory of the other party, and consequently as entitled to customs exemption. In practice it does not appear easy to make the necessary assessment. Under the terms of the agreement with Guatemala it is sufficient, for this purpose, that the exporter certify the origin of the goods, while the treaty with Nicaragua regards agricultural products, and those manufactured "substantially" from domestic raw materials, as originating in the country.

The positive effect of the free trade agreements concluded by El Salvador with the other four Republics may be appreciated from an analysis of the trade involved and its tendency to expand since the date when these instruments came into force. El Salvador's inter-Central-American trade is by far the largest within the area in general and with each of its individual countries.

On the other hand, it should be noted that the free trade zone embraces almost all El Salvador's imports from the other countries. The much lower proportion in the case of its exports is due to the fact that these largely consist of articles which — according to the classification in the agreements — were not produced in El Salvador.

There are, however, a number of products whose country of origin is El Salvador and to which the other Republics do not extend the benefit of free trade, or which enjoy it only on condition that they may possibly be subjected to import controls. The same applies to certain goods which the other Central American countries export to El Salvador. There can be no doubt that the satisfactory functioning of the free trade system is linked with moderation in the use of certain controls which it is not yet advisable to abolish. The case of relations between El Salvador and Honduras is different, since here the free trade system is of another order. Neither is the effectiveness of the instrument uninfluenced in this case by the degree of discretion with which the option to add new articles to the schedule of those excepted from free trade benefits is exercised.

The consequent displacements within the zone, resulting from the conclusion of new free trade agreements — as part of a liberalization which governs only El Salvador's relations with the other Republics — have so far been regularly offset by the appearance of new import or export lines, as the case may be. Although it cannot be expected that this process will invariably continue, the conviction is often expressed in Central American countries that in future such difficulties will be neutralized by the general stimulus to trade levels likely to result from a widening of the free trade zone.

Other displacements in the direction of markets outside this zone now in process of formation give rise to certain problems. Clearly, this phenomenon is due to the availability in such markets of trade opportunities so greatly superior that their advantages outweigh the benefits represented by differences in customs duties. Only a thorough examination of this question would show whether it reflects the need to reform certain industries in Central America in order to make them more competitive. It is also obvious that the problem is related to the amount of import duties. If the latter give rise to excessive marginal profits, this may well become a retarding factor in the development of internal competition calculated to improve production and reduce its costs. In other words, lack of stimulus may limit the undertakings of existing factories, restricting them to satisfying domestic demand without attempting to compete with similar products.[91] In any case, it is considered in the area that it would be advisable, in order to avoid such difficulties in an inter-Central-American free trade policy, to standardize the official base values of the products concerned, as a parallel measure to exemptions from customs duties.

Another important question concerns a third type of displacement, namely, that of imports from a neighbouring country (among those bound by free trade agreements) which are ousted by new lines of domestic production. This factor — which is apparently inevitable, and may be explained by the frequency of parallelism in some branches of development and by the common economic, ecological and climatic characteristics of the Central American Republics — could only be counteracted by a coherent integration policy, such as that envisaged by the governments concerned. It is this policy of integration which inspires the relevant recommendations made by the Central American Economic Co-operation Committee.[92]

[91] For the process to have developed in such a way, the high customs duty must have already brought about a displacement of imports in the producer country, enabling the manufacturer to replace the market in the adjacent country by a new portion of the home market.

[92] ECLA, Central American Economic Co-operation Committee (E/CN.12/AC.17/24 and E/CN.12/CCE/1).

4. Colombia

1. Introduction

The outstanding feature of the present structure of Colombia's foreign trade is the export of a single commodity to a single market. Coffee, the sale of which in 1953 produced more than 95 per cent of the foreign exchange income accruing from visible trade, and about 84 per cent of the total value of exports, is shipped mainly to the United States, whose purchases absorb almost nine-tenths of Colombia's surpluses.[93] With the single exception of tobacco during the period 1854-74, not one of the items which in the course of the last century were successively predominant in Colombia's export trade (gold, cotton, hides, tobacco and cinchona), even when at its peak, attained such importance for the national economy. Nor did a single product ever exert the decisive influence on Colombian investment and development that is wielded by coffee to-day.[94] It is therefore readily understandable that Colombia's trade policy is centred in this commodity, above all when it is borne in mind that coffee could be exported to a much wider range of markets without detriment to the supplies offered to the principal buyer, since the rationalization of its cultivation would enable exportable availabilities to be greatly increased.

Colombian trade policy pursues three principal objectives. The first is to maintain the duty-free status of United States coffee imports;[95] the second, to diversify the geographical distribution of its export trade in this commodity; and the third, to co-ordinate such a line of conduct with the adoption of tariff and quantitative measures designed to promote the replacement of imports by domestically-produced goods of similar types. It is the second of these aims that apparently governs Colombia's intra-regional contractual activity, of which the chief purpose is to open up markets for coffee in non-producer countries within Latin America. For the moment, to judge by foreign trade statistics, such endeavours have borne no very lasting fruit, as coffee sales on the basis of the barter agreements signed with Chile and Argentina in 1946 and 1949 respectively did not constitute a steady flow of trade. After these agreements had been concluded, Colombian coffee virtually disappeared from inter-Latin-American trade, until by 1953 it contributed only 30 tons to the volume of slightly over 44 thousand tons imported by the countries of the region.[96]

[93] Colombia's coffee exports in 1954 were distributed among the following markets, in percentages of the total value: United States, 86.5; Western Germany, 5.2; Canada, 2.0; the Netherlands, 1.8; Sweden, 1.7; Belgium and Luxembourg, 0.9.

[94] According to the *Economic Survey of Latin America 1953* (op. cit.), the higher world quotations for coffee and the consequent improvement of the terms of trade raised Colombia's per capita gross income by 5 per cent in 1953, in contrast with Latin American averages of less than 1 per cent in the same year and of 4.2 per cent in 1946-51.

[95] *Documentos relacionados con el Estudio de la Carta del Comercio Mundial y de los planes sobre cooperación económica interamericana.* Bogotá, Banco de la Republica Press, 1947, p. 96.

[96] From 1946 to 1953 Colombia's exports of coffee to Latin America were as follows:

Year	*Tons*	*Year*	*Tons*
1946	660	1950	84
1947	538	1951	195
1948	380	1952	73
1949	873	1953	30

A short time ago, resorting to the clearing agreements utilized by the southern Republics of South America as a means of imparting some stability to their reciprocal trade relations, Colombia signed a pact of this type with Uruguay in 1953 and another with Argentina in 1954. Both include schedules of goods — coffee ranking first among them on the Colombian side — in respect of which the parties undertake to grant facilities that will permit trade in each of the negotiated products to attain predetermined volumes.

2. Tariffs agreements

In this sphere, Colombia's trade policy entered upon a new stage in 1950, with the denunciation by both parties of the trade treaty signed in 1935[97] between Colombia and the United States, which, in so far as it dealt with customs, was the basic instrument for the regulation of all the former country's foreign trade. This agreement had guaranteed Colombia certain tariff reductions in the United States market, in favour of Tolú balsam, ipecacuanha and castor oil beans, and had also granted exemption from customs duties to coffee, bananas, emeralds, perillo gum, platinum, reptile-skins, tagua and tamarinds. In return, Colombia conceded exemptions and reductions to United States commodities classified under 163 tariff heads, which covered approximately one half of Colombia's total imports. The reductions varied from 16 to 90 per cent of the duties in force.

The most-favoured-nation clause, by automatically extending to other countries the customs concessions granted to the United States,[98] had paralysed a large sector of the Colombian tariff system, thus impairing its efficacy as a factor in the policy of replacing foreign by domestically-produced commodities. In these circumstances, the prime motive on Colombia's side for denouncing the 1935 agreement in 1950 seems to have been the need to restore the tariff system's flexibility. Later, a fresh agreement was concerted, which, though signed in 1951, is still awaiting ratification. Unlike the previous treaty, it accords no mutual tariff concessions, but the most-favoured-nation clause is set up as the ruling principle in reciprocal trade relations. Until this instrument comes into force, tariff relations between the two countries concerned are simply regulated in accordance with the most-favoured-nation clause in the old 1846 peace-and-friendship treaty.

In addition to the 1935 tariff agreement with the United States, Colombia had concluded three others relating to customs: one, signed with Chile in 1936, whereby the contracting parties granted each other mutual concessions with respect to 12 Chilean and 16 Colombian products; another with Peru, also dated 1936, and intended to improve supply facilities for frontier territories in the

[97] This agreement has been in force since 20 March 1936.

[98] Apart from the most-favoured-nation clause in force for trade with the United States, Colombia is committed to the same system with eleven European and four Latin American countries. Those in Europe are: Sweden (1828); Belgium (1829); the Netherlands (1829); Great Britain (1866); Spain (1881); France (1892); Switzerland (1908); Denmark (1929); Luxembourg (1936); Italy (1938), and Hungary (1939). Those in Latin America are: Bolivia (1912); Argentina (1941); Chile (1942), and Ecuador (1942).

TABLE 53. COLOMBIA: IMPORTANCE OF CUSTOMS DUTIES

Year	Value of imports	Total fiscal revenue	Customs duties levied	Percentage represented by customs duties in: Value of imports	Total fiscal revenue
	(Millions of pesos)				
1939	183.4	104.8	40.6	22.0	38.0
1948	589.1	400.1	58.8	10.2	14.5
1951	988.8	573.4	215.3	21.9	37.5
1952	1,038.4	810.3	195.3	18.8	24.0

SOURCE: Ministry of Finance, Colombia.

Amazon and Putumayo basins, in virtue of an agreement by both parties to recognize common tariffs comprising duty reductions and exemptions for 807 commodities; and yet a third with Ecuador in 1942. Under the terms of this last, the two Republics, in view of the contiguity of their territories, granted each other exemption from the duties in force in their respective tariff systems for 70 commodities (40 Colombian and 30 Ecuadorian).

Simultaneously with the denunciation of the 1935 instrument in 1950, Colombia persuaded Chile to agree to the annulment of the reciprocal concessions scheduled in the 1936 treaty. The flexibility of its tariff system thus restored, Colombia ridded itself of the limitations imposed by trade agreements upon its imports replacement policy. Its foreign trade was freed from all customs commitments but those implicit in the most-favoured-nation clause, which, since bilateral agreements as to reductions and exemptions had been eliminated, except for the exclusive pacts with Ecuador and Peru, embraced the whole tariff.

Holding aloof from tariff treaties, Colombia has directed its contractual activity during the last five years towards the concerting of barter agreements. This line of conduct, which has already been shown to have chiefly aimed at the promotion of the export trade in coffee, is reflected in the agreements signed with Denmark, Finland and Western Germany in 1951; with Italy, Spain and the United Kingdom in 1952; and with Belgium, France and Sweden in 1953. It should be noted that the terms of the agreement with the United Kingdom permit this country to re-export Colombian coffee to such member countries of the European Payments Union as have no special trade agreements with Colombia.

Again, since 1952, in conformity with the policy apparent in the agreements mentioned, Colombia has allowed certain commodities to be imported only when its reciprocal trade balance with their countries of origin is more or less in a state of equilibrium, except where the case is covered by bilateral agreements. In February 1954, the countries in one or other of these two situations were Austria, Belgium, Canada, Denmark, Finland, France, Germany, Italy, Luxembourg, Spain, Sweden, the United Kingdom and the United States;[99] and in Latin America, only Ecuador.

3. EFFECT ON THE CUSTOMS TARIFF

The elimination of tariff commitments left the way open for the reform which Colombia was anxious to introduce into its 1931 tariff so as to facilitate its import replacement policy. As time went by, this tariff, which was on a specific basis, had been losing its significance in *ad valorem* terms, chiefly on account of the devaluation of the currency. The average incidence of duties, which in 1939 had amounted to 22.01 per cent, barely represented 10.2 per cent in 1948, in which year the fiscal and selective inefficacy of the tariff was offset by a tax on drafts to cover payment for imports. This tax was of 6 per cent on commodities of major importance for the economy and of 12 and 26 per cent on the remainder, according to the case in question. It was afterwards absorbed into the duties established by the new 1950 customs tariff, which was inspired by the markedly protectionist aim of stimulating the production of final goods, while at the same time encouraging imports of raw materials for the transforming industry (see table 53).

The tariff promulgated in 1950, being at once of a specific and of an *ad valorem* character, allowed a proper relation to be maintained between the duty imposed and the fluctuations in world prices, and thus enhanced the incidence of the customs system. On an average, customs duties amounted to 21.9 and 18.8 per cent of the value of imports in 1951 and 1952 respectively. Under the aegis of the new tariff, the relationship between fiscal revenue and customs duties, which had fallen from 38 per cent in 1939 to 14.5 per cent in 1948, rose to 37.5 per cent in 1951 and to 24 per cent in 1952. It should be noted that the application of the schedules of prohibited and restricted imports in 1951, conjointly with the establishment of a system of free entry into the country for goods not comprised in these lists, made it difficult to assess the economic importance of the new tariff. The quantitative restriction implicit in the schedules prevented it from acting as a determinant of the maximum price at which the domestically-produced commodities it protected could be sold on the internal market. Early in 1954, when the increase in the price of coffee raised Colombia's foreign exchange holdings to a level even higher than that reached during the Second World War,[100] the system of quantitative restrictions was abolished. For most of the commodities it embraced, a so-called stamp duty was created, equivalent to 40 per cent of the value of the imported commodity; in November 1954 this tax rose to

[99] Banco de la Republica de Colombia, Oficina de Registro de Cambios, circular 38330.C.264 (24 February 1954).

[100] Colombia's foreign exchange availabilities, which amounted to 180 million dollars in December 1945, stood at 194 million in January 1954 and at 267 million in July of the same year.

80 per cent in the case of goods classified in the second category.[101]

4. Colombia's position in relation to the GATT

When the motives that induced eight Latin American countries to become contracting parties of the GATT were analysed in an earlier section of this *Study*, it was stated that some of these countries acceded in pursuit of two main ends, namely, to widen the margin of elasticity of the customs tariff, and to protect the stability of their national export trade, which they felt might be endangered if they remained outside the multilateral system of concessions instituted by the General Agreement.

These were the aims to which Colombia seemed to attach the greatest importance in weighing the pros and cons of accession to the GATT. This country sent representatives to the meeting held at Annecy in 1949, to investigate how far it would be advisable to sign the instrument with a view to concluding new customs agreements with higher minimum duties than those embodied in the 1935 treaty with the United States. Negotiations at Annecy to this effect failed to result in an agreement; but others of a direct nature, which took place later in Washington, led to the simultaneous denunciation by both Republics of the treaty cited. This fact, together with Chile's willingness to annul the list of mutual tariff concessions recognized by this country and Colombia in the 1936 agreement, freed the latter's trade policy from all interdependence with respect to changes in its tariff. The search for means of reducing its contractual customs commitments therefore ceased to be a motive for subscribing to the GATT. Again, by abstaining from accession to the General Agreement, Colombia retained the right to implement import replacement measures necessary for the reform of its economic structure upon its own unilateral decision, unhampered by limiting agreements.

The other consideration that influenced decisions as to joining the GATT was the desirability of safeguarding exports. Here it would seem that Colombia took into account the situation created by the most-favoured-nation clause upon which it had reached agreement with a number of countries, among them the principal world coffee-buyers. As a general rule, this clause automatically ensured Colombian exports a customs treatment in their markets of destination not inferior to that enjoyed by similar commodities from other sources. In the particular case of Colombia's trade with the United States, up to 1948 the duty-free status accorded in the latter country to Colombian coffee had been the legal outcome of the treaty signed by Brazil and the United States in 1935, which provided for numerous reciprocal tariff reductions and exemptions. After 1948, in which year the treaty in question was suspended, this concession survived in consequence of the agreements concluded between Brazil and the United States within the GATT, of which they are members. But the most-favoured-nation clause by virtue of which Colombia also benefits by the exemption from duties described, is not that appearing in its obsolete 1935 agreement with the United States, but the one which was inserted in the Colombian-United States treaty of 1846, and under the terms of which each party extends to the other the favours granted to a third nation, "freely, if the concession be unconditional, or granting the same compensation should it be conditional" (article 2). Despite this wording, an article of the same instrument stipulates that in given circumstances the parties shall not impose upon each other's products duties higher than those they exact from third countries.

In the 1951 agreement between Colombia and the United States, not yet ratified, the most-favoured-nation clause is unequivocally unconditional, though it would appear to be somewhat weakened by the fact that either party may declare it inoperative, by unilateral decision, before the expiry of the treaty. To this end, the latter contains a proviso *sui generis*, laying it down that either signatory may denounce the most-favoured-nation clause at one year's notice, without thereby prejudicing the validity of the remainder of the instrument, for which a minimum duration of the years is established (article 5).

Whether Colombia will or will not, within or outside the GATT, contract specific future customs commitments for the sake of its foreign trade, must clearly depend upon many circumstances, most of which are unpredictable. As the foregoing account indicates, during the last five years the agreements embodying a most-favoured-nation clause to which Colombia is a party have hitherto been sufficient to safeguard its exports against discriminatory customs duties.

5. Trade between Colombia and Ecuador

If the tariff agreement relating to frontier territories signed with Peru in 1936 is discounted, it is only with its neighbour Ecuador that Colombia has a preferential agreement proper, in force since 1942. Article V of this agreements provides for free trade in 70 products (40 Colombian and 30 Eduadorian) and their exemption from customs duties. To this exemption the United States was also entitled, as far as Colombia was concerned, by virtue of the most-favoured-nation clause formerly compacted between its government and the authorities in Bogotá, but from 1945 onwards the concession was no longer applied by Colombia. This country, availing itself of the contractual formula relating to preferential tariffs in force between adjacent or neighbouring countries, as established in resolution 80 of the Seventh Inter-American Conference (1933) and in another adopted by the Inter-American Financial and Economic Advisory Committee (1941), obtained the consent of the United States to its withholding the benefits enumerated in article V of the agreement between Colombia and Ecuador.[102]

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[101] Also in November 1954, a schedule of agricultural foodstuffs was promulgated, confining the right to import these commodities to the Corporación de Defensa de Productos Agrícolas, under a system whereby the Caja Agraria received half the profits accruing from imports as a State contribution to its capital

[102] In this connexion, the *Memoria del Ministerio de Relaciones de Colombia* for 1945 states that in the relevant exchange of notes, that of Colombia, dated 17 April 1945, declared that the case conformed to the three requisites of the 1941 Resolution cited, in the sense "that any tariff preference of this nature, if it were to constitute an instrument for the steady promotion of trade, would have to be put into effect through trade agreements embodying customs reductions or exemptions; that the contracting parties must reserve the right to reduce or eliminate customs duties on similar imports from other countries; and that the preferences in

A short time ago, contacts were established between Ecuador and Colombia for the purpose of studying a readjustment of the system instituted by the 1942 agreement, which does not provide a satisfactory corrective to the marked disequilibrium, unfavourable to Colombia, revealed in their bilateral trade statistics. The 1942 instrument was modified *ipso facto* when the contracting parties put bans on imports into effect, as a general measure adopted on the grounds of shortage of foreign exchange or an increase in domestic production of specific commodities. At times such measures embraced a large proportion of the Ecuadorian goods figuring in the 1942 agreement, especially as a result of the schedules of prohibited imports promulgated by Colombia. Moreover, both parties imposed taxes of a non-tariff nature on trade commodities. Such taxes also derived from general measures, covering, for instance, licence dues, stamp duties, drafts, consular fees, and so on, and seem as a whole to have contributed to the expansion of a volume of illicit traffic in both directions far exceeding that of legitimate trade. In 1953, regular trade registers exports from Colombia to Ecuador to a value of only 570,000 dollars, as against 3.2 millions in the reverse direction. According to a calculation made in January 1954 by the Pasto Branch of the Banco de la Republica, the annual volume of unregistered traffic amounted to some 4.8 million dollars' worth of Colombian products conveyed into Ecuador, especially across the Tulcán-Ipiales frontier, and about 8.5 million dollars' worth of Ecuadorian goods brought into Colombia in a similar manner. Probably not more than 10 per cent of these values was represented by the legally-authorized to-and-fro transit of minor freight.

Contraband goods from Colombia are of very varied kinds, including textiles, medicinal and toilet articles, dressed skins, glassware, aluminium, iron and enamelled goods, biscuits and confectionery, tyres for vehicles, motors, and asbestos-cement tubes and plates. This smuggling is generally attributed to the competitive disadvantage at which Colombian manufactures find themselves in Ecuador in relation to those from centres whose productivity is higher, and which makes it difficult to sell them on this market if the non-tariff duties applicable to imports have to be covered first.[103]

As regards commodities from Ecuador, the principal motive for smuggling seems to be the inducement offered by the Colombian demand for certain of Ecuador's agricultural products (rice, peas, barley, chickpeas, beans, potatoes, maize, lentils, wheat and fresh fruit) which constitute a substantial part of the economic activity of the latter country's inter-Andean provinces of Carchi and Imbabura. Under the pressure of the need to satisfy domestic demand, the Ecuadorian Government often limits or bans exports to Colombia; but the incentive of Colombian prices swells the contraband inflow of such commodities through Nariño to considerable proportions.

This situation had for some time been underlining the necessity for readjusting the Colombo-Ecuadorian agreement of 1942, and for taking advantage of those elements — limited though they seemed to be, at least over the short term — which might be brought into play to increase legitimate trade and discourage smuggling. According to the sources of information consulted, investigations during recent years into the applicability of certain formulae to this end made it patent that manufactured goods might play a noteworthy part in the expansion of Colombia's registered export trade, if they were accorded special tariff or tax treatment.

The same sources indicate that the future level of Ecuador's exports through the authorized channels might well be bound up with the importance that is attached to the sale of certain agricultural products to Colombia as a stimulus to the Ecuadorian economy, since this would provide a criterion on which to base decisions as to the advisability of authorizing such exports under a system of prudential quotas. Further, as a joint Colombian-Ecuadorian commission pointed out in 1952, at this stage "a common programme of economic co-operation must be studied, whereby deficiencies in Ecuador's agriculture may be corrected, with a view to enabling it to supply the urgent requirements of the Colombian market".

From sources in the frontier zone itself have come two suggestions for specific measures that might be adopted to assist in the suppression of contraband trade. Firstly, consideration might be given to whether it is or is not advisable to introduce into the clearing agreement concluded in 1949 between the Banco de la Republica de Colombia and the Banco Central de Ecuador[104] a clause providing for the authorization, in special cases, of "non-reimbursable" exports, the product of which would be liquidated outside the clearing account in question. It is pointed out that this procedure, apart from legalizing frontier trade operations, would encourage the export of specific commodities, by guaranteeing them in effect a higher rate of exchange than the official one, either through the sale of foreign exchange earnings on the free market, or through their authorized utilization in pay-

question must not stand in the way of any economic reconstruction on broad lines of development which may envisage tariff contractions and the reduction or elimination of tariff and other trade preferences, with a view to the fuller expansion of international trade on a multilateral and unconditional most-favoured-nation basis". In its reply, dated 19 April 1945, the United States declared that "acknowledging its adherence to the formula recommended by the Inter-American Financial and Economic Advisory Committee it would call attention to the fact that, duly considering principles 4 and 5 of the Atlantic Charter, it concedes the overriding character of the last of the requisites cited", and agreed not to claim the benefit of the tariff preferences granted by Colombia to Ecuador.

[103] These duties, apart from the 7-per-cent consular fee (which falls to 3.5 per cent if the goods are transported in vessels belonging to the Flota Grancolombiana), and two others of 2.5 per cent on the f.o.b. value plus 1 per cent on the c.i.f. value, consist in 33- or 44-per-cent taxes on the c.i.f. price, in the case of commodities classified by Ecuador in the so-called B and C schedules.

[104] The terms of the agreement cover payment for commodities traded between Colombia and Ecuador for their own consumption, and establish a mutual commitment to prevent re-export. Permits for visible or invisible trade transactions granted by either party shall be reimbursable in the other's currency (pesos or sucres, as the case may be), in accordance with the parities declared to the Monetary Fund; and, in addition, balances shall be liquidated in dollars at six-month intervals, at the request of the creditor nation. This agreement, which has been in force since 1949, was modified in 1951 by the introduction of a stipulation that the accounts for the operations involved shall be kept in dollars.

ment for imports included under the same régime. The second suggestion falls within the sphere of those means of putting down smuggling which might possibly be provided by the establishment of a free zone in the Tulcán-Ipiales sector. The assumption is that as a considerable proportion of the traffic in contraband goods would be concentrated within the bounds of the free zone, the internal customs of Colombia and Ecuador would have much less difficulty in controlling it than in supervising the whole vast frontier, as at present.

The new customs tariff brought into operation by Ecuador early in 1954 absorbed the *ad valorem* exchange duty on imports previously in force in this country, while the treatment deriving from trade agreements remained in effect.[105] To adapt their reciprocal customs system to the circumstances created by the new tariff, a trade agreement was signed by Colombia and Ecuador on 28 April 1955, modifying that of 1942. The parties to this instrument, considering that "countries with adjacent territories or belonging to the same economic region may conclude preferential agreements for purposes of economic development", with the aim of expanding their reciprocal trade grant each other a reduction on all direct and indirect duties, taxes and charges which affect or may affect imports into their respective territories, of 80 per cent in the case of pharmaceutical or veterinary products and insecticides, and 20 per cent for all other commodities.[106] Another aspect of the agreement is the provision that after its ratification, the contracting parties shall set up a joint Colombian-Ecuadorian commission whose functions shall include that of studying and proposing bases for the development of frontier trade.

6. Contractual relations with Venezuela

No trade agreement is in force between Colombia and Venezuela, whose frontier economy on both banks of the River Táchira has created complementary interests based on specific contrasts between their branches of production, price systems and exchange rates. The outcome of this situation is an intensive unregistered commodity trade, the annual volume of which is perhaps the highest among the many activities of this type that under the guise of minor freight, tourist facilities or contraband, are carried on in various frontier areas within Latin American territory. While statistics for 1953 record 700,000 dollars' worth of imports into Colombia from Venezuela, and exports from the former to the latter country to a value of 1.6 millions, unregistered sales during the same year would seem to have amounted to not less than 10 million dollars in each direction,[107] and to have taken the form of a complex system of trade, to normalise which the possibility of establishing a free zone was studied in 1952. This proposal, however, never became a reality. Another noticeable lack is the absence of any agreement between the two countries providing for their mutual trade to be governed by the most-favoured-nation clause. This existence of this hiatus seems to be particularly detrimental to the regular export of Colombian products to the Venezuelan market; the want of such a clause does not allow these goods to benefit by the tariff reductions granted to similar commodities from other sources, and is consequently an incentive to smuggling.

In the past the duties determined by agreement between Colombia and Venezuela were chiefly concerned with the problems arising in connexion with goods in transit. Conditions for such trade affect the economy of the Colombian Departments of Santander del Norte, Santander, and, to some extent, Boyacá, as their easiest means of communication with foreign markets is by way of the Venezuelan port of Maracaibo, where they contribute almost 18,000 tons yearly to the cargoes shipped.[108] After the denunciation in 1863 of the first trade treaty between Colombia and Venezuela, which had controlled the movement of goods in transit since 1842, the various attempts to come to a fresh agreement led to the *modus vivendi* of 1934. Under its terms, Venezuela was to collect no duty on authorized Colombian trade commodities in transit to other countries or on goods destined for Colombia, nor on loads carried over Venezuelan territory from Cúcuta to the Catatumbo petroleum camps, nor on Colombian merchandise in transit to the city of Arauca. The price of services rendered in Venezuela to Colombian

[105] The Emergency Act of 16 January 1954 (No. 03) added the following paragraph to Article 28 of Ecuador's new tariff law:

"Consequently, imports from countries with which Ecuador has concluded trade treaties stipulating either exemption from import duties or reductions, shall continue to enjoy such rebates or exemptions, to the same amounts already conceded, until 31 December 1953, always providing that such reductions or exemptions be equivalent to or larger than the import duties payable under the new tariff, and that, should the said duties be smaller, these latter shall be paid".

[106] Exports of medicinal products from Colombia and Ecuador to Latin America, during the periods indicated, were as follows (in thousands of dollars):

Average	*Colombia*	*Ecuador*
1946—51	150	354
1952	156	807
1953	179	771
1954		1,040

[107] Estimate made by the *Banco de la Republica de Colombia, Oficina del Registro de Cambios* (Cúcuta, 8 January 1954).

According to a survey carried out during the month in question in the frontier sector (as part of the programme of background research for purposes of the present *Study*), unregistered frontier trade from Colombia to Venezuela chiefly comprised tanned hides, saddlery, shoes, cotton, wool and rayon textiles and ready-made garments, sewing-machines assembled in Colombia — where the tariff encourages the importing of spare parts — tools, gramophone records, wireless sets, tyres and inner tubes, beans, panela and also coffee. (In this last case a stimulus was provided by the rate of exchange determined in Venezuela for coffee exports, as it was more favourable than that in force in Colombia.) Trade movements from Venezuela to Colombia included brine — used in the salt beef factories — asphalt, sardines, tomato extracts and other tinned or bottled goods of Venezuelan manufacture, sometimes maize, and, in a steady flow, toys, toilet articles, high-quality ready-made garments and other non-essential goods, of a type of which imports are generally restricted or prohibited in Colombia so as to maintain equilibrium in the balance of payments. The same survey called attention to the fact that about one hundred public passenger vehicles carry over two thousand persons daily to and fro across the international Simón Bolívar bridge between Cúcuta (Colombia) and San Antonio (Venezuela). Colombian customs regulations at the time allowed each traveller to take with him goods up to the value of 150 pesos (60 dollars).

[108] Average for the years 1948-50. See Consorcio Económico, Financiero y Administrativo (EFINA), *Estudio Económico de los problemas de vialidad de la región del Lago Maracaibo*, Caracas, 1952.

goods in transit was not to be higher than that charged to Venezuela's own trade, and an additional clause provided that the Government in Caracas would resort to its constitutional powers to prevent the imposition of taxes on Colombian exports. Colombia in turn accepted various commitments. Venezuelan salt was to enter Colombian territory duty-free by way of the Arauca and Cúcuta customs, being limited in the latter case to an annual volume of 20,000 sacks. A number not exceeding 25,000 head of cattle per year were to be allowed to enter the country for fattening without payment of duty, and no customs duty higher than 15 Colombian centavos per kilogramme was to be imposed on tinned fish from Venezuela.

The 1934 *modus vivendi* was renewed year by year until 1948, when it became inoperative. On two subsequent occasions, through administrative agreements concluded between the Corporación de Defensa de Productos Agricolas de Bogotá and the Banco Agrícola y Pecuario de Caracas, arrangements were concluded for the barter of Colombian rice, sugar and maize against the Venezuelan fish-canning industry's surpluses, wherewith half the value of the former commodities was covered, the balance being paid for in dollars.

7. Shipping agreements

Within the framework of contractual relations between Colombia, Ecuador and Venezuela, it is appropriate to mention the setting-up of the Flota Grancolombiana, which, if it did not result from treaties proper, is the product of agreements between semi-official bodies sponsored by the governments. It was created in 1947 with the help of contributions from the Federación Nacional de Cafeteros de Colombia, the Banco Nacional de Fomento del Ecuador, the Banco Agricola y Pecuario de Venezuela and the Corporación de Fomento Venezolana. This combined effort placed at the service of the three Republics concerned shipping which totalled approximately 101,000 tons dw. In 1953 the Fleet was dissolved, and ownership of the vessels was distributed in proportion to the contributions of Colombia and Ecuador on the one hand, and Venezuela on the other.[109] Lack of unanimity in the determination of a freight policy seems to have been the principal motive for this division.

8. The Quito Charter

In August 1948, Colombia, Ecuador, Panama and Venezuela signed the instrument known as the Quito Charter, which hitherto has yielded no practical results. After declaring in the preamble that "under the Bogotá economic agreement, American nations with adjacent territories or belonging to the same economic region may conclude preferential agreements for purposes of economic development", the Charter aims at a gradual unification of the trading territory of the four signatories — and of other countries which may accede to the Charter in the future — so as to set up an area in common where the domestically-produced commodities included in the system may circulate duty-free. The Charter is also directed towards the establishment of common guiding principles for the trade policy of the parties towards the rest of the world. For purposes of its implementation, one of its clauses provides that the four signatories shall jointly take steps to secure the acceptance of the system by those countries or organizations whose acquiescence is necessary. It also stipulates that after its ratification the Organización de la Unión Económica Grancolombiana shall be set up. This body, through the agency of a General Council, specialized commissions and a secretariat, will study and recommend the measures most suitable for the attainment of the ends proposed. Until this procedure is put into effect, some of the above functions are in the hands of a Provisional Economic Council, which set up its headquarters in 1950 in Caracas, where it began its career by preparing a draft standard tariff nomenclature. Resolutions were also adopted to promote the establishment of several specialized institutions: an information bureau, a reinsurance institute, a Banco Grancolombiano, a currency compensation fund and a centre for scientific and technical research.

On the plane of bilateral relations between the Republics of Colombia and Venezuela, the Quito Charter should have produced an immediate effect. By determining "that so long as the agreement continue in force, and while the system of integration envisaged in the Pact is being perfected, the nations concerned agree to grant one another concessions in their reciprocal trade in accordance with the most-favoured-nation clause", it accorded the products of each Republic, in the territory of the rest, the same exemptions or reductions as those assigned to similar commodities from the United States in the tariff agreements in force between this country and Colombia[110] or Venezuela. But the Charter did not come into force. After almost seven years, only Colombia and Ecuador have ratified their accession. What attitude Panama and Venezuela are likely to adopt in the end is unknown. In Venezuela, the incidence of the high wages paid by the petroleum industry and of other factors, which also affects incipient industrial activities, causes the proportion of manufacturing costs represented by labour to be higher than in Colombia, and this, of course, gives the latter an advantage with respect to prices. It is felt in some circles in Venezuela — where the extra burden on costs imposed by the high wages compels the application of duties relatively heavier than those necessary in countries at a similar stage of economic development, but where labour is cheaper — that the abolition of the tariff compacted with Colombia for clothing, leather goods, tinned foodstuffs and some other items, would deprive the corresponding branches of domestic production of the stimulus they require. From this point of view, the possibilities of improving the lot of the Quito Charter are apparently bound up with the prior selection of those products included in its liberalizing régime; and, in its turn, the power of this system over the competitive position of Venezuela's exports must necessarily be related to the scale on which the expansion of the market permits the

[109] As a consequence of this, 6 of the 19 vessels of the Fleet, totalling 39,865 tons dw., were handed over to Venezuela.

[110] The tariff treaty concluded in 1935 between the United States and Colombia, which was still in force when the Quito Charter was signed, became inoperative in 1950.

TABLE 54. CUBA: DISTRIBUTION OF FOREIGN TRADE BY AREAS, AND RELATIVE IMPORTANCE OF SUGAR IN EXPORTS
(Millions of dollars)

Year	Exports									
	To Europe		*To the United States*		*To Latin America*		*To other areas*		*Total*	
	Value	*Percentage sugar* [a]	*Value*	*Percentage sugar* [a]	*Value*	*Percentage sugar* [a]	*Value*	*Percentage sugar* [a]	*Value*	*Percentage sugar* [a]
1946	105.9	78.5	320.4	61.7	31.6	82.7	18.0	34.3	475.9	66.1
1947	190.1	87.3	497.7	80.5	13.9	65.6	44.9	80.0	746.6	81.9
1948	253.4	88.4	366.4	76.7	11.7	69.5	78.4	93.9	709.9	82.5
1949	165.6	94.2	369.8	82.6	12.1	61.0	30.8	85.2	578.3	85.6
1950	200.0	95.9	380.9	81.1	15.0	53.4	46.1	91.7	642.0	85.8
1951	237.5	92.2	417.4	75.9	33.9	73.2	77.3	91.7	766.1	82.4
1952	151.8	92.2	407.3	72.7	17.7	62.4	96.1	92.5	675.3	79.6
1953	152.5	92.9	392.3	71.3	22.9	69.4	72.7	89.8	640.3	78.5

Year	Imports				
	From Europe	*From the United States*	*From Latin America*	*From other sources*	*Total*
1946	22.3	229.1	32.6	16.2	300.2
1947	32.7	436.4	23.4	27.4	519.9
1948	34.3	420.3	30.7	42.2	527.5
1949	31.0	375.7	14.5	30.2	451.4
1950	41.2	407.1	15.9	50.9	515.1
1951	78.3	492.2	13.8	55.9	640.2
1952	69.4	462.0	19.3	67.4	618.1

SOURCE: *Anuarios de Comercio Exterior de Cuba.*
[a] Raw and refined.

reduction of cost factors other than wages, although it may possibly influence these as well.

5. Cuba

1. INTRODUCTION

The trade policy followed by Cuba underwent a remarkable transformation after 1947, and particularly after 1950.

Cuba's foreign trade has long been closely bound up with the world market for sugar, exports of which provide about four-fifths of this country's foreign exchange revenue (see table 54).

The system of physical quotas and restrictions which often governs the world sugar trade is a contributory factor in preventing Cuba's natural qualifications for sugar production from resulting in a substantial improvement of its export position, although a special treatment was accorded to this country under the quota system which has regulated United States supplies since 1934. Although under this system the share of United States consumption satisfied by Cuba is proportionally lower than during the free import régime prevailing before 1934,[111] a special price is paid for Cuba's exports to the United States by virtue of a trade agreement on reciprocal preferential treatment, which affords Cuban income some protection when there is a decline in world sugar prices. In return for the exceptional treatment conceded to Cuban sugar in the United States, Cuba's import tariffs give exclusive preference to many United States goods.[112]

Since 1947 Cuba's trade policy has aimed at introducing some changes into the 1934 reciprocal preference agreement in order to enlarge the sphere of its contractual activities. Such an attitude is attributable to two main causes. The first is linked to the need for widening the margin of its capacity for international negotiations in order to protect and foster Cuban exports in a greater number of consumer centres. The second is related to the aim of developing domestic resources other than sugar.

[111] See *Anuario Azucarero de Cuba*, 1950, p. 210.

[112] Under Act No. 14 of March 1935, the Cuban tariff comprises two schedules, a maximum and a minimum, supplemented by two others. These are the preferential tariff applied by Cuba to the United States, and the most-favoured-nation treatment which comprises tariff concessions granted under the GATT and other treaties. The minimum is applied to commodities from countries with which a favourable trade balance exists, or which have purchased goods from Cuba representing at least half the value of their own exports to that country. Merchandise from countries whose purchases from Cuba represent more than one quarter, but less than half, of their exports to her, pays the minimum tariff plus a 25-per-cent surcharge. The maximum — which is twice as great as the minimum — is applied to goods from countries whose purchases in Cuba correspond to less than one-quarter of the value of their exports to that market.

The tariff applicable to each country is determined annually on the basis of Cuban foreign trade statistics for the previous calendar year. It should be noted that by virtue of this same Act No. 14, raw materials and certain essential commodities in any case fall under the minimum tariff, whatever their source. In 1937 the following were considered as raw materials necessary for the development of domestic industries, to which the minimum tariff would therefore apply: Hops and malt for breweries; jute and sacking fabrics; jute bags for sugar or coffee; palm and coconut oils for soap-making; crude petroleum and certain derivatives. Later this list was extended to include di-ammoniac phosphate, ammonium nitrate, magnesium sulphate and raw rubber. During the last twenty years, essential commodities have been included in the list of those subject to the minimum tariff, and later suppressed, according to the requirements of the supply situation. On the other hand, Cuba has also on occasion partially or wholly suspended customs duties on certain supplies for specific periods, in the interest of the domestic economy.

Cuba's economic stability and expansion are beset with persistent difficulties arising from the limitations of the world sugar trade;[113] this has stressed the necessity of promoting production activities dependent on domestic demand, particularly food consumption, and the urgency of opening up markets for specific industries designed to provide substitutes for imports of manufactured goods. It would be necessary to modify some of the provisions of the agreement with the United States in order to attain such objectives through tariff measures, since this instrument, by consolidating customs duties favouring United States merchandise, encouraged the unrestricted importation of certain commodities similar to those whose domestic production Cuba wished to expand.

As from 1948 the Marshall Plan played a decisive role in making European sugar imports from Cuba payable in dollars. This contribution was to end in 1952, which might perhaps mean that Cuba would have to accept non-convertible currencies in payment for a considerable proportion of its sugar exports. From 1950 onward Cuban trade policy was directed towards preventing this contingency. In order to find an outlet for European exchange, Cuba would probably be forced to replace a certain volume of United States supplies by European goods, which implied the introduction of some changes into the structure of its foreign trade. Difficulties would not then fail to arise from the competition between commodities from other sources and the numerous articles covered by the preferential treatment applied to imports from the United States. The effort made to reduce the disequilibrium in Cuba's accounts with the European countries seems to have been aimed at safeguarding the level of sugar exports to Europe and fostering others of a marginal nature. Thus, tariff duties on European imports were reduced, and the relative effect of the preferential treatment compacted with the United States was thereby mitigated.

The establishment of the General Agreement on Tariffs and Trade (GATT) in January 1948 provided a means for the readjustment of commercial pacts between Cuba and the United States. Since both countries subscribed to this Agreement, their mutual relationship began to be governed by more flexible provisions than those of the 1934 bilateral agreement. The clauses of the GATT to some extent facilitated the revision of Cuba's customs obligations with respect to the United States, a step which was necessary to protect the diversification of the Cuban economy. The same end was served by another characteristic of this agreement, which allows the Contracting Parties to negotiate with third countries for the extension or elimination of any exclusive bilateral tariff preferences which may be in force.

Over against the advantages offered by the GATT for the recovery of Cuba's contractual power, some drawbacks arose in its case from the most-favoured-nation clause. According to this clause, when Cuba negotiated with any GATT member for the elimination or reduction of any of the preferences which had previously benefited only the United States, it automatically opened its import market to all the Contracting Parties for the items thus negotiated, without receiving from the latter express concessions of equal value. It is true that this same clause obliged the Contracting Parties to give Cuban exports the same tariff treatment as was accorded to any other member of the GATT. But the exchange difficulties of some signatories of the General Agreement entitle them to impose on their imports those restrictions for which the GATT itself provides on behalf of countries with a negative balance of payments. Since such restrictions weaken the advantages which indirect concessions give the exporting country, Cuba had to seek some means of reducing any possible resultant damage to its own interests, since its foreign accounts were not affected by a deficit which would justify a quantitative restriction of the inflow of foreign goods enjoying tariff benefits.

Consequently — as was pointed out in Cuban circles — since within the GATT it was not possible to sign agreements whereby one country could grant tariff privileges to imports from another nation in return for the latter's purchasing a specific quota of goods, Cuba tried to mitigate the disadvantages arising from the most-favoured-nation clause by resorting to those principles which allow for opposition to the automatic generalization of tariff concessions[114] and the negotiating of special bilateral agreements with given countries in order to obtain specific advantages.

According to the survey carried out for purposes of the present *Study*, the instruments which Cuba signed on this basis were originally designed to throw open its market to a larger number of suppliers of capital goods, raw materials and durable consumer goods. By means of these instruments Cuba negotiated with several nations — mostly European — for the elimination or reduction of preferential margins which had previously benefited the United States only. Nevertheless, the preferential treatment given to United States exports of non-durable manufactured goods and agricultural products was in general maintained, or very little reduced. The exclusive régime enjoyed by these two groups of United States commodities seems to be the main counterpart to the concessions granted by the United States for Cuban sugar imports. This aspect is significant for an analysis of the possibilities of expanding inter-Latin-American trade in general, and Cuba's in particular. Exports of foodstuffs and some manufactured goods which several Latin American countries could place on the Cuban market, are restricted, *inter alia*, by Cuba's preferential system for similar United States goods. Since Cuba must logically protect those fundamental interests of its economy which are linked to this régime, there would seem to be but little margin for changing it. It is, however, worth while considering whether the example of the Chilean-Cuban agreement in 1952 providing for the reduction or elimination of certain preferential margins to which Chile had no access does not perhaps suggest that, given an adequate compensatory basis, inter-Latin-American trade in foodstuffs is capable of expansion. A further question is whether treaties with Cuba, similar to those signed by this country with European nations after its accession to

[113] See: *Recent Trends and Events in the Economy of Cuba* (E/CN.12/217/Add.5).

[114] Article XXXV.

the GATT, could be negotiated with a view to the elimination or reduction of preferences affecting those durable manufactured consumer goods that are already offered in the regional market by some Latin American countries.

2. Agreements with the United States on reciprocal treatment

Under the Jones-Costigan Act of 1934 and later laws, United States sugar supplies are regulated by a system of predetermined quotas (from continental and insular United States areas and also from Cuba, the Philippines and other foreign sources).[115] Up to 31 December 1956, the Act in force is No. 140, of the 82nd Session of Congress (see table 55).

The system of subsidies for sugar prices prevents production from continental sources and from Puerto Rico, Hawaii and the Virgin Islands from exceeding the level of their corresponding quotas, since it favours producers who submit to the quantitative restrictions. For foreign countries (Cuba, the Dominican Republic, Haiti, Mexico, Nicaragua, Peru and others) the quotas take the form of control of the volume of imports. In the case of the Philippine Islands – which are in an intermediate position — there is a fixed quota, the subsidy depending on its fulfilment. Both the United States' own producer areas and the Philippines are assigned absolute fixed quotas, which remain unchanged as long as the corresponding sugar law is in force. Conversely, the amounts to be supplied by Cuba and other countries are established annually, by calculating the difference between consumption and aggregate supplies from United States areas and the Philippines. In 1954 the estimate of consumption stood at 8,200,000 tons and the production of United States continental areas, Hawaii, Puerto Rico and the Virgin Islands at 4,444,000 tons. Quotas from abroad to cover the balance of 3,806,000 tons amounted to the following percentages: Cuba, 71.4; the Philippines, 25.6; Peru, 1.4; Dominican Republic, 0.7; Mexico, 0.3; Nicaragua, 0.2; Haiti, 0.1 and other countries 0.1.

The system of quotas and subsidies makes sugar price mechanisms in the United States to some extent independent of world market quotations. Since its establishment in 1934 it has been utilized — except during the period of sugar shortage after the last war — to promote production in the continental areas. Because of the subsidy, United States market prices are customarily higher than those of world trade.[116]

Cuban sugar has been given preferential treatment in the United States since 1902, under the terms of an agreement signed that year, which provided for a 20-percent reduction on the duties established in the ordinary tariff. This instrument established mutual privileges expressed in percentages of the customs duties laid down in the tariffs concerned. Reciprocal trade was thus promoted without hampering the tariff increases which the parties might resolve to impose unilaterally. In such an event, the country affected by the increment was still in a relatively favourable position to face the competition of third nations especially interested in supplying the commodity in question. Therefore, from the point of view of the mutual obligations arising from the 1902 treaty, there was no need later for special negotiations between both parties in order to put into force the Cuban

TABLE 55. UNITED STATES: SUGAR SUPPLIES
(1948 Sugar Act with 1951 amendments)

I. *Quotas for areas with fixed tonnages*

(Short tons in terms of raw sugar)

(a) *National areas*		
United States (continent)		
Beet sugar	1,800,000	
Cane sugar	500,000	2,300,000
Hawaii		1,052,000
Puerto Rico		1,080,000
Virgin Islands		12,000
TOTAL		4,444,000
(b) *Philippines*		974,000[a]
TOTAL FIXED-TONNAGE QUOTAS		5,418,000

II. *Quotas for areas without fixed tonnage* (Percentage share in surplus consumption over and above total fixed-tonnage quotas.

(a) *Cuba:* 96 per cent of the difference between consumption and the above 5,418,000 short tons [b]

(b) *Other countries:* 4 per cent *idem.* [c]

III. Pro rata *of any of the preceding areas' sugar supply deficit with respect to its quota*

(a) *National areas:* to be distributed proportionally among the remaining national areas and Cuba

(b) *Philippines:* 96 per cent to Cuba; 4 per cent to other countries

(c) *Cuba:* Proportionally among national areas; and

(d) *Other countries:* The deficits of individual countries are distributed among the remaining countries of the group; the deficit for the group as a whole is assigned to Cuba

SOURCE: *Sugar: Facts and Figures, 1952.* p. 63.

[a] According to the *Philippine Trade Act* the Philippines were assigned a quota of 952,000 short tons regardless of the degree of polarization; the equivalent in terms of raw sugar is determined by the United States Department of Agriculture. This equivalence was pegged at 982,000 short tons from 1948 to 1951.

[b] If necessary Cuba's quota is increased at the expense of the tonnage allocated to national areas, so that this quota will not drop below (1) 28.6 per cent of aggregate consumption in the United States when this consumption stands at 7,400,000 short tons or less; or (2) 2,116,000 short tons, when consumption rises above 7,400,000.

[c] This 4 per cent is distributed among 27 countries according to percentages established by the Sugar Act. Of these 27, six countries (Peru, the Dominican Republic, Mexico, Nicaragua, El Salvador and Haiti) have been supplying quite large volumes in recent years.

[115] Sugar exports for consumption in the United States are not considered as exports to the free market, according to the International Sugar Convention, nor are they calculated in the export quotas therein established.

[116] In recent years the subsidy has represented an average of 80 dollar cents per 100 pounds. It should be noted that the price paid to the domestic and Philippine producer is higher than that obtained by Cuban purveyors, since the latter have to pay customs duties amounting to 50 dollar cents plus a compensatory import tax of another 50 cents, both of these on every 100 pounds. Although this tax is applied to all suppliers, it is reimbursed to domestic producers within the subsidy, so that their net earnings are higher (by about 1.30 dollars per 100 pounds) than those of Cuban suppliers.

tariff reform of 1927 nor that of the United States in 1930 (the Hawley-Smoot tariff).

This system was modified in 1934 by virtue of a new agreement signed between Cuba and the United States. Apart from increasing the preferential margins which the parties had recognized in 1902, the new treaty stipulated that the absolute level of negotiated duties could not be exceeded while the instrument was in force. On Cuba's part the consolidation was mainly applied to specific customs duties. It included 504 items of the tariff, which in that year represented about 72 per cent of Cuba's total imports. In turn, the United States guaranteed Cuba the maintenance of exclusive reductions for glycerine, grapefruit oil, cement paving-stones, tobacco and sugar, the 20-per-cent tariff reduction in favour of the last-named product accorded in the 1902 treaty being consolidated.

The 1934 treaty largely deprived the Cuban tariff of flexibility and thus limited its use as a means of diversifying the domestic economy. Moreover, the consolidation of customs duties on the items negotiated with the United States in that year was based on a low level, since world prices had not yet reacted from the depression of the early thirties. Thus, in so far as the recovery in prices reduced the *ad valorem* incidence of the consolidated customs duty, a contraction of Cuba's margin for using the tariff as a protectionist factor was inevitable.

The inflexibility imposed on Cuban trade policy by the rigidity of the tariff was aggravated by other provisions of the 1934 agreement. With some saving clauses relating mainly to public security, the agreement prohibited the application of quotas or other government restrictive measures to reduce imports of the negotiated commodities,[117] unless when new arrangements were concerted between the parties. In order to make the provisions of the treaty compatible with the United States system of sugar quotas, it was agreed that restrictions could be applied to the volume of imports of negotiated products, when the purpose of such restrictions was to subject imports to the same régime as similar domestic goods.

3. Accession to the GATT

In some Latin American countries the General Agreement had the effect of tightening contractual bonds with foreign countries and thus reducing the margin for applying selective measures to modify the composition of imports according to development requirements. The reverse seems to have been true in Cuba, since the provisions of the GATT for the regulation of relationships among its members are more flexible than the regulations of the reciprocity agreement signed by Cuba and the United States in 1934.

Article XIX, particularly, which permitted the limitation or interruption of the flow of foreign supplies by the withdrawal of tariff privileges, provided a safety-valve for Cuba. In certain procedural conditions, which have already been explained, the implementation of this clause enabled domestic production to be partially protected against foreign competition within the Cuban market. Also by virtue of the article in question, selective measures could be applied to certain imports with the aim of stimulating or promoting the utilization of domestic resources, though only in the few cases allowed for by the limiting provisions of the GATT. Given the rigidity of its tariff and its peculiar contractual position, Cuba also seems to have benefited from article XXVIII, which permits constant readjustments in the schedules of mutual concessions, so that the withdrawal of commodities from these schedules can be negotiated when it is desired to expand their domestic production. It was true that, pursuant to the principle of reciprocity, this widening of the contractual margin for employing the tariff as an instrument of economic policy might require the sacrifice of some of the advantages or securities already obtained in favour of export products. But the agreement with the United States did not leave this alternative open to Cuba; article XXVIII did, and therefore introduced a certain flexibility into the tariff relationships between the two countries.

Another aspect should be noted. As has been subsequently observed, Cuba's position with regard to import restrictions contrasted with that of countries with balance-of-payments deficits, in that the latter could limit the flow of negotiated merchandise at less expense by resorting to articles XII, XIII and XIV. Although after 1949 Cuba's international reserves sometimes reflected the unfavourable trend of its main exports, they never dropped so low as to make restrictions on imports of negotiated merchandise theoretically permissible, and thus enable domestic production of specific commodities to be protected.[118] Unlike other Latin American countries affiliated to the GATT, such as Brazil and Chile, which have acquired a certain margin of freedom for their imports by having recourse to these regulations, Cuba was unable to do so, for the reasons described. Contractually, singular consequences derived from this disparity; while Cuba could not limit imports of negotiated merchandise, the countries with balance-of-payments deficits could restrict supplies from Cuba. At all events, after comparing the negative and positive aspects of its accession to the GATT, Cuba seems to have considered that the latter provided a means of reforming, up to a point, the provisions governing its trade with the United States, in order to make them compatible with the use of the tariff on behalf of the structural transformation of the national economy and with the strengthening of its capacity for concluding international agreements.

When Cuba and the United States joined the GATT, they signed an exclusive agreement (Geneva, 30 October 1947) whereby the effects of the 1934 treaty were suspended for the duration of their membership of the GATT, the schedules of mutual tariff concessions were adjusted, and the commodities not included in these schedules were to continue enjoying the previously-agreed margins of reduction, provided that they had been an object of reciprocal trade in given years. Both Cuba and the United States explicitly made the reservation constituted by this system of exceptions. But such a reservation prevented only the automatic extension of the preferences it covered. Under the regulations of the General Agreement,

[117] See clauses V, VII, VIII, X and XI.

[118] Cuba's international reserves in December of each year, in millions of dollars, were as follows: 644 in 1949; 698 in 1950; 806 in 1951; 662 in 1952, and 667 in 1953.

TABLE 56. CUBA: TARIFF NEGOTIATIONS WITH THE UNITED STATES AT GENEVA (1947) AND TORQUAY (1951)

Merchandise [a]	*Value of aggregate imports 1948 (thousands of dollars)*		*Percentage of negotiated imports*		*Percentage level of negotiated duties*	
	Geneva	*Torquay*	*Geneva*	*Torquay*	*Geneva*	*Torquay*
			Consolidations			
1. *Durable consumer goods* [b]	20,845	2,404	11.3	14.5	10.8	23.7
2. *Non-durable consumer goods* [c]	65,319	1,065	35.4	6.4	12.7	6.7
3. *Capital goods* [d]	53,216	11,807	28.8	71.2	6.4	9.6
4. *Raw materials and fuels* [e]	45,260	1,317	24.5	7.9	5.6	8.3
			Reductions			
1. *Durable consumer goods* [b]	21,608	27,526	24.2	68.4	13.5	10.4
2. *Non-durable consumer goods* [c]	27,809	2,483	31.3	6.2	6.1	3.9
3. *Capital goods* [d]	21,653	4,347	24.4	11.3	6.2	7.4
4. *Raw materials and fuels* [e]	17,829	5,656	20.1	14.1	17.1	13.3
			Increase			
1. *Durable consumer goods* [b]	2,482	5,924	4.3	13.2	3.2	31.4
2. *Non-durable consumer goods* [c]	45,993	322	79.5	0.8		18.9
3. *Capital goods* [d]	70	38,424	0.1	86.0	9.6	41.3
4. *Raw materials and fuels* [e]	9,316		16.1		6.8	

SOURCE: Prepared on the basis of data supplied by the Ministry of Finance, Havana, Cuba.

[a] The commodities in this column were grouped according to the classification used in the Geneva and Torquay negotiations.

[b] Clothing; household goods; automobiles; luxury goods.

[c] Animal and vegetable foodstuffs, in their natural state, processed and tinned; medicine; beverages and others.

[d] For sugar and other types of industrial production; agriculture; railway, motor, air and sea transport; building materials and others.

[e] Solid fuels; raw materials for textile industries; ready-made clothing; footwear; saddlery; raw materials for breweries and for the paper, publishing, rubber, chemicals and fertilizer industries and other raw materials; containers.

both countries were entitled to negotiate in future with third parties, on the basis of adequate compensations, for the reduction or elimination of these preferences.

The schedule of concessions appended to the exclusive agreement signed at Geneva (1947), plus others which the United States and Cuba added in 1951 during the Torquay Session of the GATT,[119] at present govern the tariff relationship between the two countries. The Geneva schedules grant Cuba reductions for commodities which comprise about four-fifths of Cuban exports to the United States and consolidations for about one-sixth of these exports (83.2 and 16.4 per cent of their value, respectively, in 1935-39.[120] As regards United States imports of Cuban sugar, the tariff system resulting from the exclusive agreement signed in 1947 is shown in table 56.

As can be seen in table 57, by virtue of the 1902 and 1934 agreements Cuba obtained a preferential reduction of 20 per cent on the United States tariff for sugar. This reduction was maintained proportionally up to and including 1947, although in some periods it was increased. When Cuba and the United States became Contracting Parties to the General Agreement and signed the exclusive agreement of 1947, the latter country lowered the tariff for Cuban sugar to half a dollar cent per pound; but since, under the regulations of the GATT, it was not permissible to increase the absolute preference assigned to Cuba, there was a consequent reduction of the United States tariff for sugar imports from other member countries of the GATT to 0.6875, so that the same absolute preference was maintained for Cuba as for other countries. Later, at Torquay, the United States negotiated with the Dominican Republic for the reduction of the tariff applicable to the GATT members, except Cuba, to 0.625 dollar cents per pound, maintaining for Cuba the tariff of 0.5 cents which is 25 per cent lower than the other rate, in accordance with the provisions of the exclusive agreement of 1947.

In general, within the reciprocal tariff concessions agreed upon between Cuba and the United States under the aegis of the GATT, no consideration seems to have been given to equivalent percentage rates. Within GATT practices, the stabilization of low customs duties,[121] such as Cuba's were on the whole, has much the same value as the reduction of relatively high duties. From available information it seems clear that Cuba's intention in Geneva was probably to establish a scale of duties which would encourage imports of equipment by assigning them lower

[119] The Cuba-United States concessions granted at Torquay had been negotiated in Washington during 1950. Cuba thereby increased customs duties on certain commodities (particularly cotton and rayon fabrics) as a compensation for lower duties on other products.

[120] José Antonio Guerra, *Antecedentes y alcances del convenio de Ginebra*, published in *Trimestre*, Vol. II, No. 2 (Havana, April–June 1948).

[121] See table 55.

TABLE 57. UNITED STATES: SUGAR IMPORT TARIFFS

(Dollar cents per pound of raw sugar with 96 degrees polarization)

Period	Complete tariff	GATT	Tariff on Cuban sugar	
1903–14	1.685	GATT	1.348	1902 Treaty between Cuba and the United States
1914–21	1.256		1.0048	
1921–22	2.000		1.6	
1922–30	2.206		1.7648	
1930–34	2.5		2.0	Smoot-Hawley Act
June–Sept. 1934	1.875		1.5	Jones Costigan Act (quotas)
Sept. 1934–Sept. 1939	1.875		0.9	1934 Treaty between Cuba and the United States
Sept.–Dec. 1939	1.875		1.5	
Dec. 1939–Jan. 1942	1.875		0.9	
Jan.–July 1942	1.875		0.75	
July 1942–1947	0.9375		0.75	
1948–51	1.875	0.6875	0.50	Geneva
1951 onward	1.875	0.625	0.50	Torquay

SOURCE: E. W. Zimmermann, *World Resources and Industries* and United States Import Tariff.

rates than those applied to manufactured articles.[122] Apparently on the assumption that world prices — at that time still under the influence of the exceptional upswing caused by the Second World War — would shortly fall, the Geneva negotiations were based on bilateral trade figures for 1935-39. Consolidations on these approximately represented an average of 17.1 per cent of the value of United States goods imported during that period and 7.9 per cent in respect of machinery and equipment.[123] The later rise in world prices helped to weaken the equivalence of the concessions, which in 1948 were reduced to an average of only 9.83 per cent of the value of the imports concerned (see table 56). However, machinery and equipment remained at their previous level, no doubt on account of the *ad valorem* and non-specific character of the duties levied on them, in contrast to those imposed on most other imports. It should be added that both at Geneva and later at Torquay, some increases were negotiated in the Cuban import duties on articles classified as non-durable, including some textiles.[124]

Viewed from these standpoints, Cuba's accession to the GATT, in addition to imparting greater elasticity to her contractual relations with the United States, seems to have somewhat broadened the bases for the conclusion of agreements with other countries. Within the GATT, the tariff concession granted to United States imports by Cuba in 1934 was in some cases abolished and in others reduced. This policy, which was clearly directed towards encouraging the diversification of Cuba's foreign trade, while safeguarding the advantages offered to its sugar in the United States, reserved the latter country exclusive preferential margins for supplies to Cuba, in particular of non-durable goods and certain agricultural products. The principle followed was that the line of least protection for domestic activities was in no case to be below the level of the duties levied on United States products; as a result, in its negotiations with various countries within the GATT, Cuba clung almost without exception to the policy of bringing the general tariff closer to the preferential and of preventing an increase in the latter.[125] It should be observed that, as in other Latin American countries, the interpretation placed in Cuba itself upon the significance and scope of these negotiations is varied and at times contradictory, as was clearly demonstrated, with respect to the GATT, by the survey made for purposes of the present Study.

Under the terms of article XXXV, Cuba and the United Kingdom concluded an agreement in 1951 — amended in 1953 — by which British imports obtained certain advantages in the Cuban market, eliminating or reducing preferential margins which until then had been exclusively applicable to United States products. It was further stipulated that the United Kingdom should, over the period 1951-53, buy not less than 1.5 million long tons of Cuban sugar, and that it should, in each of the years 1952 and 1953, authorize the import of Cuban tobacco products up to a value of 500,000 dollars annually. Cuba also negotiated separately with Western Germany

[122] By virtue of subsection 4A of Article I of the General Agreement, the preferential margin granted by Cuba to the United States under the GATT was not to exceed the difference between the most-favoured-nation rate and the preferential duty in force in April 1947; any higher benefit would be liable to extension to the other members. Thus, under the 1934 agreement, United States unginned cotton was subject in Cuba to a duty of 35 cents (U.S.) per 100 kgs., while the most-favoured-nation tariff was 50 cents (item 112 A of the Cuban tariff schedule); the resultant preferential margin was 15 cents. By the exclusive Geneva agreement, Cuba freed imports of United States cotton from duty, and although this product was not the subject of negotiations with other GATT signatories, the Cuban tariff rates assigned to them had to be reduced to 15 cents in order to retain the former preferential margin.

[123] José Antonio Guerra, op. cit.

[124] In 1953 the Cuban textile industry was obliged to reduce production on account of high costs and the disadvantages under which it competed in the domestic market. Cotton textiles, especially, recorded 17 per cent less output than in the previous year. In recent years Cuba has imported an (estimated) average of 45.7 million metres of cotton textiles and 27.5 million of synthetic fabrics. See *Economic Survey of Latin America, 1953* (E/CN.12/358) United Nations publication, Sales No.: 1954.II.G.1; p. 217.

[125] Information gathered in the course of the ECLA survey in Cuba.

and Canada. Its contractual position vis-à-vis the latter stems from two different sources; the benefits obtained by Canada on the Cuban market, comprising the abolition of certain preferential margins inaccessible to Canadian products, were granted through the GATT, while certain concessions made by Canada in favour of Cuban sugar were the outcome of a purely bilateral treaty signed in 1951.

When this *Study* was drafted, there was no available information concerning the real influence exerted on Cuba's foreign trade by tariff arrangements concluded since 1947, as regards either exports or the diversification of supply markets and changes in import structure. However, figures on the United States' share in total imports suggest that the effect of the reduction or abolition — in favour of European goods — of the preferential margins assigned to United States products may not be sufficiently powerful to offset, among other factors, the influence of geographical proximity on transport costs, and the traditions of Cuban trade and consumption.

TABLE 58. CUBA: UNITED STATES SHARE IN IMPORTS
(Percentages of total value)

Average 1934–38	64.5
1946	76.3
1947	84.0
1948	79.7
1949	83.2
1950	79.0
1951	76.9
Average 1946–51	79.9
1952	74.7
1953	75.6

SOURCE: Official foreign trade statistics.

4. INTER-LATIN-AMERICAN RELATIONS

Cuba is linked to the remaining Latin American signatories of the GATT through the most-favoured-nation clause.[126] It also maintains trade agreements with Argentina (1940) and Chile (1940 and 1952), stipulating the treatment characteristically implied by that clause.

[126] The Latin American signatories are Brazil, Chile, the Dominican Republic, Haiti, Nicaragua, Peru and Uruguay.

Although trade with Latin America constitutes only about 4 per cent of Cuba's total foreign commerce, it is not of such slight importance as this figure would suggest. The reason is clear. Cuba is solving the problem of the liquidation of surpluses by exporting steadily increasing tonnages to the Latin American market, after covering the demand of its principal buyers. Immediately before the war (1934-38), Latin American importers of sugar had been buying, from various sources, an annual average of 161,000 tons, of which only 12 per cent came from Cuba. In 1946 Cuba's contribution was over 35 per cent, out of an aggregate annual average of 328,000 tons purchased by the same countries.

The intrinsic importance of the Latin American market for Cuban sugar exports seems to be allied to certain indications that Cuba's trade policy in relation to the region follows two main trends. Firstly, as stated by the Cuban delegation to the conferences which led to the Havana Charter and the establishment of the GATT, the building up of a system of inter-Latin-American preferential agreements of a partial character which would not be open to all the countries of the region is viewed with some reserve. Anxiety as to the possible repercussions of such agreements on Cuban sugar exports to Latin America would explain this attitude. The second trend is towards concluding trade agreements to facilitate certain Latin American exports to the Cuban market, on the basis of the partial elimination of preferences granted to similar products from the United States. This tendency found expression in the trade treaty signed between Chile and Cuba in March 1952, whereby an attempt was made to reconcile the different interests involved. Apart from granting certain reductions on henequen, tobacco and rum, Chile stated its intention of imposing no restrictive measures upon imports of up to 80,000 tons of Cuban sugar annually, "so that Chilean importers might purchase Cuban sugar if that commodity were offered at prices and under conditions not less favourable than those found on the world free market". In its turn, subject to limitations in respect of certain products, Cuba lowered the preferential tariff, which was handicapping some of Chile's exports of foodstuffs. To this end the customs duty on Chilean malted barley and chick-peas was reduced to a level lower than that applied in the case of the United

TABLE 59. CUBA: SHARE IN SUGAR SUPPLIES TO UNITED STATES
(Percentages)

	Continental beet sugar	*Continental cane sugar*	*Hawai*	*Puerto Rico*	*Philippines*	*Cuba*	*Other foreign sources*
Average over 44 years (1906–1949)	19.3	5.5	12.8	10.7	6.9	42.5	2.3
Basic quota under 1937 Sugar Act	23.2	6.3	14.0	11.9	15.4	28.6	0.6
Basic quota under 1948 Sugar Act	25.0	6.9	14.6	12.7	13.6	26.7	0.5
Quotas in force:							
1950 [a]	21.8	6.3	13.2	12.2	6.1	39.5	0.9
1955 [b]	21.8	6.6	12.7	13.1	11.7	32.9	1.3

SOURCE: *Sugar Yearbook*, Cuba, 1950.
[a] On the basis of a consumption of 8,700,000 short tons.
[b] United States Department of Agriculture.

States, so that the duty payable by the latter diminished automatically and became identical with that benefiting Chile. As regards beans, a similar procedure was followed: the treaty stipulated the unusual practice of reducing or assimilating duties during a given period of the year only, thus giving the elimination of preferences a seasonal character. A further restrictive clause provided that the quota of up to 18,100 tons of beans — which benefits by the seasonal reduction of duties — was to be distributed annually among those of Cuba's supplier countries which are members of the GATT, in accordance with their proportional share in the corresponding Cuban imports during the period 1935-50.[127]

[127] Of the quota of 18,100 tons, the Chilean share is 48 per cent.

TABLE 60. UNITED STATES: QUOTAS ASSIGNED TO THE VARIOUS SUGAR SUPPLIERS FOR 1954

(Short tons)

	First estimate (14 Dec. 1953)	*Third estimate (3 Dec. 54)*	*Adjustments to cover deficits (23 Dec. 54)[a]*	*Percentage*
Domestic beet sugar	1,800,000	1,800,000	1,803,099	21.9
Continental cane sugar	500,000	500,000	500,861	6.1
Hawai	1,052,000	1,052,000	1,043,000	12.6
Puerto Rico	1,080,000	1,080,000	1,081,859	13.1
Virgin Islands	12,000	12,000	10,500	0.1
Philippines	974,000	974,000	974,000	11.8
Cuba	2,478,720	2,718,720	2,723,401	33.0
Other countries	103,280	113,280	113,280	1.4
TOTAL	8,000,000	8,250,000	8,250,000	100.0

SOURCE: *Revista del Banco Nacional de Cuba*, 1st. year, No. 2, p. 7.
[a] Adjustment for redistribution of quotas to cover deficits from Hawaii and Virgin Islands.

TABLE 61. CUBA: TRADE WITH LATIN AMERICA

	Average 1934-38	*Average 1946-51*	*1951*	*1952*	*1953*
Imports [a]			(*Thousands of dollars*)		
Mexico, Central America and the Caribbean area	1,267	10,612	8,936	13,202	9,442
South America	2,030	13,232	5,931	7,597	6,163
Total for Latin America	3,297	23,853	14,867	20,799	15,605
Total imports	109,658	531,764	691,432	667,779	528,912
Exports					
Mexico, Central America and the Caribbean area	296	4,969	6,731	4,614	3,053
South America	1,420	14,896	27,190	15,606	19,863
Total for Latin America	1,716	19,865	33,921	20,220	22,916
Total exports	143,873	653,138	766,140	675,234	640,344
Imports		(*Percentages of total imports or exports*)			
Mexico, Central America and the Caribbean area	1.2	2.0	1.3	2.0	1.8
South America	1.8	2.5	0.9	1.1	1.2
Total for Latin America	3.0	4.5	2.2	3.1	3.0
Exports					
Mexico, Central America and the Caribbean area	0.2	0.8	0.9	0.7	0.5
South America	1.0	2.3	3.5	2.3	3.1
Total for Latin America	1.2	3.1	4.4	3.0	3.6

SOURCE: *Foreign Trade Yearbooks, Cuba.*
[a] C.i.f. values obtained by adding 8 per cent to f.o.b. values in official statistics.

6. Haiti

1. Introduction

Historically, Haiti's foreign trade has always been based on its relations with France and the United States. Its agreements with these countries, as well as other manifestations of Haitian trade policy — which is traditionally liberal — had and still have the principal aim of ensuring markets for the country's staple exports (coffee, sisal, sugar, bananas) by means of tariff agreements determining reciprocal concessions and sometimes establishing quotas.

By virtue of successive customs agreements with France, Haiti granted tariff reductions on certain French products (in particular luxury or non-essential goods, such as toilet articles, wines, liqueurs, etc.). In return, France applied minimum duties to coffee and other surplus Haitian products. Up to the beginning of 1936, in the course of trade of which the balance was invariably favourable to Haiti, France had absorbed about 50 per cent of the total exports from that Republic, including more than two-thirds of its coffee output; while Haiti's imports came mainly from the United States. This particular distribution of trade flows was changed after the denunciation in 1936 of the Franco-Haitian agreement, which had been renewed for the last time in 1930. As a result of this denunciation, which took place shortly after the conclusion of a treaty between Haiti and the United States (March 1935), France and Haiti began to make reciprocal application of the duties laid down in their respective tariffs, without reductions.

The effects of this change were not slow in making themselves felt; during the financial year 1936/37, coffee exports to France already represented only one-fifth of Haitian production, and France was relying mainly upon her colonies for supplies of this commodity.

The French share in total exports from Haiti was reduced during the same period to about 16 per cent. Later it became even smaller, and did not regain any degree of importance until 1952/53 (see table 62). The United States took the place of France as the principal market for Haitian coffee, its share in Haitian exports rising from 10 per cent in the period 1931/32-1935/36 to 48 per cent in 1936-37 and continuing to increase until it amounted to about 60 per cent in the post-war years.

As regards Haitian imports, the proportion coming from France — which had been of little significance since as long ago as the beginning of the century — was still further reduced after 1940. In contrast, the preponderance of those from the United States is traditional, no doubt on account of prices and more rapid delivery, since Haiti's import trade has never been the object of agreements designed to secure exclusive advantages for any particular supplier. Neither have any other restrictions or selective measures been applied — apart from the tariff — which might have influenced the distribution of trade or the structure of imports. All those countries which have compacted the most-favoured-nation clause with Haiti receive treatment identical with the tariff concessions granted to United States products, and with those laid down in the 1938 agreement with France. In

Table 62. Haiti: Share of United States and France in its foreign trade

	Exports				*Imports*			
	Total (millions of dollars)	*United States*	*France*	*Other countries* [a]	*Total (millions of dollars)*	*United States*	*France*	*Other countries* [b]
		(Percentages)				*(Percentages)*		
Average from 1916/17 to 1925/26	14.9	27.9	49.1	23.0	15.6	82.6	5.3	12.1
Average from 1926/27 to 1935/36	12.1	9.1	49.2	41.7	11.6	64.6	6.3	29.1
Average from 1936/37 to 1940/41	7.0	48.9	10.6	40.5	8.1	64.7	3.1	32.2
Average from 1945/46 to 1950/51	34.0	59.1	0.9	40.0	31.3	78.8	1.1	20.1
1951/52	52.9	58.0	0.3	41.7	50.7	69.4	1.8	28.8
1952/53	37.8	41.4	11.6	47.0	45.2	68.1	2.0	29.9
1953/54	55.5	45.3	10.8	43.9	47.6	63.2	2.4	34.4

Source: Haiti, *Annual Report of the Fiscal Department* and *1804-1954 — Centcinquante ans de commerce extérieur d'Haiti.*

[a] Mainly the United Kingdom, Belgium, Italy and Denmark in the pre-war period; Belgium, Italy and Holland in the post-war years.

[b] Mainly the United Kingdom, Germany and Japan before the war; the United Kingdom, Canada and Curaçao after the war, and also, latterly, Western Germany.

other words, the predominant position of imports from the United States on the Haitian market seems to be fundamentally due to the competitive capacity of these products.

In the 1935 agreement with the United States, Haiti reduced the duties on 16 articles and consolidated those on another 19; the United States, in its turn, granted exemption from duties for seven Haitian products (cacao, figs, bananas, coffee, logwood, ginger and sisal), at the same time reducing those on pineapples, processed or preserved guavas, mango and guava paste, and rum in containers up to one gallon. Both the exemptions and the reductions were consolidated. The agreement also stipulated that the United States, under its programme of sugar import control, would not calculate in the Haitian quota raw sugar temporarily imported for refining and subsequent re-export.

In 1938 Haiti signed another trade agreement with France, once again granting most-favoured-nation treatment and reductions in tariff duties, at times up to one-third, for a number of French products. France also agreed to apply most-favoured-nation treatment to Haitian products and engaged to import a minimum quota of 12,000 tons of coffee. However, the effects of this agreement were limited, both on account of the Second World War, which broke out shortly afterwards, and also because the basic causes underlying the modification of Haiti's foreign trade policy still persisted.

In pursuit of a course of action tending towards multilateral trade relations without preferential or discriminatory treatment of the practice of physical restrictions, the tariff concessions granted in the treaties with the United States and France were not exclusive, and were extended, through the medium of the most-favoured-nation clause and on a reciprocal basis, to the United Kingdom, Canada, Germany, Italy, the Netherlands, the Belgo-Luxembourg Union, Switzerland and Denmark.

2. The customs tariff

In Haiti, where about three-quarters of public revenue is derived from the export and import customs tariff, this instrument is mainly of a fiscal nature, although to a limited extent it is beginning to be used with the express object of stimulating certain branches of domestic production.

The Haitian tariff begins by establishing basic duties, also known as minimum duties; for many articles an *ad valorem* duty and a specific duty are simultaneously stipulated, in order to permit the application of the one which is the more favourable to the exchequer, and thus safeguard customs revenue in the event of price fluctuations. The basic duty is applied to those countries to which Haiti grants most-favoured-nation treatment without; specific agreements. It is also applicable to products imported from countries which adopt the same attitude towards goods from Haiti, provided that in 1932/33 the country so favoured had purchased at least 1 per cent of Haiti's total exports or had supplied not less than 0.5 per cent of the total value of Haitian imports. In 1943 Haiti resolved to apply the minimum tariff to all the Latin American Republics also, and this provision is still in force. Goods from countries not included in the system described are subject to the maximum tariff, which is double the minimum.

As a result of its membership of the GATT, Haiti, apart from the two tariffs (minimum and maximum) already referred to, extends a still more favourable tariff treatment to products negotiated within the GATT when they come from member countries or from others to which it has agreed to apply the most-favoured-nation clause.

In addition to the maximum, minimum and negotiated tariffs, products imported into Haiti pay two surcharges, according to the case in question. One of them — 20 per cent on the total amount of the invoice, after addition of duties and other taxes — was introduced in 1937 to offset the tax reduction on coffee exports; it is supplemented by another of 3.5, 4 or 4.5 per cent — according to whether the goods are essential, semi-luxury or luxury — applied to the c.i.f. value of the articles concerned, plus customs duties. This second surcharge, which dates from 1953, replaces one of 3 per cent that was in its turn substituted in 1949 for a tax on the consumption of non-essential articles which had been established in 1948 but had proved difficult to apply. Exemption from surcharges is granted in respect of petroleum oils, kerosene, paraffin, petrol, naphtha and benzine (items 210 and 211 of the tariff), as well as those products which, under the Annecy Protocol, were similarly exempted for such time as Haiti does not establish a parallel internal tax on substitutes of domestic origin.

Domestic industry was protected rather by means of the concession of tax exemptions and reductions on newly-established activities, in accordance with the Act of 13 October 1949. A further bill is now being drafted to encourage the development of manufactures.

3. Affiliation to the GATT

Since Haitian trade policy tends towards non-discrimination in tariff matters and makes little or no use of quantitative restrictions, both of which characteristics coincide with the basic principles of the GATT, Haiti became a party to the latter agreement at Annecy in 1949.[128] Consequently, on 29 December of that year the trade agreement between Haiti and the United States was dissolved by mutual consent. Most of the United States articles which enjoyed tariff concessions on the part of Haiti were then included in the list of goods which both countries negotiated within the GATT, on the basis of duties which as a general rule were lower than those laid down in the bilateral agreement of 1935. Haiti also agreed provisionally to exempt imports of certain North American products from the surcharge in force, until such time as a similar internal tax should be imposed on domestic production.

The other extant trade agreements, all of them with countries likewise belonging to the GATT, were automatically replaced by the latter without formal denunciation, since they were limited to the reciprocal application of the most-favoured-nation clause.

[128] The corresponding protocol was ratified by Haiti in 1951.

Haiti subsequently concluded agreements with France and Italy, and still later on with the United States as well. The first-mentioned, signed in July 1952, in addition to the mutual concession of most-favoured-nation treatment — which would be of no importance unless one of the two countries ceased to be a party to the General Agreement — stipulated the duties which Haiti is entitled to levy on certain articles imported from the French Union. In its turn, France granted permits to import Haitian coffee up to an annual total of 4,000 tons, authorizing purchase at the official rate of the necessary foreign exchange to cover these imports; further, to facilitate the importing of Haitian products — cacao, sisal, honey, essential oils, orange peel, castor-oil seed and figs — it consolidated the customs duties applicable to them until January 1954. As in previous instruments signed with France, the tariff concessions granted by Haiti in 1952 related almost exclusively to luxury and non-essential articles.[129]

As a result of this agreement, exports of coffee from Haiti to France, which were very low until 1951/52, during the financial years 1952/53 and 1953/54 approximated to the 4,000 tons stipulated; and the share of France in Haiti's exports increased from 0.3 per cent in 1951/52 to 11.6 per cent in 1952/53 and 10.8 per cent in 1953/54. (See again table 62.)

A trade and shipping agreement with Italy was signed in June 1954, which replaced the former treaty between the two countries in force since 1927. Lastly, on 3 March 1955, Haiti concluded with the United States a friendship, trade and shipping agreement which relates in particular to the treatment to be accorded by each of the contracting parties to natural persons and corporate bodies of the other.

4. Inter-Latin-American policy

The similarity between the goods produced by Haiti and the other states of the Northern Zone of Latin America, and the lack of direct shipping lines plying between its ports and the Southern Zone, partly explain the deficient development of Haiti's intra-regional trade.

Under an agreement signed with the Dominican Republic on 26 August 1941,[130] and amended on 24 March 1942, the two countries granted each other tariff reductions on certain products of Haiti (rum, sacks, carrier bags, and other sisal manufactures) and of the Dominican Republic (tobacco, cigars, soap, perfumes, cheeses, butter and beer). To this list were later added raw sisal from Haiti and sisal sacks from the Dominican Republic, a special system being established at the same time to facilitate frontier trade and the employment of Haitian labour in Dominican agriculture. For various circumstantial reasons this treaty appears not to have been applied in practice. In addition, Haiti and Venezuela subscribed in 1945 to a *modus vivendi* establishing their mutual relations on the basis of the most-favoured-nation clause. This instrument was renewed each year, but has lapsed since 1951.

In May 1943 Haiti extended the benefit of minimum tariff duties to the other countries of the region, with the object of encouraging its inter-Latin-American trade relations. Consequently, without the necessity of special agreements, Haiti's imports of Latin American products will be subject to customs duty at half the maximum tariff which was formerly applied to them in its entirety. This provision, which remains in force, does not include the reductions granted by Haiti to those countries benefiting by the most-favoured-nation clause, not the tariff rebates granted within the framework of the GATT, which Latin American countries members of the latter enjoy as a matter of course. In its trade policy Haiti appears to be disinclined to conclude payments agreements under a clearing accounts system, and has not so far been a party to agreements of this type.

7. Mexico

1. Introduction

Mexico's trade policy is greatly influenced by the necessities of its internal economic growth, which has been very rapid over the last fifteen years. Its object, therefore, is to encourage new domestic activities, both by utilizing an increasing portion of the capacity for external payments to purchase capital goods and by exercising a selective control of imports. This policy demands the employment of instruments of an elastic nature which can be adapted to the changing situations of the development process, expecially in view of the need to stabilize the balance of payments. The necessity for a flexible trade policy capable of serving the ends of economic policy at home was perhaps the principal reason why Mexico did not accede to the General Agreement on Tariffs and Trade.

Mexico has for a very long time past maintained close links with the United States market, which at present accounts for about 75 per cent of its total exports and imports, though no trade treaty is in force. The United States however, grants the principal Mexican exports the same treatment as when, up to 1951, such a treaty existed, and purchases the greater part of them. Mexico therefore views problems of placing surpluses and obtaining convertible currency in a different light from other Republics of the region, which, because of the resemblance between their production and that of the United States, or for other causes, are unable to place the main bulk of their exports in the dollar area. As regards marketing problems,

[129] This agreement also contains certain provisions to facilitate Haiti's liquidation of the balance of the French loan of 1910, in accordance with the financial settlement between the two countries included in the 1938 Protocol. Under the terms of the 1952 agreement, part of this debt, up to 900,000 dollars, will be covered by means of a French tax of 2 dollars on each 80-kilogramme bag of Haitian coffee. (If the price of coffee were to fall to less than 25 dollars per 50 kilogrammes, f.o.b., this rate would be proportionally reduced.) On its side, the Haitian Government engages to pay an annual sum of 50,000 dollars up to a total of 300,000, as a counterpart to the advantages conferred upon Haiti by the agreement "and to contribute to the liquidating of the Franco-Haitian financial settlement". This annual payment by Haiti will take place only so long as the 1952 agreement is in force and until the stipulated sum is paid off. Should the tonnage of Haitian coffee exported to France not reach 4,000 tons per year, the annual payment of 50,000 dollars will be proportionally reduced.

[130] In 1867 Haiti had concluded a treaty of peace, friendship, trade and shipping with the Dominican Republic, based on the most-favoured-nation clause, like others signed by Haiti during the last century.

apart from those which affect the level and fluctuations of its export prices, Mexico's difficulties are bound up rather with exportable surpluses, which are sometimes greater than the volume normally purchased by their customary buyers, or with articles which are either new or of irregular production. The relative continuity of the United States demand for the main Mexican exports, with the high revenue obtained from tourist traffic, together mean that in practice the entire foreign payments capacity of Mexico is in the form of convertible currencies. The outcome is ability to maintain free exchange and transfers abroad, and there is no need for enforced redistributions of trade so as to channel it towards particular countries or currency areas through the medium of payments agreements, barter arrangements, or a system of quotas or permits, designed to safeguard bilateral equilibrium. Such operations of this kind as are sponsored or promoted by Mexican trade policy do not therefore reflect vital needs of the economy, as they do in those countries whose surpluses fail to find sizable markets in the convertible currency areas.

The instruments in which Mexican trade policy finds expression — the customs tariff, subsidies,[131] trade treaties, payments agreements, barter or clearing arrangements — appear to form a coherent whole. As regards imports, the tariff, plus a number of other regulatory and selective instruments, affords a high level of protection to industrial activities of importance to the country.[132] The commercial treaties entered into with other nations, except for payments and barter agreements, while playing no part in such protection, have uniform features in one basic respect, since none of them grant special concessions, even in relation to the tariff. On the other hand, they all adopt the most-favoured-nation clause in its unconditional form as the ruling principle for their relations with the other contracting party. Since no consolidations, reductions or customs exemptions are granted to third countries by virtue of treaties, from this point of view the clause is an expression of Mexico's attitude of non-discrimination towards imports, from whatever source, so far as customs tariffs and commercial procedures are concerned. In addition, as there are no products on which the tariff duties have been negotiated with other nations, trade policy is exempt from restrictions of contractual origin which might hinder the modification of customs duties, the application of quantitative restrictions to imports of particular articles, or the making of purchases either on a quota basis or without reference to the proportions reached by imports of similar goods from particular countries in earlier periods. The lapse of the Mexican-United States agreement in 1951 (signed in 1942 and amended in 1947) made Mexico's trade policy wholly autonomous in this sense.

As was explained in connexion with the fact that all classes of foreign merchandise are accorded similar tariff treatment, whether or not a trade agreement with the country of origin is in force, the nature of the Mexican customs system ensures the non-discriminatory character of any tariff adjustments designed to transform the composition of imports and encourage economic development. Just as the supplier nations are all in the same position as regards tariff duties or modifications thereof, they are also similarly placed, as a rule, *vis-à-vis* selective mechanisms of other kinds. However, the adoption of such measures as can be put into effect through payments agreements has on occasion made it possible to utilize credit balances by assigning to the debtor country a quota or permit for imports of goods whose introduction into Mexican territory is normally restricted or prohibited.

Mexican trade policy tends towards non-intervention in the course or direction of trade flows. There are, however, exceptions to this trend; among them, in a sense, is the practice of entrusting to bodies of an official character the importation of certain basic supplies, such as wheat, beans, maize and fats. The corresponding purchases abroad are not determined only by considerations of price and quality, which would have a decisive influence on the open market; sometimes weight is also attached to the greater facilities afforded by the transport system to goods from particular countries, to promptness of delivery and to the tradition of similar transactions satisfactorily carried out in the past.

Furthermore, Mexican trade policy evidences a desire to widen the range and geographical distribution of exports. An attempt is made to add new or hitherto seldom-exported articles, and to obtain regular access to a larger number of purchasing markets. This tendency — which in certain conditions may affect Mexico's inter-Latin-American trade — is manifested by the conclusion of a number of payments and clearing agreements (the latter taking the form, in practice, of barter arrangements). In a similar category are trade missions — sometimes composed of government officials and representatives of private enterprise — exhibitions and the distribution of samples. These measures, together with propaganda campaigns abroad on trade possibilities in the Mexican market, are also among the factors contributing towards diversification of exports.

As yet no detailed consideration seems to have been given to the possible expansion, through agreements such as those mentioned above, of trade between Mexico and the rest of Latin America, especially with the Republics of the Southern Zone, which, usually by means of clearing agreements, are responsible for the greater part of inter-Latin-American trade. Although the growth of this traffic during the last war revealed latent possibilities as regards certain complementary products, when peace was restored negative factors once again prevailed. One of these is the limited extent to which the majority of the southern countries of South America can make payments in convertible currencies. In particular, they find difficulty in quoting their exports at prices that can compete with those of United States products. To the heavier freight charges caused by longer distances must be added extra trans-shipment costs. It should be noted, however, that recently one of the factors mentioned took a more favourable turn when several ships providing direct

[131] Under given conditions, Mexico practises, in the guise of reduction of or exemption from taxes and tariff duties, a system of indirect subsidies on certain imported articles — basic foodstuffs or raw materials — and on export lines considered to be of importance to the domestic economy.

[132] See *The Tax System in Mexico and the Development of Foreign Investment* (ST/ECA.18/E/CN.12/298/Add.1).

connexions between Mexico and the South American ports were placed at the service of trade, as part of regular lines covering longer distances. It would be worth while devoting adequate study to the question of how far the remaining adverse factors could be counteracted by the method of payments and barter agreements, which are at present so frequent in South America and are also practised by Mexico in her relations with countries in other areas.

2. Customs tariff

The Mexican tariff lays down specific and *ad valorem* duties on exports and imports. The *ad valorem* duties are computed on official base values established by the Secretaría de Hacienda y Crédito Público.

It is a characteristic feature of Mexico's tariff that it is composed of only a single column, which is consistent with its policy of not granting reductions, consolidations or customs exemptions to third countries. The principal aims of the tariff are to serve as a fiscal instrument and to provide over-all economic policy with a means of action.

As regards the first aspect, to give some idea of the significance of customs tariffs as a source of revenue for the exchequer, it will suffice to say that 28 per cent of the taxes collected in 1953 were derived from duties on foreign trade, 14.1 per cent accruing from imports and 13.9 from exports.[133] It should be observed that the proportional significance of this revenue is higher than that represented in the same year by income tax — second in order of importance — which brought in 23 per cent.

As an instrument of trade policy, the customs tariff is utilized in Mexico up to the limit of flexibility consistent with its fiscal objectives. Through the medium of its scale of duties, imports are selected in accordance with their economic importance. The different tax levels tend to encourage imports of capital goods, raw materials and certain essential consumer articles. The scale also has the effect of discouraging the importation of those goods which compete with similar domestically-produced articles and of luxury and non-essential products.

As regards exports, too, the tariff has both fiscal and economic functions. This is exemplified by the difference in the severity of the duty when it bears more heavily on traditional exports and less on products whose export it is desired to promote. The official base values laid down by the Secretaría de Hacienda y Crédito Público for calculation of the *ad valorem* duties are determined by the same criterion. Exports further give rise to surcharges which are added to the tariff duties. On account of the devaluation in 1948 an *ad valorem* surcharge of 15 per cent was established.[134] The object of this was, on the one hand, to absorb the exceptional export profits deriving from the altered exchange rate, in order to offset the excessive real demand which would otherwise have influenced the increase in domestic prices; and, on the other hand, to bring additional funds to the exchequer. The rise in internal costs gradually nullified the resulting exchange advantages, to such an extent that in February 1954 it was necessary to decree complete exemption from the surcharge in the case of a large number of items. This time the surcharge was used as an instrument of trade policy so that the export of many products should not be deprived of incentives. The devaluation of April 1954 was the signal for a fresh surcharge with a similar aim to that of 1948, but it was of 25 and not of 15 per cent. However, it had great flexibility, enabling reductions and exemptions to be granted, and the result was a wider margin of advantage for those products in favour of which exemption from or reduction of the surcharge was stipulated for purposes of trade policy.

The balance-of-payments situation at the end of 1953 and in early 1954 led in February of the latter year to the imposition of a general 25-per-cent tax on imports, in addition to the existing rates. The primary object was to place some sort of check upon imports, since their growth was one of the main causes of disequilibrium in the foreign payments position. In other words, rather than serving taxation purposes, the additional duty was an instrument of trade policy.

3. Non-tariff selective measures

One of the means employed by Mexico in pursuit of its trade policy consists in non-tariff selective and restrictive measures, mainly import and export permits, as well as quotas and prohibitions. The two objectives aimed at are the defence of the balance of payments and the promotion and protection of specific domestic activities. In 1948, as a parallel to devaluation, the system of import permits was introduced for a number of tariff items which in 1951, after several extensions, reached a total of 500.

In June 1954, since imports did not diminish despite the heavier tariff burdens, the schedule of products subject to permits was increased to 362 items. This measure supplemented the tariff increment as regards safeguarding the balance of payments. It was further used to reduce imports of non-essential or luxury goods in branches where domestic production also existed. Thus the system of permits has become one of the instruments of over-all economic policy. So far as exports are concerned, it should be noted that recourse is had to prohibitions and permits almost exclusively with the object of guaranteeing domestic supplies.

4. Most-favoured-nation clause

The principal expressions of Mexico's contractual policy are the agreements which include the most-favoured-nation clause. Fourteen of these instruments are at present in force, five of them with Latin American countries — Brazil (1936), Chile (1945), Costa Rica (1950), El Salvador (1950) and the Dominican Republic (1890); seven with European nations — France (1951), Italy (1949), the Netherlands (1950), Switzerland (1950), Czechoslovakia (1949), Belgium (1953) and Yugoslavia (1950); one with Canada (1946), and another with Israel (1952).

[133] The fiscal nature of the customs duties is more obvious in the case of export taxes, not only because of the smaller number of items subject to the specific and *ad valorem* rates, but also because of their lower aggregate amount. In 1953 the value of exports was 4.702 billion pesos as against 6.561 billion in the case of imports.

[134] The devaluation of the Mexican peso in 1938 had also given rise to a surcharge of 12 per cent, which had remained in force until 1947.

These agreements contain, in addition to the clause mentioned, a reservation as to special benefits granted to adjacent countries, and the option to restrict trade when the merchandise concerned may affect public security (armaments or munitions) or the conservation of livestock and crops, and when it belongs to the artistic, archaeological or historical heritage of the nation or consists of exports of gold and silver. Apart from these reservations, the clause expressly extends not only to the system of tariff reciprocity, but also to payment conditions, methods of testing and analysing products, domestic taxes and movements of goods within the national territory. From all these aspects, the same treatment is accorded to foreign products as to Mexican goods, and vice versa.

Since Mexico maintains no agreements conceding special benefits to particular countries, as was stated in the Introduction, the customs treatment resulting from the most-favoured-nation clause is identical with that accorded to imports coming from nations to which it is not linked by agreements of this kind. In any event, for the other contracting parties the clause is equivalent to guaranteeing that their exports will be subjected in Mexico to the same treatment as this country may grant to third states, with the exception of adjacent countries.

Mexican imports from countries with which agreements of this type are in force amounted in 1954 to about 60 million dollars (9.8 per cent of total imports). Exports to these countries were valued at 28 million dollars (6.2 per cent of the total). A comparison of this figure with that of Mexico's aggregate world trade, excluding the United States, shows that trade under the contractual system of the most-favoured-nation clause covers about 70 per cent of the operations in which the United States market is not represented. As regards commerce with the United States — with which country Mexico in 1954 traded 60 per cent of its total exports and from which it imported 80 per cent of its foreign purchases,[135] reasons of proximity transport, tariff treatment and also, in some import lines, the tastes of the consumer, are tending to tighten trade bonds and to channel the greater part of Mexico's foreign trade in this direction. In addition, the basic tendency of its economic policy is towards payment in freely convertible currencies, for which purpose the maintenance of the present trend of its foreign trade is strongly supported.

5. Payments agreements

Mexico at present maintains payments agreements with Argentina, Czechoslovakia, France and Spain. The first of these extends only to payment of balances on trade in books, periodicals and technical publications. The other three comprise a wide range of products.

The agreement with Czechoslovakia (1950) stipulates that the Banco de México and the Stotni Banka Cekoslovenska shall open dollar accounts to settle current payments arising from the interchange of goods and services. The balance in favour of either country shall be payable when it exceeds one million dollars, unless expediency then dictates its liquidation under specific conditions. There is a similar agreement between France and Mexico (1950). In this case the debit balances become redeemable when they reach 5 million dollars. As the accounts are kept in the national currencies of each contracting party, there are clauses to safeguard the purchasing power of the balances in the event of devaluation. Finally, in the agreement with Spain (1951) it is laid down that the Instituto Español de Comercio Exterior and the Banco de México shall open dollar accounts to settle payments arising from commodity trade, movements of capital and services. It is provided that the balances shall not exceed 2 million dollars.

Since Mexico's principal exports reach markets which generally buy them against convertible currencies, trade through payments agreements is limited to new products or to such as are difficult to sell for convertible foreign exchange, to surpluses resulting from a circumstantial decline in demand and also to occasions when the country's exportable surpluses are in excess of the customary demand of their regular purchasers. The agreements in question have also left margins for the purchase of certain capital goods, raw materials and manufactured articles.

In contrast to the positive aspects of the system — among which is commonly reckoned the sale of exports at a price higher than that of the world market — there are some which present a less rosy picture. Thus, for instance, Mexico has not always succeeded in obtaining goods of economic importance in exchange for its exports, or at least not up to the value of its own products. As can be gathered from experience in the operation of payments agreements to which Latin American countries are parties, when the lists of articles to be traded are established it sometimes becomes difficult, if not impossible, to avoid accepting non-essential or luxury articles. It is also common knowledge that the prices quoted by the vendor for these articles are usually above the world market level. From the standpoint of foreign exchange holdings, this cancels out the advantages derived from export prices.

In the particular case of Mexico, the low proportion of its foreign trade which depends on payments agreements appears hardly likely to undergo any considerable expansion, given the large quota of exports placed on the United States market.

6. Special clearing agreements

Since 1950 Mexico has concluded several clearing agreements which are virtually barter arrangements, mainly with exporters in Europe, the United States and Japan. Their main feature is that they are concerted privately, though through the Banco Nacional de Comercio Exterior, between foreign exporters and Mexican importers. They entail operations involving precise prior determination of the quantities and goods to be purchased by the Mexican firm and a list of the main Mexican products to be exported. The Bank releases the amount of the purchase to the importer and credits it as payment for exports. Goods normally purchased by Mexico under these agreements

[135] It should be remembered that the figures for exports appear inflated because statistics regard Mexican exports to other countries through North American ports as destined for the United States, although in reality they represent only goods in transit. An idea of the magnitude of this transit traffic may be gained from the fact that during 1947 it was estimated at about 63 million dollars, or 16 per cent of total exports (see *El Desarrollo Económico de México y su Capacidad para Absorber Capital del Exterior*, op. cit., p. 426).

TABLE 63. MEXICO: EXPORTS OF SELECTED PRODUCTS TO LATIN AMERICA

(Thousands of dollars)

	Average 1934-38	Average 1946-51	1952	1953
Unginned cotton	—	14	366	1,595
Sulphur	—	37	292	—
Electrolytic copper	—	54	—	—
Iron pipes	—	169	2	38
Tanned hides	—	275	339	188
Vegetable fibres	—	279	42	147
Iron bars, shapes and strips	—	15	1,397	1
Cotton yarns	—	122	118	54
Woollen yarns	—	77	46	22
Spirits	2	23	42	39
Wood in the rough and semi-manufactured	—	99	100	41
Paper and board	9	36	11	21
Petroleum and derivatives:				
Crude	—	646	1,795	662
Ordinary petrol	1,349	99	683	164
Kerosene	266	37	108	71
Diesel oil and gas oil	140	2,239	925	1,970
Fuel oil	1,420	200	203	128
Lubricating oils	309	9	3	—
Asphalt	80	—	—	—
Lead bars and ingots	252	2,865	863	533
Pharmaceutical products	32	958	796	1,094
Hard-fibre sacks	—	35	7	43
Oil-seeds	—	5	29	9
Cotton textiles	2	9,106	4,079	2,978
Woollen textiles	4	153	7	23
Rayon textiles	4	157	6	26
Zinc bars and ingots	16	586	1,295	838
TOTAL	3,885	18,295	13,554	10,685
Total value of exports to Latin America	4,819	38,943	22,611	10,907
Percentage of total exports represented by above products	80.6	47.0	59.9	98.0

SOURCE: Official foreign trade statistics.

are those subject to permits. They include wines from France and Spain, whisky from Canada, the United States and Scotland, viscose from Italy and Germany, nylon from the United States, medical instruments from Switzerland and miscellaneous French products. Mexico delivers in return two kinds of articles — those difficult to sell abroad, and those which are new export lines or not habitually traded with foreign countries.

Like payments agreements, this new and little-used method of foreign trade reflects, *inter alia*, Mexico's desire to facilitate the marketing of products difficult to export through the usual channels.

8. Peru

1. INTRODUCTION

Such is Peru's economic structure that its trade policy necessarily bears a stamp uncommon in Latin and especially South America. In contrast to its sister republics, Peru does not derive its export revenue mainly from the sale of a single commodity, nor do its fortunes on the world market closely depend on the demand of only one or two purchasing centres. Peruvian export trade is based on various agricultural and mineral products, almost all highly essential. About 50 per cent of its total value is in sugar and cotton, which are harvested in such abundance that they are usually well able to meet the competition of the large world suppliers on the open market. When the last war caused the flow of cotton sales to the chief European customer, the United Kingdom, to decline — they have never since regained their original level — Peru succeeded in placing its surplus stocks in other areas, particularly South America, where Pima and Tangüis fibres are in great demand for factories manufacturing high-quality goods.

Since it exports essential products for which convertible currencies, in view of the competitive prices usually quoted, are readily obtainable, Peru has to some extent tended to solve its economic development problems by giving preference to investments which increase exports and maintain the productivity on which their ability to compete depends. Over the last quarter-century, this attitude appears, with certain exceptions, to have prevailed up to a point over concern for the creation of sources of national income other than exports. Consequently, industrialization programmes have not hitherto prospered in Peru on such broadly-conceived lines as in other Latin American countries which observe with

TABLE 64. MEXICO: IMPORTS OF SELECTED PRODUCTS FROM LATIN AMERICA

(Thousands of dollars)

	Average 1934-38	Average 1946-51	1952	1953
Edible oils	—	176	—	—
Copper wire and cables	—	5	67	—
Cotton	—	62	—	—
Rice	—	155	—	—
Sugar	—	2,606	—	—
Cacao	28	146	—	—
Copper pipes and tubes	—	4	—	—
Ironpipes	—	32	2	1
Cigars	—	12	5	15
Fuel oil	12	—	—	—
Tinned meat	8	83	13	9
Tinned fish	2	23	—	—
Raw hides	—	480	—	11
Tanned hides	—	10	10	14
Fertilizers	43	481	251	92
Beans	—	34	—	—
Cattle	2	75	—	—
Edible fats	—	1,119	20	—
Greasy wool	—	89	—	174
Clean basis wool	104	288	—	—
Spirits	—	33	1	—
Butter	—	15	—	—
Pharmaceutical products	18	444	333	499
Quebracho	27	406	—	311
Cheese	—	27	54	24
Rayon textiles	—	491	1,767	1,589
Wheat	—	—	41	—
Wine	—	34	—	—
TOTAL	244	7,330	2,564	2,749
Total value of imports from Latin America	1,130	10,016	5,667	2,778
Percentages of total imports represented by above products	21.6	73.2	45.2	99.0

SOURCE: Official foreign trade statistics.

growing anxiety the world market contingencies affecting their primary products.

It is thus natural that Peru should be fully inclined to liberalize its trade, and, being generally opposed to international quotas, it largely remains outside the agreements designed to regulate the world market in certain agricultural products. From another angle, during the years since the world crisis, and in contrast to other Latin American countries more sensitive to external events, it has betrayed, in such trade treaties as it has concluded, little interest in re-moulding the composition of imports. Only in exceptional cases does Peru concert agreements for the quantitative interchange of goods, and it makes only the minimum use of barter transactions, to which other Latin American Republics are obliged to have recourse for their foreign purchases of intermediate products and raw materials necessary to their diversification plans, or in order to overcome, by means of clearing operations, the shortage of dollars with which to buy consumer goods.

2. INTER-LATIN-AMERICAN TRADE

The economic structure of Peru also places it in an unusual position in Latin American trade. Its cotton and sugar exports to Bolivia, Chile, Colombia, Ecuador and Uruguay annually fortify its balance of payments with substantial resources in convertible currency. In 1952, for example, its sales to these countries amounted in all to rather over 62 million dollars, while the value of its imports from them was less than 6 million.

There are various other reasons why Peru remains almost exclusively a sellers' market within the region. Among them are the obstacles of a national character which prevent its Latin American customers from delivering, in part payment for their purchases, commodities whose conditions of sale are attractive to the Peruvian importer. In addition, Peru's contractual situation in Latin America is reflected in a limited system of preferences with Chile and Bolivia,[136] in the most-favoured-nation clause embodied in direct bilateral agreements with Argentina [137] and Bolivia, and in the same clause compacted with Brazil, Chile, Colombia, the Dominican Republic, Haiti, Uruguay and Nicaragua, in consequence of their common membership of the GATT. Thus, apart from the preferences afforded to Chile and Bolivia for certain commodities, exports from nine Latin American countries receive the same treatment in Peru as that granted to the world suppliers with whom it is linked through the GATT. Exports from the other ten Latin American States are subject on entry into Peru to higher customs duties than are established for the members of that body.

The development of certain types of industrial production in Latin America and the consequent increase in the region's supply of manufactured goods, coupled with the serious tensions affecting the balance of payments in most of the South American countries where Peru effects its sales against convertible currency, might lead to the creation of a commercial and contractual climate favourable to the more harmonious development of trade between Peru and the rest of the region. Such factors might well combine with the repercussions of developments in the European demand for Peruvian cotton, the prospects for which do not at present seem as attractive as they were for many years.

3. MEMBERSHIP OF THE GATT

The trade policy of Peru, determined as it is by the country's economic structure, is in many respects closely in line with the aims of the GATT, especially in so far as they relate to the multilateral expansion of trade on the basis of equal opportunity offered by the most-favoured-nation clause. In 1949, after lifting, in accordance with its principles, the exchange controls introduced four years earlier on foreign transactions, Peru acceded to the General Agreement, adopting this as the basic instrument of its international trade and consequently abolishing its bilateral agreements with European Countries and the

[136] On 30 May 1950 a trade agreement was concluded between Ecuador and Peru which included the most-favoured-nation clause, but it has not been ratified.

[137] Although it expired on 22 August 1954, it was extended till 31 December of the same year.

TABLE 65. PERU: PERCENTAGE DISTRIBUTION OF FOREIGN TRADE

Years	*Latin America*	*United States*	*Europe*	*Other countries*	*Total (Thousands of dollars)*
		Exports f.o.b.			
Average 1934-38	14.9	20.8	50.1	14.2	80,390
Average 1946-51	33.8	25.4	32.3	8.5	178,134
1952	31.1	28.0	34.8	6.1	238,736
1953	25.9	38.1	28.0	8.0	221,944
		Imports c.i.f.			
Average 1934-38	11.3	32.7	44.8	11.2	50,802
Average 1946-51	14.0	48.8	23.4	13.8	175,670
1952	6.9	56.1	26.4	10.6	287,505
1953	7.4	54.3	27.5	10.8	294,163

SOURCE: Official foreign trade statistics.

United States. Peruvian world trade was thus subjected in all its aspects to the GATT régime.

Notwithstanding the factors which have induced a deficit in its balance of payments since 1947, and which in 1953[138] were accentuated by the decline in the world prices of cotton, sugar, lead and zinc, Peru has clung firmly to its predilection for free trade methods. It did not in the latter year fall back on those clauses of the GATT which would have authorized it to protect its external financial position and to employ direct methods of reducing imports. Among the reasons why Peru was able to pursue this line of conduct would appear to have been the restrictive influence exercised on the purchase of foreign merchandise by the devaluation of the Peruvian currency in 1953.[139] Further support was lent by the anti-inflationary measures which moderate the expansion of credit, by certain rules applied in 1954 to regularize the foreign exchange market and, in some degree, by the limits imposed in the same year on the import of motor-cars. Thanks to all this, Peru has been able to face a trying period with only minimum recourse to quantitative controls and without making use of the 30-million-dollar stabilization loan granted to it by the United States.

[138] Total Peruvian exports, worth 242.7 million dollars in 1951, fell to 227 in 1952 and 222 in 1953, and rose again to 237 million in 1954.

[139] The dollar quotation, which was 15.72 soles in 1952, began to rise in August 1953, reaching 19.96 in December of that year. It was 19.46 in July 1954 and [illegible] n January 1955.

Chapter V

PAYMENTS POLICY

I. General characteristics

1. Introduction

The process whereby inter-Latin-American trade relations have gradually assumed their present shape dates from many years back. But the most radical changes were brought about by the disorganization of trade through the Second World War and, above all, by the breakdown of the multilateral payments system.

In face of the need to finance with convertible currency those essential imports from the dollar area on which their economic development largely depends, it was natural that the Latin American countries should, when the war ended, show themselves on the whole averse from using such currencies to purchase their imports from within the region, since for these payment could be made by other means. Hence a whole network of bilateral trade and payments agreements was established, with the aim of achieving some degree of balance between intra-regional imports and exports, at eliminating the use of convertible currencies and at securing essential supplies in exchange for exportable products. It was among the countries of South America, traditionally responsible as they are for the greater part of inter-Latin-American trade, that this process was most markedly apparent. The countries in the Northern Zone and the Caribbean area largely held aloof from it, owing to a series of circumstances which enabled them to keep up their foreign payments within a multilateral pattern, though at times with tariff, quantitative or other restrictions.

The need to resort to bilateral clearing agreements has been widely felt in the Southern Zone up to the present time. Such arrangements are as a rule far from satisfactory, because of the disadvantages which are often inherent in bilateralism, and which will be discussed later. Nevertheless, it must be acknowledged that they have played a very important part in keeping up trade levels and even raising them at times, when it has proved feasible, within certain bilateral channels, to improve credit margins and administrative procedures, especially those involved in the system of import and export permits. The degree of depression that intra-regional trade would have suffered if these instruments had not existed, cannot be calculated with precision, but there are grounds for believing that in some cases the maintenance of its volume would have been virtually impossible.

As regards the situation by countries, the individual policy of the twenty Latin American Republics with respect to intra-regional payments is influenced by several factors, such as the degree of balance achieved in their foreign accounts both with the region itself and with the rest of the world; the convertibility of their currency; and the different ways in which their economies are reciprocally complementary within the area.

As has already been stated, the payments policy of most of the countries in the Southern Zone is characterized by the tendency to employ bilateral clearing mechanisms. In these countries the disequilibrium in their world payments position is relatively serious, so that in carrying on their trade they are obliged to maintain discriminatory restrictions and systems of exchange rate control. Furthermore, it is in these countries that intra-regional trade is mainly concentrated, because their economies are reciprocally complementary, especially with regard to certain essential supplies.

In contrast, the countries of the Northern Zone of Latin America, which embraces Mexico, Central America and the Caribbean area, have maintained a tendency towards multilateralism in their foreign — including their intra-regional — trade, and normally balance their external accounts with freely convertible foreign exchange. Most of them are untrammelled by exchange restrictions, but some continue to impose certain quantitative or other limitations on imports.

From this divergency between the positions of the countries in the two zones it may be inferred that for the time being the gravest payments problems are to be found in South America. With the exception of Venezuela, and, up to a point, of Peru, all the countries of this zone are more or less involved in the network of bilateral trade and payments agreements which has such far-reaching effects on the nature, volume, value and distribution of their trade.

While the lack of uniformity in payments systems is a serious handicap to the development of trade between the Northern and Southern Zones of Latin America, the limited nature of their reciprocal transactions is largely attributable to other causes that deserve mention. It is true that, theoretically, prevailing conditions should prove favourable to a larger volume of trade than is at present carried on. Owing to the differences between their geographical situation and natural resources, as well as to some tendency towards specialization in particular branches of production, the two zones are mutually complementary with respect to a variety of products. But these latent possibilities are to a certain extent frustrated by the fact that among the northern countries of South America there are some within the tropical belt, whose nearness to the more southerly Republics of their own zone places them in a better position than those of the Northern Zone for supplying the products of the tropics to their temperate-climate neighbours, partly in consequence of the shorter distances and lower freight costs. Nor have the countries of the Northern Zone sufficient incentive to divert their exports to those Latin American countries where there is a scarcity of convertible foreign exchange. Moreover, their demand for the products of the temperate zone is apparently more satisfactorily met with imports from the United States or Canada, or even from Europe. Nevertheless, the real possibilities of increasing trade between the Northern and Southern Zones should not be prematurely underestimated, since, apart from the complementary nature of some of their basic products, other potential trade lines have not yet been investigated.

At the present time, as was stated in chapter II, the bloc formed by Mexico, Central America and the Caribbean countries accounts for barely one-tenth of total intra-regional trade, the aggregate annual value of which amounts to nearly 700 million dollars. This means that the share of the Southern Zone in the trade in question represents slightly more than nine-tenths of the total.

So marked a disproportion, whereby almost the entire volume of intra-regional trade is concentrated in the ten countries of South America, logically focuses attention on these latter in any analysis of payments policy. Moreover, the policy of Mexico, Central America and the Caribbean countries in this respect, based as it is on the principles of multilateralism, displays no characteristics worthy of comment here.[1]

In contrast, the payments policy of the Southern Zone is founded essentially on bilateralism, as regards the trade of most of its countries, not only with the sterling and other non-dollar areas but also with the rest of the Latin American Republics; and some of its features should be noted before the present structure of payments is examined.

The centre from which this regional payments policy sprang was Argentina. Latin America, and especially some of the countries of the Southern Zone, offered a potential market of considerable size for the sale of Argentina's agricultural surpluses. The latter's policy was therefore designed to set up the necessary mechanisms for converting it into a permanent supplier of the regional market and providing it, in exchange for its exports, with products essential for its economic activities. Apart from numerous and frequently-renewed barter agreements covering specific goods for a specific value, it was in this way that the treaties relating to trade on account originated.

These steadily evolved as it became necessary to arrange compensation for the value of imports between each pair of countries, or to introduce credit facilities, without which trade would in fact have fallen to the level of the lowest common denominator given by the volume of imports for which each country in the region would be prepared to surrender convertible foreign exchange.

During the post-war period, the policy of bilateral agreements gradually spread, in greater or in less degree, to almost all the countries of South America, with the exception of Venezuela, whose monetary reserves enabled her to make her payments in dollars, as was also the practice of the countries of the Northern Zone — that is, Mexico and the Central American and Caribbean Republics — though their reserves were relatively smaller.

Of the remaining South American countries, four — Argentina, Brazil, Paraguay and Uruguay — have aimed at an almost exclusively bilateral channelling of their payments with the non-dollar currency areas and with the rest of Latin America. The other five — Bolivia, Chile, Colombia, Ecuador and Peru — though more or less implicated in the inter-Latin-American network of bilateral treaties, use convertible currencies to settle some of their trade accounts with the other countries of the region.

As a general rule, bilateral payments agreements in Latin America are concluded between countries with non-convertible currencies, which apply exchange restrictions and carry on their reciprocal trade in such a way that the debits and credits deriving from it cancel each other out as far as possible, the appropriate mechanisms being usually in the hands of the Central Banks concerned.

Although in some cases final balances are paid off in dollars, many agreements embody clauses authorizing liabilities to be met with commodities from the debtor country, balances outstanding being liquidated in dollars only in the last resort. The agreements assume widely-differing forms, but fundamentally all are aimed at economizing in convertible foreign exchange for the financing of trade.

To sum up, the intra-regional payments policy of the South American countries, crystallized in a series of international instruments that range from mere exchanges of notes to treaties, has been directed towards maintaining and strengthening trade between the Republics in this area in the only ways possible since the system of multilateral payments broke down in consequence of the Second World War. This policy, which has brought various compensation mechanisms into being and has facilitated the settlement of balances between each of the pairs of countries that have signed bilateral agreements, has proved in Latin America to have advantages and disadvantages which deserve analysis. They will be examined later, when consideration has been given to other aspects of the problem bearing on the evaluation of the payments policy in question, which is no more than the inevitable complement of the trade policy reviewed in chapter IV.

2. Structure of payments in visible trade

It would obviously be desirable, for a number of purposes, to ascertain each country's balance-of-payments situation in relation to the region. Over-all data, however, are lacking, and it is still difficult to obtain a break-down of global payments statistics by countries, as well as to assess transactions of an invisible character and

[1] It is true that several of these countries have had balance-of-payments problems in their relations with the rest of the world. Mexico, for instance, had to resort to the devaluation of its currency in an attempt to solve them. In certain periods Costa Rica and Nicaragua had recourse largely to exchange controls.

TABLE 66. LATIN AMERICA: INTRA-REGIONAL TRADE TOTALS AND BALANCES

(F.o.b. values in thousands of dollars)

	Average 1934-38			*Average 1946-51*			*1952*			*1953* [a]		
	Exports to Latin America	*Imports from Latin America*	*Net balances*	*Exports to Latin America*	*Imports from Latin America*	*Net balances*	*Exports to Latin America*	*Imports from Latin America*	*Net balances*	*Exports to Latin America*	*Imports from Latin America*	*Net balances (provisional)*
Argentina	46,983	29,891	+17,092	181,828	154,950	+26,878	93,933	188,789	−94,856	260,798	169,053	+ 91,745
Bolivia	1,160	3,955	− 2,795	2,537	19,727	−17,190	3,780	13,994	−10,214	3,219	8,571	− 5,352
Brazil	21,676	37,756	−16,080	136,408	121,781	+14,627	126,246	129,254	− 3,008	111,831	275,617	−163,786
Chile	5,929	10,904	− 4,975	45,817	76,290	−30,473	70,802	94,042	−23,240	73,313	88,742	− 15,429
Paraguay	2,590	3,781	− 1,191	11,371	12,466	− 1,095	8,460	6,555	+ 1,905	6,443 [b]	13,503	− 7,060
Peru	11,974	5,723	+ 6,251	60,272	25,371	+34,901	74,131	30,644	+43,487	43,496 [c]	23,982	+ 19,514
Uruguay	9,368	11,921	− 2,553	15,316	48,066	−32,750	30,696	52,911	−22,215	16,800	51,192	− 34,392
Colombia	486	1,319	− 833	5,139	23,678	−18,539	4,496	15,952	−11,456	6,422	8,257	− 1,835
Ecuador	2,885	683	+ 2,202	12,711	4,552	+ 8,159	6,725	4,167	+ 2,558	7,373	6,604	+ 769
Venezuela	1,664	409	+ 1,255	39,113	31,278	+ 7,835	111,919	14,831	+97,088	131,247	9,212	+ 122,035
Costa Rica	279	180	+ 99	2,032	2,756	− 724	3,965	2,087	+ 1,887	3,410	1,274	+ 2,136
Cuba	1,716	2,823	− 1,107	19,864	21,234	− 1,370	20,219	15,047	+ 5,172	22,900 [d]	12,476	+ 10,424
Dominican Republic	101	95	+ 6	2,216	1,871	+ 345	468	1,270	− 802	1,400 [d]	1,326	+ 74
El Salvador	365	627	− 262	4,838	5,314	− 476	2,857	7,877	− 5,020	4,626	2,492	+ 2,134
Guatemala	116	592	− 476	680	7,684	− 7,004	1,684	7,418	− 5,734	2,000 [d]	4,101	− 2,101
Haiti	3	71	− 68	1,259	582	+ 677	398	767	− 369	600 [d]	452	+ 148
Honduras	292	411	− 119	4,271	3,968	+ 303	7,361	3,526	+ 3,835	6,800 [d]	2,687	+ 4,113
Mexico	4,819	604	+ 4,215	28,943	8,988	+19,955	22,611	3,646	+18,965	10,907	1,632	+ 9,275
Nicaragua	338	229	+ 109	3,632	1,588	+ 2,044	6,982	2,286	+ 4,696	6,269	1,843	+ 4,426
Panama	47	817	− 770	2,449	8,552	− 6,103	3,500	6,179	− 2,679	574 [e]	3,138	− 2,534
TOTAL FOR LATIN AMERICA	112,791	112,791	—	580,696	580,696	—	601,233	601,233	—	720,428	686,154	—

SOURCE: ECLA, on the basis of official foreign trade statistics.

[a] Excluding imports from Cuba, the Dominican Republic, Guatemala, Haiti, Honduras and Panama.

[b] Provisional.

[c] Exports to Argentina, Chile, Ecuador and Uruguay.

[d] *Source*: United Nations Direction of International Trade.

[e] Estimate.

TABLE 67. LATIN AMERICA: INTRA-REGIONAL TRADE TOTALS AND BALANCES, EXCLUDING PETROLEUM VALUES

(F.o.b. values in thousands of dollars)

	Average 1934-38			*Average 1946-51*			*1952*			*1953* [a]		
	Exports to Latin America	*Imports from Latin America*	*Net balances*	*Exports to Latin America*	*Imports from Latin America*	*Net balances*	*Exports to Latin America*	*Imports from Latin America*	*Net balances*	*Exports to Latin America*	*Imports from Latin America*	*Net balances*
Argentina	46,983	25,810	+21,173	181,828	136,015	+45,813	93,933	150,763	−56,830	260,798	130,329	+130,469
Bolivia	1,160	3,696	− 2,536	2,392	18,528	−16,136	3,780	12,915	− 9,135	3,207	7,580	− 4,373
Brazil	21,676	34,522	−12,846	136,408	107,752	+28,656	126,246	66,450	+59,796	111,831	199,913	− 88,082
Chile	5,927	8,321	− 2,394	45,226	65,683	−20,457	68,094	83,791	−15,697	69,464	79,950	− 10,486
Paraguay	2,590	3,781	− 1,191	11,371	12,455	− 1,084	8,460	6,555	+ 1,905	6,443	13,341	− 6,898
Peru	4,489	5,723	− 1,234	41,647	25,371	+16,276	59,189	30,644	+28,545	31,491	23,047	+ 8,444
Uruguay	9,368	10,759	− 1,391	15,316	39,498	−24,182	30,696	37,194	− 6,498	16,800	33,638	− 16,838
Colombia	319	1,300	− 981	4,316	20,488	−16,172	2,313	15,483	−13,170	5,076	8,202	− 3,126
Ecuador	2,352	680	+ 1,672	11,335	4,164	+ 7,171	5,874	3,436	+ 2,438	6,062	5,713	+ 349
Venezuela	593	409	+ 184	2,514	31,272	−28,758	1,876	14,831	−12,955	1,412	9,104	− 7,692
Costa Rica	279	176	+ 103	2,032	22,572	− 540	3,965	1,961	+ 2,004	3,410	1,248	+ 2,162
Cuba	1,716	2,089	− 373	19,864	18,320	+ 1,544	20,219	12,355	+ 7,864	22,900	7,932	+ 14,968
Dominican Republic	101	95	+ 6	2,216	1,722	+ 494	468	747	− 279	1,400	295	+ 1,105
El Salvador	365	386	− 21	4,838	5,049	− 211	2,857	7,666	− 4,809	4,626	2,150	+ 2,476
Guatemala	116	340	− 224	680	7,246	− 6,566	1,684	6,773	− 5,089	2,000	3,366	− 1,366
Haiti	3	71	− 68	1,259	557	+ 702	398	737	− 339	600	335	+ 265
Honduras	292	384	− 92	4,271	3,865	+ 406	7,361	3,525	+ 3,836	6,800	2,686	+ 4,114
Mexico	1,255	604	+ 651	25,713	8,976	+16,737	18,897	3,646	+15,251	7,911	1,632	+ 6,279
Nicaragua	338	107	+ 231	3,632	1,373	+ 2,259	6,982	1,795	+ 5,187	6,269	1,494	+ 4,775
Panama	47	716	− 669	2,449	8,401	− 5,952	3,500	5,525	− 2,025	574	2,845	− 2,271
TOTAL FOR LATIN AMERICA	99,969	99,969	—	519,307	519,307	—	466,792	466,792	—	569,074	534,800 [b]	—

SOURCE: ECLA, on the basis of official foreign trade statistics.

[a] Provisional.

[b] Not including imports from Cuba, the Dominican Republic, Guatemala, Haiti, Honduras and Panama.

certain movements of capital. In order, therefore, to form an idea of the structure of payments in the region, at least in broad outline, it was necessary to have recourse exclusively to visible trade movements and balances. These were the elements used in preparing table 66, which shows totals and balances of inter-Latin-American trade during certain representative periods of time. The table sets out the f.o.b. values of each country's exports and imports with the resulting debit or credit balance for several representative years, i.e., an average pre-war year corresponding to the five-year period 1934-38, an average post-war year corresponding to the six-year period 1946-51, and 1952 and 1953 taken separately. It thus traces with comparative accuracy the course followed by the debtor or creditor position of each country in relation to the region, although current invisible payments and capital transactions are not included. For purposes of analysis, it might be arbitrarily assumed that payments of the kind referred to are not large in relation to the figures for visible trade, and in the aggregate are often reciprocally compensatory. However, existing statistics on transactions of this nature between Argentina and five other South American countries give some idea of their possible real magnitude.[2]

TABLE 68. ARGENTINA: CLEARING OPERATIONS WITH ADJACENT COUNTRIES, ANNUAL AVERAGES 1946-51

	Total movements on account (Thousands of dollars)	Percentage of total movements		
		Visible trade	Transfers of capital	Invisible trade
Bolivia	9,445	84.1	10.0	5.9
Chile	41,373	82.7	12.7	4.6
Paraguay	19,091	79.4	10.6	10.0
Peru	16,795	92.4	3.6	4.0
Uruguay	22,403	56.4	35.7	7.9

SOURCE: Banco Central, Argentina.

For the five countries included in table 68, invisible trade payments, as far as Argentina is concerned, represent relatively low figures varying from 4 to 10 per cent of total operations on account, but capital transactions, which in three out of these five cases range from 10 to 12 per cent, fall in the last but one to 3.6 per cent and in the fifth rise to 35.7 per cent.

If table 66 is now examined in the light of the criteria mentioned, it is easy to see that in their intra-regional trade almost all the Latin American countries remain consistently in either a debtor or a creditor position. In the Southern Zone, Bolivia, Brazil, Chile, Colombia, Paraguay and Uruguay are permanently in debt, whereas Ecuador, Peru and Venezuela are almost always creditors. In the Northern Zone, the Dominican Republic, El Salvador, Guatemala and Panama have persistent debit balances, while the converse is very often true of Costa Rica, Cuba, Haiti, Honduras, Mexico and Nicaragua.

The size of the balances, like the value of intra-regional trade, of course varies very much from one country to another. In 1953 the largest volume of trade, measured by the sum of operations in both directions, was maintained by Argentina, followed, in descending order, by Brazil, Chile, Venezuela, Peru, Uruguay, Cuba, Paraguay, Colombia, Ecuador, Mexico and Bolivia. But the relative size of their balances reveals that most countries are in a position of extreme disequilibrium in relation to the region. Table 68 shows not only the pronounced relative changes in the nature of their balances which have taken place in the course of time, but also the considerable gap which some countries would have to bridge in order to approach equilibrium in their visible trade accounts with the other countries of the region. Thus, for instance, in the four periods under review, Bolivia registered debit balances with Latin America representing 54.6, 77.2, 57.5 and 45.6 per cent, respectively, of its total regional trade. Brazil, which in 1952 had almost attained equilibrium, showed a deficit of 41.4 per cent in 1953, since its imports from the region amounted to a value of 275.6 million dollars and its exports to only 111.8 million. A glance at the position of the other debtor countries, as shown in the table, reveals relatively substantial disequilibria in recent years, commonly representing 30, 40 and 50 per cent of the value of their intra-regional trade. Conversely, the situation of the creditor countries is characterized by similar imbalances, but in the opposite direction, their surpluses corresponding to even higher percentages in several cases.

The visible trade balances resulting from comparison of the region's total imports and exports are set out in table 66; but, as has already been explained, there is one product — petroleum — of great importance in inter-Latin-American trade, which remains largely outside the system of bilateral payments on account generally prevalent in the region. Hence it was considered advisable to give a separate indication (see table 67) of visible trade totals and balances excluding values corresponding to the petroleum trade, the majority of which are paid in dollars.

An examination of this new table helps to clarify the balance-of-payments position of a number of countries, both habitual importers and suppliers of liquid fuels. The principal importers of petroleum show substantial variations in their balances for 1953. Argentina, which was already one of the region's creditor nations, recorded an increase in its surplus from 91.7 to 130.5 million dollars as a result of the reduction of its hard currency commitments, so that its position with respect to the rest of the region was strengthened; while, in contrast, other countries lacking in petroleum — Brazil, Bolivia, Chile, Paraguay and Uruguay — witnessed a decrease in their deficits and therefore approached nearer to relative stabilization. Changes in the balances of supplier countries took place in the opposite direction. Venezuela, for example, which appeared in table 66 with a credit balance of 122 million dollars, in table 67 has a deficit of 7.7 million dollars; this implies that if it were to lose its petroleum export trade, it would be one of the region's debtor countries. The smaller surpluses registered by other creditor countries — Ecuador, Peru and Mexico — brought them closer to equilibrium in their balance of payments with the region. In the case of Colombia, on the other hand, its deficit increased, thus slightly aggravating the relative disequilibrium in its regional payments situation.

[2] *Study of the Prospects of Inter-Latin-American Trade*, op. cit., p. 26.

From all this it may be inferred that if dollar payments for the region's petroleum are eliminated from the trade records, the resulting redistribution of the balances of the Latin American countries is in the direction of stabilization, since, with a few exceptions, of which the only one of any importance is Argentina, the gross value of their net assets or liabilities decreases.

3. Significance of inter-Latin-American trade on clearing accounts

The total amount of the export and import values balanced through clearing accounts can be clearly grasped if a study is made of the statistics for aggregate inter-South-American trade, during 1946-51 (average figures) and in each of the years 1952 and 1953, trade liquidated through clearing accounts being considered separately from that financed with dollars (see tables 69, 70 and 71).

In relative terms, trade on account amounted to 73.4, 62 and 70.5 per cent of absolute intra-regional trade, during each of the three periods under review; hence payments in dollars accounted for 26.6, 38 and 29.5 per cent of total operations. It can thus be seen that the size of the balances compensated on account is considerable; but it must be pointed out that they include payments for petroleum, which are generally made in dollars, and sometimes in pounds sterling. If the figures corresponding to payments for petroleum are subtracted from aggregate trade values, the proportions of these totals represented by transactions on account rise to 83.2, 82.5 and 90.7 per cent, which in round figures implies that about nine-tenths of inter-South-American trade, excluding petroleum, is carried on through clearing accounts (1953) without need of convertible currency.

The high percentage of trade liquidated through clearing accounts is so conducted mainly on the basis of *ad hoc* bilateral agreements between South American countries, in greater or lesser degree involving barter of more or less essential products. These instruments include a proviso defining the volume and value of each product or group of products that it is expected will be exported or imported during the period covered by the agreement, which is often one year, but is open to extension with or without modification of the schedules. The figures mentioned in the agreements usually represent desirable targets for the balancing of reciprocal trade, but they are not always attained, except in the case of straightforward barter arrangements.

To give a more precise idea of the significance of inter-South-American bilateral trade on clearing accounts, a selection has been made of representative cases.

(*a*) Argentina–Bolivia

The schedules of Argentinian and Bolivian exports appended to the Treaty of Economic Union between these two countries, signed on 9 September 1954, envisage trade to a value of 9 million dollars in each direction,[3] basically composed of products highly essential to both the countries concerned. Argentina is to export cattle on the hoof to Bolivia to a value of 5 million dollars, in exchange for crude petroleum from Bolivia worth the same sum; for the rest, it will send wheat, wool, rice, sugar, quebracho extract and other products, receiving in return tin ingots, lumber, sulphur, lead, antimony and manganese. Prices for cattle on the hoof and petroleum are stipulated in an exchange of notes.

(*b*) Argentina–Chile

The Trade and Finance Agreement signed between these two countries on 19 February 1954 established a system of double schedules for more and less essential products, the trade values of the lists, however, being equalized. Out of the total of 52.2 million dollars to which the trade envisaged in each direction amounts, in accordance with schedules A-1 and C-1, Argentina's annual exports to Chile should comprise cattle on the hoof to a value of 24.6 million dollars, 250,000 tons — or 17.4 million dollars' worth of wheat, and, to cover the remainder of the sum determined on, frozen meat, hides, wool, butter and fats, quebracho extract and other commodities. Chile, on its part, is expected to export to Argentina 17.4, 17 and 8 million dollars' worth of iron and steel, copper and lumber respectively, besides fibres, cement, sulphur, chemical and other products, in varying amounts, whose aggregate value makes up the total stipulated in the agreement. The schedules of less essential products, "A-2" and "C-2", contain mainly miscellaneous manufactured goods, to a value of 5 million dollars in each of the two directions.[4] The treaty also lays down the financial regulations applicable to the system of payments on account, including the establishment of reciprocal credits.

(*c*) Argentina–Colombia

The Trade and Payments Agreement signed by these two countries on 23 April 1954, provides for 5.7 million dollars' worth of exports from Argentina to Colombia, consisting of wheat, malt, woollen yarn, quebracho extract and other commodities, in exchange for coffee to a value of 4 million dollars, 1.5 million dollars' worth of petroleum and its derivatives, and bananas and other products for the remaining 250,000 dollars.

(*d*) Argentina–Ecuador

Reciprocal trade to a value of 6.6 million dollars was projected in the extant Trade Treaty and Payments Agreement concluded on 22 August 1953. In accordance with the appended schedules, exports from Argentina were to comprise wheat and flour, cotton, wool, edible oils, oats and other products, while those from Ecuador were to be mainly coffee, cacao, bananas, petroleum, rubber, sulphur, and a few others. It was stipulated that Ecuador's exports of petroleum and sulphur should be excluded from the régime established in the payments

[3] These schedules were modified by an exchange of notes, at a date later than that of the first meeting of the joint Commission set up under the terms of the treaty, their value being raised to 10.1 million dollars.

[4] Reports on the results of this trade published recently, after the meeting of the joint Chilean–Argentine commission at Santiago, Chile, in May 1955, state that the targets proposed were satisfactorily attained as regards schedules A-1 and C-1, comprising the most essential goods, with some variations. Thus, Argentina exported fewer cattle, but more wheat and other products, than had been envisaged; on the Chilean side, exports of iron and steel were also smaller, but those of lumber substantially increased. Trade in the products enumerated in schedules A-2 and C-2 amounted to barely one-fourth of the value prognosticated.

Table 69. South America: Structure of payments, average 1946-51

(F.o.b. values in thousands of dollars)

Country	Trade on account			Trade in dollars			Trade totals		
	Exports to South America	*Imports from South America*	*Balances*	*Exports to South America*	*Imports from South America*	*Balances*	*Exports to South America*	*Imports from South America*	*Balances*
Argentina	163,775	133,927	+29,848	11,482	17,316	− 5,834	175,257	151,243	+24,014
Bolivia	2,347	12,429	−10,082	183	6,722	− 6,539	2,530	19,151	−16,621
Brazil	123,756	105,236	+18,520	9,340	14,133	− 4,793	133,096	119,369	+13,727
Chile	32,026	40,458	− 8,432	7,232	28,238	−21,006	39,258	68,696	−29,438
Paraguay	11,349	12,254	− 905	17	212	− 195	11,366	12,466	− 1,100
Peru	7,156	16,923	− 9,767	51,659	6,733	+44,926	58,815	23,656	+35,159
Uruguay	10,236	29,655	−19,419	3,147	15,510	−12,363	13,383	45,165	−31,782
Colombia	374	2,757	− 2,383	3,288	17,131	−13,843	3,662	19,888	−16,226
Ecuador	3,909	1,289	+ 2,620	5,359	2,802	+ 2,557	9,268	4,091	+ 5,177
Venezuela	—	—		36,612	19,522	+17,090	36,612	19,522	+17,090
South America: total	354,928	354,928	—	128,319	128,319	—	483,247	483,247	—
Percentage of total trade	73.4	73.4	—	26.6	26.6	—	100.0	100.0	
South America: total, excluding petroleum values	—	—	—	—	—	—	426,368	426,368	—
Percentage of total trade (excluding petroleum) represented by trade on account	83.2	83.2	—	—	—	—	100.0	100.0	—

Source: ECLA, on the basis of official foreign trade statistics.

TABLE 70. SOUTH AMERICA: STRUCTURE OF PAYMENTS, 1952

(F.o.b. values in thousands of dollars)

Country	*Trade on account*			*Trade in dollars*			*Trade totals*		
	Exports to South America	*Imports from South America*	*Balances*	*Exports to South America*	*Imports from South America*	*Balances*	*Exports to South America*	*Imports from South America*	*Balances*
Argentina	90,565	151,644	−61,099	1,917	36,442	− 34,525	92,482	188,106	− 95,624
Bolivia	3,380	6,236	− 2,856	275	7,609	− 7,334	3,655	13,845	− 10,190
Brazil	125,004	64,341	+60,663	866	63,451	− 62,585	125,870	127,792	− 1,922
Chile	51,023	46,217	+ 4,806	15,404	42,862	− 27,458	66,427	89,079	− 22,652
Paraguay	8,452	6,486	+ 1,966	7	69	− 62	8,459	6,555	+ 1,904
Peru	10,777	21,181	−10,404	63,086	5,751	+ 57,335	73,863	26,932	+ 46,931
Uruguay	27,932	21,003	+ 6,929	1,955	27,092	− 25,137	29,887	48,095	− 18,208
Colombia	334	3,800	− 3,466	2,893	8,280	− 5,387	3,227	12,080	− 8,853
Ecuador	4,918	1,457	+ 3,461	1,152	2,301	− 1,149	6,070	3,758	+ 2,312
Venezuela	—	—		110,093	3,791	+106,302	110,093	3,791	+106,302
SOUTH AMERICA: TOTAL	322,385	322,385	—	197,648	197,648	—	520,033	520,033	—
Percentage of total trade	82.5	62.0	—	38.0	38.0	—	100.0	100.0	—
SOUTH AMERICA: TOTAL, EXCLUDING PETROLEUM VALUES	—	—	—	—	—	—	390,956	390,956	—
Percentage of total trade (excluding petroleum) represented by trade on account	82.5	82.5	—	—	—	—	100.0	100.0	—

SOURCE: ECLA, on the basis of official foreign trade statistics.

Table 71. South America: Structure of payments, 1953

(F.o.b. values in thousands of dollars)

Country	Trade on account			Trade in dollars			Trade totals		
	Exports to South America	*Imports from South America*	*Balances*	*Exports to South America*	*Imports from South America*	*Balances*	*Exports to South America*	*Imports from South America*	*Balances*
Argentina	255,167	132,432	+122,735	3,423	36,613	− 33,190	258,590	169,045	+ 89,545
Bolivia	3,010	7,357	− 4,347	206	1,109	− 903	3,216	8,466	− 5,250
Brazil	110,090	198,973	− 88,883	1,253	75,618	− 74,365	111,343	274,591	−163,248
Chile	56,115	55,227	+ 888	13,165	32,826	− 19,661	69,280	88,053	− 18,773
Paraguay	6,443	13,302	− 6,859	—	197	− 197	6,443	13,499	− 7,056
Peru	6,617	16,221	− 9,604	36,879	5,925	+ 30,954	43,496	22,146	+ 21,350
Uruguay	12,900	26,096	− 13,196	3,000	25,017	− 22,017	15,900	51,113	− 35,213
Colombia	670	3,164	− 2,494	3,713	3,716	− 3	4,383	6,880	− 2,497
Ecuador	4,657	2,897	+ 1,760	2,488	3,512	− 1,024	7,145	6,409	+ 736
Venezuela	—	—	—	126,631	6,225	+120,406	126,631	6,225	+120,406
South America: total	455,669	455,669	—	190,758	190,758	—	646,427	646,427	—
Percentage of total trade	70.5	70.5		29.5	29.5		100.0	100.0	
South America: total, excluding petroleum values	—	—	—	—	—	—	502,511	502,511	—
Percentage of total trade (excluding petroleum) represented by trade on account	90.7	90.7	—	—	—	—	100.0	100.0	—

Source: ECLA, on the basis of official foreign trade statistics.

agreement, which means in effect that they must be paid for in dollars, unless some subsequent arrangement, envisaged in the notes, is made.

(*e*) Argentina–Paraguay

On the basis of the Economic Union Agreement signed by Argentina and Paraguay on 14 August 1953, exports from Argentina to a total value of 15 million dollars were forecast (10 million dollars in wheat and the remainder in cattle on the hoof, fruit and other products). Paraguay's exports were to be lumber (11 million dollars), coconut and palm oils (1.2 million dollars), maté and other products.

(*f*) Argentina–Peru

In the lists appended to the Trade and Financing Treaty signed by these two countries on 22 August 1949, exports from Argentina to Peru and from Peru to Argentina, both to a value of 55 million Argentine pesos, were agreed upon. Of the volume established, Argentina's sales of meat to Peru would account for 35 million pesos, and fats and oils, quebracho extract and other animal or agricultural products for 20 million pesos more. Peru in its turn was to sell Argentina cotton, crude petroleum, coal and lead to values of 15, 14, 5 and 5 million Argentine pesos respectively, the difference between the resulting total and the target fixed being made up with other commodities.

(*g*) Brazil–Argentina

By an exchange of notes dated 23 March 1953, Brazil and Argentina concerted an agreement on trade in certain commodities, but without the *a priori* equalization of values. Hence this case to some extent constituted an exception to the usual practice in agreements of a similar kind. Argentina's exports were estimated at 3,187.85 million cruzeiros, of which 2,486.4 correspond to wheat. On Brazil's side, its exports to Argentina amounted to 2,196 million cruzeiros, the staple export products within this total being coffee, cacao, lumber and sleepers, maté and iron ingots. In these aggregate values was included a basic annual programme whereby tropical fruits from Brazil were to be exchanged for temperate-zone fruit from Argentina, to a value of 380 million cruzeiros. Subsequently, on 25 June 1954, a further payments agreement was concluded between the two republics, which adopted the agreement-dollar as a unit of account, broadened the limits set to reciprocal credits and the possibilities of liquidating current payments through clearing accounts. Simultaneously, in notes signed on the same date, it was agreed to raise the value of the two countries' reciprocal trade to the sum of 270 million dollars, and to this end modifications were introduced in the schedules of products appended to the agreement concluded on 23 March 1953. Within the total mentioned, the basic fruit exchange programme was maintained at a minimum value of 20 million dollars.

(*h*) Brazil–Bolivia

To the agreement signed by these two countries on 24 December 1953, were appended schedules of Brazilian and Bolivian exports to the value of 4.1 and 4 million dollars respectively, which in practice represents trade equilibrium. Brazil supplies Bolivia with sugar, unginned cotton and yarn, rice, iron and certain manufactured goods, and receives from Bolivia in return tin, lead, antimony, sulphur and rubber.

(*i*) Brazil–Uruguay

These countries concluded an agreement dated 18 December 1953, with appended schedules providing for trade to the value of 38 million dollars in both directions. Brazil was to supply Uruguay with lumber, sugar, coffee, tobacco, cotton, maté, cacao and other commodities, in exchange for wheat, livestock, meat and other Uruguayan products.

Many other examples of clearing agreements similar to these could be cited. Reciprocal transactions like those described are sometimes provided for in general treaties, while in other instances trade operations arise from specific agreements; these latter represent variations of the general trend towards the exchange of commodities so that payment in convertible currencies can be avoided.

Experience has shown that the trade operations envisaged in the agreements frequently fail to attain the level expected. Apart from the natural factors influencing crops, when agricultural products are in question, the normal fulfilment of such agreements is hampered by other problems, which, according to the information gathered for the present *Study*, include those relating to the following aspects: (1) prices, which, when they deviate from competitive standards, are capable of exerting a very marked influence on trade; (2) exchange, especially where multiple rates exist, as in most of the South American countries; (3) transport, where the difficulties arising at times acquire considerable importance, especially when the lack of direct maritime services renders trans-shipment unavoidable; and (4) administration, since "red tape" in connexion with the issuing of licences and permits may slow down the rates of operation projected.

4. Payments agreements in the case of Argentina

Of the countries in the Southern Zone, Argentina has been the most active in developing a policy of payments on account. Since it has strongly influenced the spread of clearing procedures in the area, its payments structure and the financial mechanisms it has brought into play may usefully be examined.

When Argentina found itself unable to finance its traditional trade with the other Latin American countries with convertible foreign exchange, it resorted to the system of clearing accounts. As already stated, by this policy it sought to facilitate the financing of transactions without the use of dollars, so that its trade with the area might be directed towards the two basic objectives of expanding the flow of its agricultural surpluses into the regional market, and encouraging imports of those Latin American products which were essential to its own economic development.

In conformity with these aims, Argentina not only extended its network of trade treaties with the other countries of the region, but in 1941 began concerting payments agreements into which all the South American countries, except Venezuela, were gradually drawn. Of these instruments, the most important were those signed with Brazil in 1941, 1948, 1953 and 1954; with Paraguay in 1943, 1949 and 1953; with Chile in 1946 (though this agreement was not put into force) and in 1954; with Bolivia in 1947, 1948 and 1954; with Uruguay in 1948 and — to introduce some modifications — in 1950; with Peru in 1949; with Ecuador in 1953; and with Colombia in 1954.

These payments agreements gave rise to the establishment of systems of payments on account, for the settlement of those obligations which were not covered in dollars. Thus, as a result of the first treaty with Brazil, a supplementary agreement was concluded between the Central Banks of the two countries to determine the lines along which the accounting system was to be organized. It was agreed that payments should be computed in "Argentine–Brazilian agreement-dollars", with unlimited reciprocal credit and on the understanding that final balances should be paid off in commodities. Under the terms of the later agreement signed in 1948, payments were to be effected in cruzeiros, with a guarantee that balances would be revalued in terms of gold.

A special agreement between the Banco Central de Argentina, the Banco de la República del Paraguay and the Bank of England had previously been drawn up, authorizing Paraguay to liquidate its debit balances with Argentina by the transfer of the pounds sterling it obtained from its trade transactions. This operation continued to be an accepted practice until 1943, in which year the agreement signed by Argentina and Paraguay laid it down that their reciprocal accounts should be kept in Argentinian pesos, a procedure which was followed until the signing of the 1953 agreement, whereby the agreement-dollar was established as the unit of account, in conformity with a trend that has been gaining strength in recent years.

Through its Central Bank, Argentina set up a special system of national currency accounts in 1948 for effecting transfers to and from adjacent countries, except Brazil, with which it had already concerted the payments agreement to which reference has been made. This system was applied to Bolivia, Chile, Paraguay and Uruguay, and was extended to Peru, although this country has no frontier with Argentina.

For several years the régime in question, originally instituted unilaterally by Argentina, exerted a considerable influence on this country's payments structure in relation to the five countries mentioned. It was afterwards adopted bilaterally in the payments agreements which were one by one concluded with these countries, and evolved to their mutual advantage with the modification of some of its early characteristics and the stipulation of reciprocal credits and other facilities for the settlement of final balances.

To begin with, the Banco Central de Argentina established "special accounts" which were opened in the name of each country and were kept in Argentinian pesos, the country concerned being credited or debited respectively with the values of its exports to and imports from Argentina. At the outset, under the system of multiple exchange rates prevalent in Argentina, preferential exchange rates were applied to exports to adjacent countries, such exports being granted the 4.01 clearing rate, whereas for other countries the basic rate of 3.35 was in force.

For a variety of reasons, these preferences were subsequently abolished. They came to represent as much as almost 20 per cent, and would have encouraged re-export of products imported from Argentina by its immediate neighbours.[6]

The above system of accounts in Argentine pesos is at present in force for only two countries, i.e., Uruguay and Peru. In the treaty signed in 1948 by the Central Banks of Argentina and Uruguay, it was agreed that payments should be computed in Argentine pesos and effected through an account with a specified margin of credit, sums in excess of which would be converted into freely-negotiable foreign exchange and handled through a special account, also with an authorized credit margin; balances in both accounts were to be settled annually. Later, revaluation of balances in terms of gold was guaranteed, and in 1950 an additional agreement determined the technical norms to be followed for the liquidation of the annual balances in these accounts. In the agreement signed with Peru in 1949, alongside the usual provisos, this country was granted facilities for covering in pounds sterling those of its imports from Argentina — with the exception of wheat — for which it was unable to pay in Argentine pesos, the concession being valid within the first two years that the agreement was in force and for a sum not exceeding 1.5 million pounds sterling annually.

In the most recent payments agreements the use of the dollar as the unit of account has become common practice, to avoid the difficulties involved in employing the Argentine peso or the cruzeiro. Thus, the 1953 agreements with Ecuador and Paraguay, and those concluded in 1954 with Bolivia, Brazil, Chile and Colombia, established the computation of payments in "agreement-dollars", the value of which was defined as equivalent to that of the United States dollar, i.e., related to the gold content of the dollar at the rate of 35 dollars to the troy ounce of pure gold. Further, these instruments stipulated that the same rates of exchange should be applicable to agreement-dollars as if the operations concerned were transacted in freely-negotiable dollars. This new feature guarantees by implication that the purchasing power of balances will be maintained in the event of devaluation of the contracting parties' currencies.

Progress has also been made in the granting of reciprocal credits designed to cover transient disparities between exports and imports. In some cases such credits are now substantial in relation to the volume of trade (see table 72).

[6] The evolution of the complex system of clearing accounts and rates of exchange applicable to Argentina's exports and imports to and from adjacent countries — a term which, as has already been stated, includes Peru and excludes Brazil — can be grasped in detail with the help of the circulars issued by the Departamento de Cambios del Banco Central de la República Argentina, Nos. 989 and 990 (23 June 1948), 1015 and 1055 (4 December 1948), 1059 (15 December 1949), 1308 and 1310 (28 August 1950).

TABLE 72. ARGENTINA: MARGINS OF CREDIT IN SELECTED PAYMENTS AGREEMENTS

Date of agreement	Country	Value of reciprocal credit (A)	Value of trade in each direction (B)	Percentage of (B) represented by (A)
		(Thousands of dollars)		
25 September, 1953	Paraguay	5,000	15,000	33.3
22 August, 1953	Ecuador	1,000	5,455[a]	18.3
19 February, 1954	Chile	15,000	52,200[b]	28.7
23 April, 1954	Colombia	1,000	5,750	17.4
25 June, 1954	Brazil	[c]	270,000[d]	—
9 September, 1954	Bolivia	3,000	9,000	33.3

SOURCE: ECLA.

[a] Excluding petroleum and sulphur from Ecuador and wheat from Argentina, in accordance with the agreement.

[b] Excluding the commodity trade envisaged in schedules "A-2" and "C-2".

[c] The treaty stipulates that interest on the balance shall not be payable until the latter amounts to 15 million dollars; 2 per cent interest is payable on any sum in excess between 15 and 30 million dollars, and 2.5 per cent on balances in excess from 30 millions upwards.

[d] This figure represents the trade envisaged in both directions.

Reciprocal credits represent, in round figures, from one-sixth to one-third of the total value of the trade envisaged in each direction.

These facilities are supplemented by the greater flexibility imparted to the arrangements both for the payment of the sums whereby balances exceed the maximum credits determined, and for the settlement of final balances. In most of the agreements concluded by Argentina in 1953 and 1954, it is stipulated that once the credit has been exhausted, the balance in excess of it shall be paid, at the request of the creditor, in transferable dollars, or, by mutual agreement, in other currencies, as provided in the treaties with Paraguay and Colombia; in transferable dollars, minted gold or high-carat bullion, as under the terms of the treaty with Bolivia; or in transferable dollars, as was agreed upon with Ecuador.

The provisions concerted in the agreements with Brazil and Chile were more liberal. In the former case, the treaty signed on 25 June 1954 laid it down that if the balance on the account on 31 December of each year that the agreement was in force should exceed the sum of 35 million dollars, it was to be liquidated in the course of the following year in commodities, foreign exchange or by mutual arrangement. Again, while the terms of the treaty with Chile disregard transactions involving the less essential products included in schedules "A-2" and "C-2", which represent barely 10 per cent of the two countries' trade in the more highly essential commodities, facilities are established for the payment of balances in the reciprocal trade whose value is greatest (schedules A-1 and C-1). In the first place, when the reciprocal credit agreed upon has been exhausted, the creditor country, with the co-operation of the debtor country, will do all it can to encourage or effect imports from this latter. If, despite these efforts, the balance should, throughout a period of twelve months, persistently exceed the credit limit, and should six months have elapsed since the trade schedules were revised, the debtor country, at the creditor country's request, will liquidate the sum in excess in transferable dollars; this payment can, by agreement, be made in gold or in other foreign exchange. These provisions make cash payment a more remote eventuality, unless the disequilibria in reciprocal trade should be of too chronic a character to be corrected from one year to another.

For the settlement of final balances on expiry of the agreements, the terms concerted are generally liberal. With Paraguay, the arrangement is that for six months further trade operations can be carried out on account, to enable the balance to be liquidated in commodities; thereafter the remainder will be paid as mutually agreed. With Ecuador and Colombia, a period of one year is allowed for the meeting of the deficit in commodities; thenceforward payment is to be made in transferable dollars to Ecuador, and in transferable dollars or other foreign exchange to Colombia. In the case of Chile and Bolivia, the time limit for paying off the balance in goods is as much as eighteen months, after which the remainder is to be liquidated in transferable dollars, gold, or, by agreement, in other foreign exchange. The contractual arrangements with Brazil are still more liberal. The final balance is to be settled in commodities in two yearly instalments, and whatever sum remains outstanding will be paid off in foreign exchange or goods, or in any other way determined by agreement.

These are, in broad outline, the salient features of Argentina's payments structure and policy, where its southern neighbours are concerned. They are not, however, characteristic exclusively of this country's trade and financial relationships with the other countries of the zone; many of them are also to be found in the agreements between other South American countries, for example, Brazil and Bolivia, Chile and Ecuador, Ecuador and Colombia, Uruguay and Brazil, etc. From this standpoint, and in greater or less degree, the intra-regional payments problems encountered by most of them in their reciprocal trade are much alike; hence the similarity to be observed in their practices and procedures.

5. Recent trends in clearing accounts

From the foregoing statements it may be inferred that the trend towards levelling up the flow of imports and exports between each pair of countries, and the tendency to compensate reciprocal balances without the use of convertible currency, are typical of bilateral trade in South America, since they are embodied, explicitly or implicitly, in most of the agreements concluded between the countries of the zone. Herein lies one of the fundamental aims, not only of the pacts themselves, but also of the clearing mechanisms and methods of settling balances that are complementary to their provisos. This concept is only very slightly modified, if at all, by the possibility, assumed in a few treaties, of including in clearing accounts the value of re-exported goods, where special agreement to this effect has been reached by the contracting Governments. In practice such an arrangement does not really amount to a divergence from the bilateral system. Nor are there any signs as yet, either in the treaties or in the compensation mechanisms, of the adoption of formulae which might allow of at least triangular payments, despite the suggestive possibilities offered by adjustments of this type, among a relatively limited number of countries with plenty of reciprocal trade. In the ways described a strictly rigid bilateralism is maintained in the Southern Zone.

In contrast, certain new elements in the bilateral agreements have introduced a measure of elasticity. This is true of reciprocal credits, to which there is a tendency to set more generous limits in order to avoid cash payment of trade balances. Although these margins of credit do not always suffice to absorb seasonal or temporary deficits, they do at least ease the financial burdens of the debtor nation and allow it a breathing-space in which to achieve a better balance in its trade relations with the creditor country. Greater flexibility is also apparent as regards the liquidation of balances in excess of the credits stipulated and the settlement of those outstanding at the date of expiry of the agreements. It has already been shown that there is an increasing tendency to grant the debtor country facilities for payment in kind, and that only in the final instance can the creditor nation demand that balances be covered with convertible foreign exchange. No less worthy of attention is a feature discernible in the most recent bilateral agreements. It consists in allowing certain current payments of an invisible nature, as well as those relating to visible trade, to be included in the system of clearing accounts.[6] Again, some agreements concluded of late, by adopting a unit of account of constant value, introduce elements of greater stability into price relationships.

The tendency to effect a separation in clearing accounts between payments for highly essential and for less essential products, with a view to applying provisions for the settlement of balances in transferable dollars only to the former, took concrete shape for the first time in the system of schedules used in the Trade and Finance Agreement signed between Argentina and Chile on 19 February 1954. Balances resulting from trade in less essential goods can be covered by the debtor country with commodities.

II. The problem of multilateral payments

1. Introduction

To shed some further light upon a problem which has long concerned the Economic Commission for Latin America,[7] an examination will next be made of existing possibilities for improving, by means of special agreements, upon the rigid patterns followed by bilateralism in South America. It must first be pointed out that the scope of the analysis which follows was limited by the inadequacy of the background information available and the lack of certain basic data on the balance-of-payments situation. Nevertheless, it may constitute a contribution towards more specific studies.

Anxiety to find solutions to the payments problem is no new development in Latin America. It has made itself manifest from time to time in various circles where the desire to return to freer trade has led to a search for formulae whereby multilateral compensation mechanisms may be established.

Among the relevant material, mention must first be made of the resolution adopted by the Economic Commission for Latin America at its first session, recommending to the International Monetary Fund that it should study the possibility of setting up some multilateral clearing mechanism applicable among the Latin American countries, and between these and the rest of the world.[8] In 1948/49 the Fund prepared a study[9] in which the following conclusions, among others, were reached: (*a*) that it would be some time before a regional multilateral system could be expected to make any material contribution to the solving of the principal balance-of-payments problems; (*b*) that it would seem desirable for greater flexibility in payments agreements and more opportunities of multilateral financing to be introduced in Latin America; (*c*) that a higher degree of convertibility among the Latin American currencies would require certain adjustments, but that these would not be of major importance; (*d*) that an attempt at a multilateral clearing system to operate within Latin America, or between Latin America and Europe, would necessarily be a complex experiment which would call for a great deal of work and organization; (*e*) that this would produce effects in several directions which would not be easy to predict, and some of which might not be beneficial; (*f*) that among the difficulties should be reckoned the multiple exchange rates prevalent in Latin America, the handling of the foreign exchange income accruing through foreign export companies, and the lack of a tradition of close co-operation among the Central Banks concerned; (*g*) that the effort which such an attempt would involve would be out of all proportion to its potential benefits; and (*h*) that for the time being, perhaps a more promising line of action would be to investigate triangular clearing possibilities and to make fuller use of the pound sterling.[10]

Uruguay submitted a proposal to ECLA, at its second session, that an "Inter-American Organization for Economic Co-operation", with a regional clearing mechanism, should be established, but the idea was not taken up at the time.[11]

[6] See, in this connexion, Argentina's most recent agreements with Chile and Bolivia.

[7] See the resolution dated 10 June 1949, adopted during the second session (E/CN.12/128), and resolution No. 47 (V) adopted on 25 April 1953 at the fifth session (E/CN.12/324).

[8] Resolution adopted on 24 June 1948, during the first session.

[9] *Multilateral compensation of international payments in Latin America*, a study prepared by the International Monetary Fund, in compliance with the ECLA resolution dated 24 June 1948, and presented to ECLA's second session, held at Havana, Cuba, in May/June 1949, as document E/CN.12/87.

[10] See the summary and conclusions contained in *Multilateral compensation of international payments in Latin-America*, op. cit.

[11] Uruguay's proposal was submitted on 30 May 1949 (E/CN.12/87). ECLA, in its resolution dated 10 June 1949, expressed its gratitude to the Government of Uruguay, but considered the project to be impracticable in the circumstances then prevailing.

Although it has no direct bearing on the problem of inter-Latin-American clearing mechanisms, but only on that of payments, the fact should be recalled that the secretariat, echoing the concern voiced by the Commission at two of its sessions, subsequently commissioned an expert to carry out a preliminary examination of multilateral clearing possibilities through the European Payments Union,[12] as between Latin American and European countries. His report was considered at the fifth session, held at Rio de Janeiro in 1953.

There has thus been no lack of studies and proposals aimed at finding some solution for the problem of multilateral payments in Latin America.[13] The fact that this objective is still so far off, bears witness to the difficulties involved.

2. Bilateralism in inter-Latin-American trade

Bilateralism, as has been shown, may be regarded as the result of existing payments difficulties, not their cause. Rather is it symptomatic of a state of persistent disequilibrium. It must be acknowledged to have had the intrinsic merit of enabling intra-regional trade to survive, since, thanks to the system of clearing accounts, the continuity of transactions has not had to be disrupted for lack of convertible currency wherewith to meet trade obligations punctually.

But these positive aspects of bilateralism in its present form do not offset — except perhaps in a minor degree — its disadvantages, which are well-known. In effect, bilateralism tends to level up the import and export trade between each pair of countries with a view to eliminating the settlement of balances in convertible currencies. Such adjustments are generally achieved at the cost of bringing trade down to the level of the lowest common denominator (whether of imports or of exports), since one of the two countries would otherwise show an unfavourable balance. If equilibrium is not attained it is still possible to tide over the disparity for the time being by recourse to credit, providing this was allowed for under the terms of the relevant bilateral agreement; but it must not be forgotten that, save in exceptional cases, the capacity of the country concerned to grant credit is always limited, especially if the debtor nation's deficit tends to be chronic, in which case trade soon stops short at the point where payment in kind, by means of imports, ceases to be possible. Should there be no persistent trend towards a deficit, it is possible to re-establish equilibrium, but even then the likelihood is that this will be accomplished through the curtailment of imports from rather than the increase of exports to the creditor country, the former being less difficult to achieve than the latter over the short term.

Again, in exerting a greater or lesser degree of pressure in the direction of the levelling-up of exports and imports, the system is apt to make the price of the products traded an object of only secondary consideration. It often happens that the prices on which transactions are actually based are not competitive. The differences represent a loss sometimes for the exporter and sometimes for the importer country. Exporter countries, as is well-known, frequently charge higher prices for goods to be paid for through clearing agreements than when they can sell them for convertible foreign exchange.[14] This of course is detrimental to the bilateral importer. On the other hand, exporter countries on occasion have to sacrifice the price of their exportable surpluses in order to obtain, by compensatory methods, essential commodities for which they cannot pay in freely-negotiable currencies, in which case it is the interests of the bilateral exporter that suffer.

Experience in South America shows that for the sake of balancing trade or keeping it within the limits of the reciprocal credit agreed upon, countries even go so far as to import goods which are neither essential nor necessary to them, despite the tendency to barter equally essential products. The inclusion of commodities of both kinds in a single clearing account has frequently given rise to this situation.[15] Sometimes the quality of the goods is sacrificed as well. These drawbacks represent what might be called the effect of bilateralism on the nature of trade.

Lastly, there are the more serious disadvantages affecting the distribution of trade. The forcing of the flow of exports and imports along channels of a strictly bilateral character limits each country's freedom to buy and sell wherever it can do so to the best advantage. The ideal for each country is unquestionably to import essential commodities from those sources of supply where prices are lowest and quality highest, and to export its own products to those markets where the best prices for them are quoted. Normally, under a multilateral trade and payments system, the real income derived from foreign trade is higher, and therefore helps to raise the standard of living and accelerate economic development. To bring this about, enough convertible foreign exchange must accrue to a country from its exports to enable it to pay for its imports. If, failing this, it has resorted to bilateral channelling of its inter-South-American commerce, the basic question is whether these trade patterns could be remodelled or co-ordinated within an over-all design which would afford the participating countries some of the advantages of multilateral trade, above all enabling them to import from countries within the area other than the habitual purchasers of its exports, and *vice versa*.

3. Conditions for an intra-regional payments agreement

Some cases in point may usefully be recalled here. On the assumption that a return to the completely multilateral trade system which prevailed before the First World War will be impracticable for an indeterminate length of time, specific groups of countries have co-ordinated their efforts with a view to attaining more modest objectives, by means of regional agreements

[12] *Implications of the European Payments Union for Latin America* (E/CN.12/299), March 1953.

[13] The Instituto Iberoamericano de Cooperación Económica recently published a document entitled *Estudio sobre la Unión Iberoamericana de Pagos* (Oficina Bancaria Iberoamericana, Madrid, 1955), examining the bases for a hypothetical payments union between Spain and ten Latin American countries.

[14] For a more detailed examination of this point, see *Study of the Prospects of Inter-Latin-American Trade*, op. cit., pp. 27-28.

[15] See *Study of the Prospects of Inter-Latin-American Trade*, op. cit., pp. 28-29.

designed to achieve a relative multilateralism based on the compensation of balances and on certain payments adjustments within definite geographic boundaries. Various attempts of this kind have been made among countries outside the dollar area.[16] The soundest culminated in the establishment of the European Payments Union, which is a complete multilateral payments mechanism on the regional scale. The results obtained have confirmed the belief in various Latin American circles that similar arrangements among countries with reciprocal economic ties and at more or less analogous stages of development would help to solve their payments problems. It is no easy matter, however, to conclude agreements of this sort, unless they are favoured by a combination of specific *de facto* circumstances, and the characteristics of the countries concerned are carefully studied.

In the first place, a regional payments mechanism would call for the compensation of intra-regional balances on broader bases than the current bilateral systems. Thus every country would be able, up to a point, to disregard its bilateral balance with each of the others and devote attention rather to its balance with the group as a whole. The deficits incurred with some countries would be offset by its own credit balances with others. Only the net final balance would be collectible. Such an arrangement would involve a saving of foreign exchange, would foster closer economic co-operation among the contracting parties, and would gradually pave the way to monetary convertibility, in so far as it served to facilitate the achievement of a better equilibrium among the countries of the region, and between Latin America and other areas with which further clearing agreements might be concerted.

If the debit and credit balances of each country could be compensated as a result of its current transactions, the currencies of participating countries would become transferable within the area. In fact, each country would be able to use the exchange accruing from exports of goods and services to the region to pay off the debts it had contracted with any other Latin American country. This would be facilitated by the use of a common unit of account for computing all clearing transactions, which, in turn, would require the establishment of parities for the conversion of member countries' currencies.

For practical reasons, mere clearing arrangements would not suffice to ensure the feasibility of multilateral compensation. Transactions very seldom follow a parallel course, partly because of the seasonal nature of production and export flows. This is particularly true of countries depending on the export of only some few products. Moreover, these commodities are often subject to the fluctuations of demand and prices. Hence the need for reciprocal credit facilities to be granted by the contracting parties, as otherwise balances would continually have to be liquidated with foreign exchange, and this might sometimes represent a relatively considerable drain on resources.

From another point of view it should be borne in mind that however willing net creditor countries might be to grant credit to their debtors within the region, they would hardly be able to do so to the necessary extent, either because they, in their turn, were experiencing pressure on their balance of payments with the rest of the world or because their stage of economic development would not allow them to postpone the outlay of specific resources. For these and other reasons, a special credit fund, perhaps provided by sources outside the region, would appear indispensable. Such has been the experience of the European Payments Union, which has had at its disposal the working capital supplied by the United States Economic Co-operation Administration to amortize inevitable seasonal or temporary deficits.[17] Despite these credit lines, the Union had to take action to discourage deficits which were tending to become persistent, while at the same time endeavouring to avoid permanent creditor positions.

In a regional clearing system such as is under discussion, credit facilities — however ample for regulatory purposes — could hardly be used to finance structural or exceptionally large liabilities, which would have to be covered by loans or transfers of foreign capital. Hence the payments union would be designed to keep disequilibria arising from the inter-action of current payments within reasonable bounds; any exceptional problem would have to be solved by the country concerned, through special financing procedures independent of the organization's working capital.

From the outset, the member countries of the clearing system would have to be prepared to take a series of steps on their own account, without which the satisfactory operation of the regional mechanism would be jeopardized. First and foremost, they would have to facilitate to the fullest possible extent the liberalization of their reciprocal trade, and this in turn would call for the gradual relaxation or abolition of any discriminatory or restrictive measures that might hamper freedom of trade. The participating countries would also need to be ready to face intra-regional trade competition on a larger scale, although the economically weaker countries might be allowed to retain certain protective measures which perhaps could be eliminated little by little. Secondly, all the members should aim at a reasonable state of internal economic stability, which is well-known to be a prerequisite for the maintenance of equilibrium in trade and external payments. Of particular importance to this end is the prevention of inflationary conditions which might endanger the possibility of keeping export prices at competitive levels. Thirdly, the contracting parties would have to be willing to adopt other measures designed to promote relative equilibrium, such as the modification of their exchange rates, when neces-

[16] Among the main limited or regional payments agreements concluded during the post-war period were the Basle Multilateral Clearing Agreement, signed at the close of 1947, and the Intra-European Payments Agreements. These may be regarded as forerunners of the European Payments Union, set up in virtue of the agreement concerted in September 1950. Mention should also be made of the sterling area system initiated by the United Kingdom in 1946/47, which is in essence a tacit multilateral payments agreement. Its régime of transferable accounts, recently expanded, at present covers all those countries outside the sterling area which are not classified in the exchange control regulations of the United Kingdom as belonging to the dollar area.

[17] The initial credit provided as working capital amounted to 350 million dollars.

TABLE 73. LATIN AMERICA: INTRA-REGION

(F.o.b. export values

Exporter countries \ Importer countries	Argentina	Bolivia	Brazil	Chile	Paraguay	Peru	Uruguay	Colombia
Argentina	—	2,341	30,328	3,358	3,604	3,432	2,975	83
Bolivia	721	—	253	94	2	45	39	3
Brazil	13,947	33	—	796	58	30	6,488	206
Chile	1,915	622	534	—	4	1,113	169	138
Paraguay	2,388	—	1	1	—	—	199	—
Peru	3,198	906	1,545	4,489	—	—	974	34
Uruguay	6,188	—	2,810	38	101	9	—	—
Colombia	136	1	13	7	—	5	5	—
Ecuador [a]	31	46	369	472	12	935	684	159
Venezuela	168	—	18	691	—	1	3	332
Costa Rica	10	—	—	19	—	39	—	102
Cuba	566	2	25	317	—	53	179	190
Dominican Republic	—	—	—	1	—	1	1	—
El Salvador	—	1	—	35	—	15	—	—
Guatemala	1	—	1	16	—	2	9	—
Haiti	2	—	—	—	—	—	—	—
Honduras	—	—	—	—	—	2	—	—
Mexico	620	3	1,859	565	—	11	196	44
Nicaragua	—	—	—	5	—	30	—	1
Panama	—	—	—	—	—	—	—	27
TOTAL FOR LATIN AMERICA	29,891	3,955	37,756	10,904	3,781	5,723	11,921	1,319

SOURCES AND NOTES:

Argentina: Dirección General de Estadística y Censos, *Anuarios de Comercio Exterior.* Excluding trade in metals (gold bars or ingots minted gold, minted silver). Values in pesos converted at the following rates (dollar cents to the peso): 1934, 32.85; 1935, 31.74; 1936 32.44; 1937, 32.66; 1938, 31.24.

Bolivia: Dirección General de Estadística, *Anuarios de Comercio Exterior.* Values in 18d. bolivianos, converted at the following rates 1934, 37.80; 1935, 36.77; 1936, 37.29; 1937, 37.09; 1938, 36.68.

Brazil: Ministerio de Hacienda, Servicio de Estadística Económica y Financiera: Foreign Trade. Values in milreis converted at th following rates (dollar cents to the milreis): 1934, 8.20; 1935, 6.56; 1936, 6.57; 1937, 6.87; 1938, 5.81.

Chile: Dirección General de Estadística, *Anuarios de Comercio Exterior* (Foreign Trade Yearbooks). Includes specie and preciou metals. The export figures by countries for the years 1934-38 exclude nitrate fertilizers and iodine, because exports of these product were effected to order. They are included only in the over-all total for exports. Values in 6d. pesos converted at the following rate (dollar cents to the 6d. peso): 1934, 20.45; 1935-38, 20.65.

Paraguay: Dirección General de Estadística y Censos. Values in gold pesos converted at the following rates (dollar cents to th gold peso): 1934, 67.09; 1935, 74.72; 1936, 75.67.; 1937, 74.91; 1938, 74.09.

Peru: Anuarios de Comercio Exterior. Values in gold soles converted at the following rates (dollar cents to the sol): 1934, 23.34 1935, 24.40; 1936, 25.13; 1937, 25.58; 1938, 22.65.

Uruguay: Dirección General de Estadística, *Anuarios de Comercio Exterior.* Values in pesos converted at the following rates (dolla cents to the peso): 1934, 79.97; 1935, 80.65; 1936, 80.04; 1937, 79.02; 1938, 64.00.

Colombia: Dirección General de Estadística, *Anuarios de Comercio Exterior.* Exports of commodities, excluding gold. Values i Colombian pesos converted at the following rates (dollar cents to the peso): 1934, 61.96; 1935, 56.42; 1936, 57.21; 1937, 56.70; 1938, 55.96

Ecuador: Dirección General de Estadística, *Ecuador en cifras 1938 a 1942.* Values in sucres converted at the following rates (dolla cents to the sucre): 1938, 7.45.

sary, in conformity with the system of consultation which would be set up within the regional organization.[18]

The existence in the region of persistently debtor or creditor countries might not only hamper but even paralyse compensation operations within the multilateral organization. Hence the need to bring about the changes which are required if excessive disparities in the relative strength or weakness of member countries' currencies are to be annulled.

4. Compensation possibilities

The real bases for instituting a regional payments mechanism in Latin America must be examined with reference to intra-regional trade statistics, which, although

[18] Commitments of member countries of the International Monetary Fund, under the relevant agreement, would not be affected.

)E TOTALS, AVERAGE 1934-38
ɜands of dollars)

Ecuador	*Venezuela*	*Costa Rica*	*Cuba*	*Dominican Republic*	*El Salvador*	*Guatemala*	*Haiti*	*Honduras*	*Mexico*	*Nicaragua*	*Panama*	*Total for Latin America*
83	88	2	211	8	16	4	14	1	376	—	59	46,983
1	—	—	—	1	—	—	—	—	—	—	1	1,160
12	55	—	20	13	—	—	—	2	12	—	4	21,676
297	23	15	975	9	2	3	3	5	2	1	99	5,929
—	—	—	1	—	—	—	—	—	—	—	—	2,590
201	4	13	34	—	242	64	—	33	2	124	111	11,974
—	38	1	11	—	—	—	—	—	100	—	72	9,368
												99,680
11	136	12	54	—	2	—	—	1	2	—	101	486
—	15	7	95	—	—	1	1	1	1	1	55	2,885
4	—	1	349	9	—	1	—	—	24	—	63	1,664
												5,035
—	1	—	—	—	3	10	—	2	1	33	59	279
69	19	12	—	53	3	36	5	45	32	4	106	1,716
—	2	—	33	—	—	—	45	—	17	—	1	101
2	—	13	1	—	—	78	1	185	13	7	14	365
1	4	4	4	—	48	—	—	9	4	4	9	116
—	—	—	—	1	—	—	—	—	—	—	—	3
—	—	—	2	—	239	23	—	—	3	20	3	292
1	24	32	1,011	1	56	321	—	8	—	32	35	4,819
—	—	64	22	—	16	51	—	119	5	—	25	338
1	—	4	—	—	—	—	2	—	10	3	—	47
												8,076
683	409	180	2,823	95	627	592	71	411	604	229	817	112,791

Venezuela: Dirección General de Estadística. Values in bolivares converted at the following rates (dollar cents to the bolivar): 4, 28.78; 1935, 26.21; 1936, 25.82; 1937, 30.39; 1938, 31.31.

Costa Rica: Including re-exports and values (gold in various forms, notes, etc.). Four-year average (1935-38), except for total ›orts, where data are lacking.

El Salvador: Including re-exports and values.

Guatemala: Including re-exports and values.

Honduras: These data refer to the fiscal year, i.e., 1 August to 31 July until 1936/37, and 1 July to 30 June as from 1937/38. For 7/38 the data relate to 11 months. Data for the period 1933/34 — 1936/37 were calculated on the percentage distribution of Honduras' ›ign trade by countries as given in the official statistics, available data for absolute values having been unobtainable. There are no ilable data for trade with the South American countries and Costa Rica for the years 1933/34—1935/36. The average for these ntries is for two years, i.e., 1936/37 and 1937/38. Under exports are included values (chiefly gold in various forms) and nationalized 'chandise.

Nicaragua: Including re-exports and values (especially unrefined gold). Under exports to Cuba are included exports to the rest of Caribbean area (including the Dutch West Indies), for lack of specific individual data.

Panama: Including values; excluding re-exports, except for 1934, for want of data.

Mexico: Values in pesos converted at the following rates (dollar cents to the peso): 1934-37, 27.78; 1938, 22.15. Exports include xports and values (gold in all forms, minted silver, notes, securities, etc.). Values are for large amounts, but cannot be deduced owing lack of data by country of origin.

Cuba: Including re-exports and values.

Haiti: Data for fiscal years (1 October to 30 September). Exports.

Dominican Republic: Including re-exports and values.

they cannot replace the figures for each country's balance of payments with the others and with the region as a whole, do represent the major part of the flow of payments from one Latin American country to another.

By way of a preliminary investigation, three sets of tables have been prepared to this end, all inter-related and covering the following periods: the five pre-war years 1934-38; the six post-war years 1946-51; and the years 1952 and 1953. It should be pointed out that while the tables for 1934-38, 1946-51 and 1952 include the twenty Latin American countries, those for 1953 refer only to the ten countries of South America, since certain data for the republics of the Northern Zone were not available. For the reasons already cited, with respect to 1953, figures including and excluding petroleum values are presented separately.

TABLE 74. LATIN AMERICA: INTRA-REGIO

(F.o.b. export valu

Exporter countries \ Importer countries	Argentina	Bolivia	Brazil	Chile	Paraguay	Peru	Uruguay	Colo bi
Argentina	—	8,774	87,955	29,224	10,160	16,923	10,739	3,1
Bolivia	1,784	—	369	194	13	153	8	
Brazil	94,378	894	—	9,888	1,670	1,387	16,926	3,3
Chile	17,888	2,761	10,462	—	165	2,882	2,315	1,1
Paraguay	9,304	2	55	6	—	9	1,990	
Peru	7,156	6,103	1,196	27,403	12	—	6,861	6,7
Uruguay	3,417	491	6,395	279	424	189	—	8
Colombia	1,113	28	73	197	—	128	112	
Ecuador	671	97	80	1,152	5	1,385	991	2,7
Venezuela	15,532	1	12,784	353	17	600	5,223	1,7
Costa Rica	7	—	4	95	—	36	17	7
Cuba	450	279	55	4,811	—	301	1,828	9
Dominican Republic	10	—	6	1,190	—	4	68	
El Salvador	4	1	1	27	—	24	2	
Guatemala	—	—	2	28	—	1	—	
Haiti	6	—	2	4	—	1	2	3
Honduras	2	—	—	—	—	1	1	
Mexico	3,166	292	2,329	1,335	—	654	560	9
Nicaragua	4	—	3	1	—	570	1	
Panama	58	4	10	103	—	123	422	7
TOTAL FOR LATIN AMERICA	154,950	19,727	121,781	76,290	12,466	25,371	48,066	23,6

SOURCES AND NOTES:

Argentina: Dirección General de Estadística y Censos. Excluding trade in metals (gold bars and ingots, minted gold, minted silve
Values in Argentine pesos converted at the following rates (dollar cents to the peso):

Year	Bolivia	Brazil	Chile	Paraguay	Peru	Uruguay	Colombia	Ecuador	Venezuela	Costa Rica	Cuba	El Salvador	Mexico	Pa m
1946	28.96	27.95	29.19	28.35	28.64	29.37	27.56	28.30	27.41	25.33	25.13	29.18	29.10	25.
1947	29.30	29.07	29.44	28.80	29.20	29.24	27.03	26.58	26.52	25.34	27.40	29.60	28.22	26.
1948	29.43	29.20	29.72	28.71	29.67	29.54	29.50	24.00	27.23	24.82	28.95	29.39	28.17	27.
1949	29.33	29.09	29.72	28.82	29.70	28.81	29.58	20.75	27.12	21.57	28.86	28.06	29.36	27.
1950	21.06	25.47	22.18	23.68	26.34	25.67	19.89	14.16	17.94	16.80	18.83	21.70	17.47	19.
1951	16.63	15.65	19.22	17.69	18.66	11.28	14.62	7.14	10.63	10.38	11.68	16.33	12.46	17.

Bolivia: Dirección General de Estadistica. Values in 18d. bolivianos up to 1949, converted at the following rates (dollar cents to t
boliviano): 1946, 28.08; 1947, 28.45; 1948, 28.73; 1949, 28.57.

Brazil: Ministerio da Fazenda. Serviço de Estatística Econômica e Financeira. Values in cruzeiros, converted at the following ra
(dollar cents to the cruzeiro): 1946, 5.17; 1947-51, 5.405.

Chile: Dirección General de Estadística, *Anuario de Comercio Exterior.* Including exports of specie and precious metals. Values in 6
pesos converted at the rate of 20.65 dollar cents to the 6d. peso.

Paraguay: Dirección General de Estadística y Censos. Values in guaranies converted at the following rate (dollar cents to t
guarani); 1946-49, 32.36; 1950, 17.37; 1951, 14.87.

Peru: Anuarios de Comercio Exterior. Values in soles converted at the following rates (dollar cents to the sol): 1946-48, 15.385; 19
7.332; 1950, 6.71; 1951, 6.625.

The five tables in the first group contain inter-Latin-American trade totals, expressed in f.o.b. export values. Three of them (tables 73, 74 and 75) correspond to the periods 1934-38 and 1946-51 (average figures) and the year 1952, and include the twenty countries of the region. They show the individual exports and imports of each of the Latin American Republics in relation to the other nineteen. The remaining two (tables 76 and 77) deal exclusively with the ten South American countries and relate to 1953, the first including and the second excluding petroleum values. The five tables are alike in so far as they indicate the import and export trade of each individual country with the others in the zone.

The tables in the second group are concerned with inter-Latin-American trade balances. They are constructed on the same lines as the first set, cover the same

ADE TOTALS AVERAGE FOR 1946-51

usands of dollars)

Ecuador	*Vene-zuela*	*Costa Rica*	*Cuba*	*Domini-can Republic*	*El Salvador*	*Guate-mala*	*Haiti*	*Hon-duras*	*Mexico*	*Nicara-gua*	*Panama*	*Total for Latin America*
316	8,030	83	1,557	254	66	102	76	74	2,504	12	1,843	181,828
3	6	—	1	—	—	—	—	—	6	—	—	2,537
310	4,246	24	1,063	142	16	138	14	15	1,582	28	290	136,408
915	676	150	4,125	11	120	141	5	116	277	8	1,606	45,817
—	—	—	—	—	—	4	—	—	—	—	1	11,371
1,667	1,640	236	167	6	325	248	2	23	102	250	98	60,272
162	1,157	59	1,214	88	154	35	1	13	297	9	63	15,316
												453,549
374	1,637	209	452	4	63	16	13	100	104	41	475	5,139
—	2,130	69	2,221	184	7	12	30	2	191	3	724	12,711
344	—	84	900	270	41	94	28	112	711	142	119	39,113
												56,963
12	256	—	132	6	44	27	—	169	57	114	332	2,032
75	6,165	213	—	260	326	221	110	464	2,805	24	546	19,864
1	297	9	318	—	11	4	12	145	76	—	56	2,216
81	390	220	367	1	—	1,343	9	1,664	63	92	529	4,838
—	86	25	113	—	200	—	—	52	63	5	104	680
—	48	—	710	98	—	3	—	5	6	—	—	1,259
4	164	137	1,006	23	2,474	194	2	—	66	55	136	4,271
228	3,390	570	6,565	519	642	4,897	277	863	—	753	939	28,943
1	565	424	302	1	712	185	1	95	38	—	691	3,632
59	395	244	21	4	113	20	2	56	40	52	—	2,449
												70,184
4,552	31,278	2,756	21,234	1,871	5,314	7,684	582	3,968	8,988	1,588	8,552	580,696

Uruguay: Revista Económica del Banco de la República Oriental del Uruguay, "Memoria del contralor de exportaciones e importacio-s".

Colombia: Dirección Nacional de Estadística, *Anuarios de Comercio Exterior*. Including exports of gold. Values in pesos converted the following rates (dollar cents to the peso): 1946-48, 57.14; 1949, 51.28; 1950, 51.28; 1951, 42.11.

Ecuador: Dirección Nacional de Estadística.

Venezuela: Dirección General de Estadística. Values in bolivares converted at the following rates (dollar cents to the bolivar): 46, 31.40; 1947 and 1948, 31.80; 1949-51, 31.95.

Costa Rica: Including re-exports and values (gold in various forms, bank-notes, etc.).

El Salvador: Including re-exports and values.

Guatemala: Including re-exports and values.

Honduras: The data refer to the fiscal year (1 July to 30 June). They include values (mainly gold in various forms, nationalized erchandise, re-exports and small re-shipments).

Nicaragua: Including re-exports and values (especially unrefined gold).

Panama: Including values and re-exports; the latter constitute 57 per cent of Panama's total exports to the countries of the Northern ne, and 79 per cent of its total exports to South America (average for 1946-51).

Mexico: Values in pesos converted at the following rates (dollar cents to the peso): 1946 and 1947, 20.60; 1948, 17.63; 1949, 12.64; 50 and 1951, 11.56. Exports include re-exports, but not values (gold in all forms, minted silver, notes, securities, etc.), which were cluded because they totalled so high a figure.

Cuba: Including re-exports and values.

Haiti: Data for the fiscal years (1 October to 30 September).

Dominican Republic: Including re-exports and values.

periods and are based on the same data. Their usefulness lies in that they show the debit or credit balance of each country, both as regards all the Latin American Republics (tables 78, 79 and 80) and with respect to those of the Southern Zone (tables 81 and 82).

The tables in the third set are derived from those in the preceding group, and reflect the theoretical compensation possibilities, both bilateral and multilateral, which may be inferred from the distribution of trade and the nature of balances, over the same periods to which the whole series refers. Thus, three of them (tables 83, 84 and 85) cover the twenty Latin American countries, while the other two (tables 86 and 87) comprise only the ten South American Republics; in these last, figures including and excluding petroleum are given separately.

To sum up the findings of the last group of tables, two

TABLE 75. LATIN AMERICA: INTR

(F.o.b. export valu

Exporter countries \ Importer countries	Argentina	Bolivia	Brazil	Chile	Paraguay	Peru	Uruguay	Colombia
Argentina		3,650	28,936	32,811	3,819	21,181	168	25[illegible]
Bolivia	1,109		1,601	670	—	198	62	[illegible]
Brazil	95,598	543		11,618	265	105	16,980	13[illegible]
Chile	39,053	2,043	8,804		57	4,460	9,298	1,03[illegible]
Paraguay	4,574	7	23	—		—	3,855	—
Peru	10,777	7,061	507	42,079	12		5,944	5,14[illegible]
Uruguay	553	428	24,977	215	2,402	438		52[illegible]
Colombia	2,184	1	79	18	—	146	—	
Ecuador	321	62	—	1,118	—	74	628	3,80[illegible]
Venezuela	33,937	50	62,865	550	—	330	11,160	1,18[illegible]
Costa Rica	—	2	1	2	—	72	—	1,05[illegible]
Cuba	18	69	106	4,031	—	265	4,572	1,50[illegible]
Dominican Republic	—	1	—	—	—	—	46	5[illegible]
El Salvador	—	—	1	2	—	42	—	[illegible]
Guatemala	—	—	—	21	—	5	—	—
Haiti	—	—	9	—	—	20	—	16[illegible]
Honduras	—	—	—	—	—	—	—	—
Mexico	541	72	1,319	872	—	1,832	86	52[illegible]
Nicaragua	5	—	—	3	—	1,191	—	1[illegible]
Panama	119	5	26	32	—	285	112	57[illegible]
TOTAL FOR LATIN AMERICA	188,789	13,994	129,254	94,042	6,555	30,644	52,911	15,95[illegible]

SOURCES AND NOTES:

Argentina: Values in local currency converted at the following rates (dollar cents to the currency unit): Bolivia, 18.25; Brazil, 8.88 Chile, 18.83; Paraguay, 14.02; Peru, 16.40; Uruguay, 11.09; Colombia, 10.38; Ecuador, 7.11; Venezuela, 10.66; Costa Rica, 8.24; Cuba 15.48; Mexico, 10.32; Panama, 12.52.

Brazil: 5,405.

Chile: 20.65.

Paraguay: 10.50.

Peru: 6.476.

Colombia: 40.00.

Venezuela: 31.95.

Costa Rica: Including re-exports and values (gold in various forms, bank-notes, etc.).

El Salvador: Including re-exports and values.

more were prepared, one containing the percentages of trade movements capable of bilateral or multilateral compensation (table 88), and the other the net balance that cannot be liquidated through a clearing mechanism.

An attempt will next be made to examine the figures and trends observable in these three series of tables.

(*a*) TRADE FLOWS IN THE REGION

Although tables 73 to 77, which show total figures for inter-Latin-American trade, constitute the point of departure for any approach to the problem, they are not the most important for its analysis; they do, however, draw attention to some interesting phenomena.

Immediately before the war, in the years 1934-38, not only was the level of intra-regional commerce very low in absolute terms (112.8 million dollars annually), but there was little or no diversification of trade flows (see table 73). Nevertheless, it was noticeable even then how substantial was the difference between the total value of trade in the Southern and Northern Zones: the greater concentration was to be found in the South American countries.

In the six years immediately following the Second World War (1946-51) regional trade expanded sharply, rising to 580.7 million dollars annually (see table 74), that is, to five times the yearly average for the period just before the war.[19] This was the consequence of the dislocation of markets outside the region during the world war, a state of affairs which fostered closer trade relationships among the Latin American countries, and obliged

[19] At current prices. At constant prices, intra-regional trade increased to a much smaller degree.

GIONAL TRADE TOTALS, 1952

thousands of dollars)

Ecuador	Vene-zuela	Costa Rica	Cuba	Domini-can Republic	El Salvador	Guate-mala	Haiti	Hondu-ras	Mexico	Nicara-gua	Panama	Total for Latin America
53	1,613	9	589	31	19	24	6	89	370	1	313	93,933
14	—	—	76	—	—	—	49	—	—	—	—	3,780
13	616	5	119	4	1	10	—	—	41	13	183	126,246
1,123	553	135	3,247	5	157	48	4	60	153	56	510	70,802
—	—	—	—	—	—	—	—	—	1	—	—	8,460
2,155	180	6	50	3	6	90	—	9	11	26	67	74,131
50	297	3	762	4	12	13	—	—	—	—	15	30,696
												408,048
334	465	120	321	4	71	37	46	—	230	74	366	4,496
	67	14	149	4	9	2	1	28	—	—	448	6,725
16		114	127	536	217	310	31	—	76	3	412	111,919
												123,140
31	555	—	248	1	58	540	—	218	31	214	942	3,965
29	5,014	183		175	365	144	293	378	2,540	61	475	20,219
—	131	2	108		—	—	53	15	—	—	61	468
4	411	79	10	—		481	123	1,204	16	422	61	2,857
—	8	26	233	—	922		—	276	57	3	133	1,684
—	2	—	83	112	—	—		1	8	—	—	398
8	567	212	2,645	—	3,564	182	1		36	152	94	7,361
174	1,695	479	5,914	385	421	5,272	159	615		1,081	1,272	22,611
7	2,621	151	453	—	1,265	9	—	424	13		827	6,982
156	136	540	13	6	790	256	1	209	63	180		3,500
												70,045
4,167	14,831	2,078	15,047	1,270	7,877	7,418	767	3,526	3,646	2,286	6,179	601,233

Guatemala: Including re-exports and values.
Honduras: The data refer to the fiscal year (1 July to 30 June). Exports include values (mainly gold in various forms), nationalized erchandise, re-exports and small re-shipments.
Nicaragua: Including re-exports and values (especially unrefined gold).
Panama: Including values and re-exports; the latter constitute 57 per cent of total exports from Panama to the countries of the orthern Zone of Latin America, and 79 per cent of total exports to South America (average for 1946-51).
Mexico: Values in pesos converted at the rate of 11.56 dollar cents to the peso. Exports include re-exports, but not values (gold in l forms, minted silver, notes, securities, etc.), which were excluded because they totalled so high a figure.
Cuba: Including re-exports and values.
Haiti: Data for fiscal years (1 October to 30 September). Exports include re-exports.
Dominican Republic: Including re-exports and values.

them to seek both sources of essential supplies and markets for their exportable surpluses within the region itself. A greater diversification of export and import flows also became apparent during this period. Absolutely, this phenomenon was more marked in South America, but it was also of some relative importance in Mexico, Central America and the Caribbean area. The trade network expanded to such an extent that only two South American countries — Bolivia and Paraguay, doubtless because of their geographical position — failed to trade with all the others, although they did so with a good many of them.

The trend described continued in 1952 (see table 75), although poor harvests and the consequent decrease in Argentina's exports made their influence felt in that year.

In 1953, although only the figures for the ten South American countries are shown, it can be seen that Argentina's trade with the rest of the area returned to normal (see table 76). If petroleum is excluded (see table 77), the change in some trade flows can be noted at once. This modification was bound to be reflected in the balances examined below.

(*b*) Disequilibrium apparent in balances

It is interesting to study average intra-regional trade balances in the five-year period 1934-38, since at that time they were settled multilaterally with convertible currencies. Nevertheless, a pronounced imbalance already existed in the trade relations of most of the countries of the region. In the Southern Zone, Argentina, Peru, Ecuador and Venezuela were, in ascending order, the largest creditors, while Brazil, Chile, Bolivia, Uruguay,

TABLE 76. INTER-SOUTH-AMERICAN TRADE TOTALS, 1953

F.o.b. export values in thousands of dollars)

Exporter countries \ Importer countries	Argentina	Bolivia	Brazil	Chile	Paraguay	Peru	Uruguay	Colombia	Ecuador	Venezuela	Total for South America
Argentina	×	5,532	180,519	42,115	9,626	16,221	1,154	278	292	2,853	258,590
Bolivia	1,051	×	1,286	673	—	189	14	1	1	1	3,216
Brazil	75,314	494	×	10,946	76	54	23,260	37	659	503	111,343
Chile	44,694	1,331	7,863	×	34	3,467	7,978	904	2,227	782	69,280
Paraguay	4,756	—	5	—	×	—	1,682	—	—	—	6,443
Peru	6,617	5,734	250	30,089	9	×	4,232	7,426	2,558	276	57,191
Uruguay	—	100	9,300	800	3,600	600	×	1,400	18[a]	100	15,918
Colombia	1,349	174	—	6	—	369	2	×	670	1,813	4,383
Ecuador	492	684	—	1,493	—	272	867	3,164	×	173	7,145
Venezuela	34,772	151	75,618	1,931	163	974	11,924	1,096	2	×	126,631
TOTAL FOR SOUTH AMERICA	169,045	14,200	274,841	88,053	13,508	22,146	51,113	14,306	6,427	6,501	660,140

SOURCES AND NOTES: See table 74. Uruguay: Direction of International Trade. Colombia: *Revista del Banco de la Republica*.

Values in national currencies converted at the following rates of exchange (expressed in U. S. cents per unit of national currency): Argentina: with Bolivia, 19.73; with Brazil, 16.17; with Chile, 18.66; with Paraguay, 17.90; with Peru, 18.34; with Uruguay, 11.42; with Colombia, 10.22; with Ecuador, 12.53; with Venezuela, 11.49.

Brazil: 4.803. Chile: 20.65. Paraguay: 4.429 (provisional). Peru: 5.915. Columbia: 40.00. Venezuela: 31.95 (estimated).

Paraguay and Colombia were debtors for successively decreasing amounts. In the Northern Zone, Mexico was outstanding as the only important creditor, while Cuba, Guatemala and El Salvador appeared as having relatively substantial deficits. The favourable or unfavourable balances of the other countries were of little significance (see table 78).

The salient feature is the marked disequilibrium registered by certain countries. Brazil, for example, had unfavourable balances amounting to 20.3 million dollars with seven countries and favourable balances totalling 4.2 million dollars with eight; its regional deficit was therefore as much as 16.1 million dollars. Chile recorded debit balances with eight countries for a value of 6.5 million dollars and credit balances with nine for a value of 1.6 millions; hence its unfavourable balance with the area was 4.9 million dollars. Bolivia's and Paraguay's accounts were, in absolute terms, on a smaller scale, but relatively their deficits were larger.

In credit balances, too, the disequilibrium was pronounced. Argentina, for instance, registered favourable balances with twelve countries, totalling 21 million dollars and unfavourable balances with six for a value of 3.9 millions; thus its net surplus stood at 17.1 million dollars. Peru's credit balances with eleven countries amounted to 7.3 million dollars and its deficits with six others to 1 million, which gave it a net creditor position of 6.8 million dollars. And so on in other cases, where the values involved were smaller in absolute terms.

Average regional trade balances corresponding to the six post-war years 1946-51 continued to show the disequilibria characteristic of the pre-war years 1934-38, despite the five-fold expansion and the concurrent wide diversification of trade, and notwithstanding the fact that by that time bilateral agreements were already prevalent in the region (see table 79).

Such results are the more remarkable because the method of taking annual averages smooths out in the statistics the fluctuations of the balances from one year to another and offsets, so to speak, chronological disparities. This method can mitigate but in no case exaggerate imbalances. If the disequilibria are, nevertheless, so pronounced, they would be revealed as much greater still if individual tables for each of the years in these two periods were presented.

Average annual balances over the period 1946-51 indicate that the debtor countries of the Southern Zone, in order of absolute importance, were Uruguay, Chile, Colombia, Bolivia and Paraguay, and the creditor nations, Argentina, Peru, Brazil, Ecuador and Venezuela. In the Northern Zone, Mexico, Nicaragua, Haiti, the Dominican Republic and Honduras had positive balances, while Guatemala, Panama, Cuba, Costa Rica and El Salvador showed deficits.

An extreme example of intra-regional disequilibrium is offered by Bolivia, which had debit balances with eleven countries totalling 17.3 million dollars, and credit balances, amounting to barely 16,000 dollars, with no more than two. Only the latter sum could be cleared through a multilateral payments mechanism, so that the country would have to cover the difference of 17.2 million — its net debit balance — with convertible currencies, unless it could obtain sufficient credit facilities to wipe out the deficit for the time being, which over the short term would be improbable.

TABLE 77. INTER-SOUTH-AMERICAN TRADE TOTALS (EXCLUDING PETROLEUM), 1953

(F.o.b. export values in thousands of dollars)

Exporter countries \ Importer countries	Argentina	Bolivia	Brazil	Chile	Paraguay	Peru	Uruguay	Colombia	Ecuador	Venezuela	Total for South America
Argentina	×	5,532	180,519	42,115	9,626	16,221	1,154	278	292	2,853	258,590
Bolivia	1,039	×	1,286	673	—	189	14	1	1	1	3,204
Brazil	75,314	494	×	10,946	76	54	23,260	37	659	503	111,343
Chile	44,672	1,331	7,863	×	34	3,467	4,151	904	2,227	782	65 431
Paraguay	4,756	—	5	—	×	—	1,682	—	—	—	6,443
Peru	4,495	4,894	101	23,180	9	×	3,288	7,423	1,667	168	45,225
Uruguay	—	100	9,300	800	3,600	600	×	1,400	18[a]	100	15,918
Colombia	3	174	—	6	—	369	2	×	670	1,813	3,037
Ecuador	40	684	—	1,493	—	272	8	3,164	×	173	5,834
Venezuela	2	—	64	48	1	39	—	1,043	2	×	1,199
TOTAL FOR SOUTH AMERICA	130,321	13,209	199,138	79,261	13,346	21,211	33,559	14,250	5,536	6,393	516,224

SOURCES AND NOTES: See table 76.

[a] Estimate.

A similar case is that of Colombia. Its debit balances with thirteen countries of the region reached a total of 18.7 million dollars, while its credit balances with another six amounted to only 183,000 dollars, the resultant net deficit being 18.5 millions.

Uruguay also showed a considerable disequilibrium. Out of the total of 34.3 million dollars represented by its debit balances with ten countries of the region, only the 1.5 million corresponding to its credit balances with eight other countries within the area were susceptible of compensation.

Chile was in a slightly better position. Of the 39 million dollars which it owed in all to the six nations with which it had a deficit, it would be able to liquidate through the multilateral accounts system only the 8.5 million accruing from its favourable balances with the remaining thirteen Latin American countries; hence its net debit balance amounted to 30.5 million dollars.

Again, in the case of the principal creditor countries, the disequilibria were substantial. Peru, for instance, holding credit balances with thirteen countries for a value of 45.9 million dollars, and debit balances of 11 millions with the remaining six, had a net surplus of 34.9 million dollars, collectible in convertible currencies, unless Peru granted credit facilities to its debtors for the whole or part of this sum.

Argentina registered a favourable balance of 26.9 million dollars, since its credit balances with fifteen countries amounted to 41.8 millions and its deficits with the remainder to 14.9 millions.

Ecuador, also a creditor, had favourable balances of 8.8 million dollars with fourteen countries, and liabilities of 625,000 dollars with five others, thus showing a net surplus of 8.2 millions.

These examples alone are sufficient to demonstrate the magnitude of the problem represented by the regional disequilibria of nearly all the Latin American countries.

For completeness' sake, an examination will now be made of the latest data known, i.e., those for 1952 and 1953.

The balances corresponding to 1952, the last year for which figures are available for all twenty Latin American countries, reflect the dislocation of intra-regional trade brought about by the decline in Argentina's production in that year (see table 80). Its direct effect was to reduce the flow of exports from Argentina, which therefore lost its traditional position as a creditor and registered a heavy deficit of 94.9 million dollars.

Of the countries of the Southern Zone — apart from Argentina —, Chile, Uruguay, Colombia and Bolivia showed negative balances, while surpluses were registered principally by Venezuela, Peru and Ecuador.

Paraguay, normally a debtor country, became a creditor in consequence of the fluctuations in its trade with Argentina.

The case of Brazil was exceptional; it approached relative equilibrium, since it recorded surpluses totalling 69.9 million dollars and deficits of 72.9 million in all, the resulting net debit balance being only 3 million dollars.

In the Northern Zone, Mexico provided an extreme instance of disequilibrium, since its favourable balances with eighteen countries amounted to almost 19 million dollars as against a single debit balance — with Paraguay — of 1,000 dollars.

Other countries showed lesser, though not insignificant, imbalances, whether on the debit or the credit side, in both the Northern and the Southern Zones.

The year 1953 was characterized by the return of inter-South-American trade to normal. Argentina recovered its creditor position; this time its positive balances, with five countries, reached a total of 125.3 million dollars, and its liabilities to the other four stood at 35.8 million, giving it a net surplus of 89.5 million dollars. The imbalance was, therefore, considerable.

Table 78. Latin America: Intra-Region

(Thousan

	Argentina	*Bolivia*	*Brazil*	*Chile*	*Paraguay*	*Peru*	*Uruguay*	*Colomb*
Argentina	×	−1,620	−16,381	−1,443	−1,126	−234	+3,213	+5
Bolivia	+1,620	×	−220	+528	−2	+861	−39	−
Brazil	+16,381	+220	×	−262	−57	+1,515	−3,678	−19
Chile	+1,443	−528	+262	×	−3	+3,376	−131	−13
Paraguay	+1,216	+2	+57	+3	×	—	−98	−
Peru	+234	−861	−1,515	−3,376	—	—	−965	−2
Uruguay	−3,213	+39	+3,678	+131	+98	+965	×	+
Colombia	−53	+2	+193	+131	—	+29	−5	×
Ecuador	+52	−45	−357	−175	−12	−734	−684	−14
Venezuela	−80	—	+37	−668	—	+3	+35	−19
Costa Rica	−8	—	—	−4	—	−26	+1	−9
Cuba	−355	−2	−5	+658	+1	−19	−168	−13
Dominican Republic	+8	+1	+13	+8	—	−1	−1	−
El Salvador	−16	−1	—	−33	—	+227	—	+
Guatemala	+3	—	−1	−13	—	+62	−9	−
Haiti	+12	—	—	+3	—	—	—	−
Honduras	+	—	+2	+5	—	+31	—	+
Mexico	−244	−3	−1,847	−563	—	−9	−96	−4
Nicaragua	—	—	—	−4	—	+94	—	—
Panama	+59	+1	+4	+99	—	+111	+72	+7
Positive balances (+)	21,045	265	4,246	1,566	99	7,274	3,321	13
Negative balances (−)	3,953	3,060	20,326	6,541	1,290	1,023	5,874	96
Net balances	+17,092	−2,795	−16,080	−4,975	−1,191	+6,251	−2,553	−83

Sources and notes: See table 73.

[a] The balances were determined on the basis of export statistics in f.o.b. values. The signs (+) and (—) correspond to the countrie heading the columns.

Venezuela offers an even more striking example of intra-regional disequilibrium. While its favourable balances totalled 121 million dollars, its deficits amounted to only 888,000 dollars; its net creditor position thus worked out at 120.1 millions.

Peru, the third of the South American countries with an aggregate trade balance in its favour, incurred net debts with only two countries, to a value of 10.3 million dollars; its credit balances with the remainder totalled 45.3 million dollars, which left it with a surplus of 35 million.

The debtor countries, in order of importance, were the following: Brazil, 163.5 million dollars; Uruguay, 35.2; Chile, 18.8; Bolivia, 11; Colombia, 9.9; and Paraguay 7.1 million. In all these cases the disequilibria were substantial, resembling those of previous years in gross and relative size. Only Ecuador registered a moderate imbalance on this occasion.

The exclusion of petroleum values from these balances results in some degree of redistribution of debtor and creditor positions among the various countries. Thus, Argentina's credit balance rises from 89.5 to 128.3 million dollars, for reasons analogous to those given in connexion with a similar situation. Colombia's balance also increases, although to a smaller extent, while Venezuela's not only changes in amount but also shifts from positive to negative, since a surplus of 120.1 million dollars is converted into a deficit of 5.2 million. As regards the remaining countries, their debit or credit balances are reduced and their disequilibria thus become smaller; this is a logical consequence of the exclusion of petroleum values, which are in fact paid in convertible currencies, independently of the bilateral agreements prevailing in the Southern Zone (see table 82).

Hence it may be inferred that not only before the Second World War, when intra-regional trade accounts were cleared within a multilateral payments system, but throughout the post-war period, during which, at least in the Southern Zone, bilateral systems were in force, the individual positions of the Latin American countries were characterized by a marked disequilibrium. The absolute and relative magnitude of these imbalances would reduce the possibility of a multilateral clearing system on a reasonably large scale, unless a satisfactory trade policy enabled debtor countries to increase their exports to the region.

(c) Compensatable margins

In order to appraise theoretical possibilities of compensation in Latin America in terms of percentages, trade flows and visible trade balances, as they appeared in the

ADE BALANCES,[a] AVERAGE FOR 1934-38

dollars)

Ecuador	*Venezuela*	*Costa Rica*	*Cuba*	*Dominican Republic*	*El Salvador*	*Guatemala*	*Haiti*	*Honduras*	*Mexico*	*Nicaragua*	*Panama*
−52	+80	+8	+355	−8	−16	−3	−12	−1	+244	—	−59
+45	—	—	+2	−1	+1	—	—	—	+3	—	−1
+357	−37	—	+5	−13	—	+1	—	−2	+1,847	—	−4
+175	+668	−4	−658	−8	+33	+13	−3	−5	+563	+4	−99
+12	—	—	−1	—	—	—	—	—	—	—	—
+734	−3	+26	+19	+1	−227	−62	—	−31	+9	−94	−111
+684	−35	1	+168	+1	—	+9	—	—	+96	—	−72
+148	+196	+90	+136	—	−2	—	—	−1	+42	+1	−74
×	−11	−7	−26	—	+2	—	−1	−1	—	−1	−54
+11	×	—	−330	−7	—	+3	—	—	—	—	−63
+7	—	×	+12	—	+10	−6	—	−2	+31	+31	−55
+26	+330	−12	×	−20	−2	−32	−5	−43	+979	+18	−106
—	+7	—	+20	×	—	—	−44	—	−16	—	−1
−2	—	−10	+2	—	×	−30	−1	+54	+43	+9	−14
—	−3	+6	+32	—	+30	×	—	+14	+317	+47	−9
+1	—	—	+5	+44	+1	—	×	—	—	—	+2
+1	—	+2	+43	—	−54	−14	—	×	+5	+99	−3
—	—	−31	−979	+16	−43	−317	—	−5	×	−27	−25
+1	—	−31	−18	—	−9	−47	—	−99	+27	×	−22
+54	+63	+55	+106	+1	+14	+9	−2	+3	+25	+22	×
2,256	1,344	191	905	63	91	35	—	71	4,231	231	2
54	89	92	2,012	57	353	511	68	190	16	122	772
+2,202	+1,255	+99	−1,107	+6	−262	−476	−68	−119	+4,215	+109	−770

periods under analysis, were used as a basis (see tables 83 to 87).

Each table has been arranged in four columns, giving values in dollars with the corresponding percentages. The first indicates the country's aggregate trade in both directions; the second shows the proportion of such trade that is liquidated bilaterally, i.e. by the natural compensation of each country's exports to and imports from the rest; the third presents the optimum possibilities for multilateral compensation, that is, the clearing of each country's debit and credit balances which result from trade with the remaining countries of the region and can cancel each other out up to the smaller of the total values involved in each case; lastly the fourth column gives the final net balance, either on the debit or the credit side.

The sum of the absolute values contained in the second, third and fourth columns (the plus or minus sign being disregarded in this last case) is of course equal to the figure in the first, that is, the aggregate trade in both directions.[20]

Each table permits the assessment, for the period to which it refers, of the limits attainable by optimum theoretical compensation, both on a bilateral and on a multilateral basis. It also shows each country's disequilibrium with the region as measured by the size of its final non-compensatable balance, the settlement of which normally involves transfers of gold or convertible foreign exchange from debtor to creditor countries, or the granting of credit by the latter to the former.

In evaluating the extent to which the various countries are likely to be able to settle their intra-regional accounts by compensation, it should be recalled that the country which can achieve the bilateral or multilateral compensation of the largest share of its transactions and has the

[20] This point is elucidated by the following formula and the explanation given below: Total trade = Exports + Imports = Trade cleared bilaterally + Trade that can be compensated multilaterally + Net balances.

The total amount of a country's aggregate trade which can be compensated bilaterally is calculated by doubling the sum of its exports to or imports from each of the others, whichever represents the smaller value in each case. The total amount of a country's aggregate trade which can be compensated on a multilateral basis is computed by doubling the sum of its debit or credit balances with the remaining countries, whichever represents the smaller value in each case. This method is described in the article "Scope for multilateral compensation payments of ECAFE countries", *UN. Bulletin for Asia and the Far East,* vol. 5, No. 1 (Bangkok, May 1954), although it was first used by the Economic Commission for Europe and then by the International Monetary Fund in its *Study on multilateral compensation of International Payments in Latin America,* op. cit.

TABLE 79. BALANCES OF INTER-LATIN-AMERICA

(Thousan

	Argentina	*Bolivia*	*Brazil*	*Chile*	*Paraguay*	*Peru*	*Uruguay*	*Colombia*
Argentina	×	−6,990	+6,423	−11,336	−856	−9,767	−7,322	−2,023
Bolivia	+6,990	×	+525	+2,567	−11	+5,950	+483	+28
Brazil	−6,423	−525	×	+574	−1,615	−191	−10,531	−3,324
Chile	+11,336	−2,567	−574	×	−159	+24,521	−2,036	−997
Paraguay	+856	+11	+1,615	+159	×	+3	−1,566	—
Peru	+9,767	−5,950	+191	−24,521	−3	×	−6,672	−6,649
Uruguay	+7,322	−483	+10,531	+2,036	+1,566	+6,672	×	−757
Colombia	+2,023	−28	+3,324	+997	—	+6,649	+757	×
Ecuador	−355	−94	+230	−237	−5	+282	−829	−2,383
Venezuela	−7,502	+5	−8,538	+323	−17	+1,040	−4,066	−121
Costa Rica	+76	—	+20	+55	—	+200	+42	−515
Cuba	+1,107	−278	+1,008	−686	—	−134	−614	−479
Dominican Republic	+244	—	+136	−1,179	—	+2	+20	−5
El Salvador	+62	−1	+15	+93	—	+301	+152	+43
Guatemala	+102	—	+136	+113	+4	+247	+35	+15
Haiti	+70	—	+12	+1	—	+1	−1	−361
Honduras	+72	—	+15	+116	—	+22	+12	+94
Mexico	−662	−286	−747	−1,058	—	−552	−263	−860
Nicaragua	+8	—	+25	+7	—	−320	+8	+3
Panama	+1,785	−4	+280	+1,503	+1	−25	−359	−248
Positive balances (+)	41,820	16	24,486	8,544	1,571	45,890	1,509	183
Negative balances (−)	14,942	17,206	9,859	39,017	2,666	10,989	34,259	18,722
Net balances	+26,878	−17,190	+14,627	−30,473	−1,095	+34,901	−32,750	−18,539

SOURCES AND NOTES: See table 73.

[a] The balances were determined on the basis of export statistics in f.o.b. values. The signs (+) and (−) correspond to the cour

smallest final balance will be in the strongest position, very close to equilibrium with the region.

The International Monetary Fund expressed this idea as follows:

"The countries that would presumably benefit most from a closed system of transferability would be those with a high proportion of surpluses and deficits that offset each other, and a low net surplus." [21]

On the basis of these concepts, some observations will now be made on the possibilities for compensation.

The annual average for 1934-38 reveals that in Latin America the amounts compensated bilaterally represented 58 per cent of total trade, those that could have been compensated on a multilateral basis 14 per cent, and the net balances 28 per cent. There were wide divergences among the individual countries' bilateral and multilateral margins of compensation, as well as considerable differences in their degrees of relative disequilibrium. The results observable in so comparatively distant a period, when regional trade had not yet reached its present stage of development, are of interest only because payments were liquidated at that time on a multilateral basis, although some exchange restrictions already existed in certain of the South American countries (see table 83).

The annual average for 1946-51 deserves more careful analysis, since by that time the range of bilateral trade and payments agreements which gave trade a new aspect were already in force in the Southern Zone. Two-thirds (67 per cent) of the total trade of the region as a whole was compensated on a bilateral basis; 13 per cent was susceptible of multilateral compensation; and the net balance to be covered was 20 per cent. The over-all situation can be considered much more satisfactory than during 1934-38. In relation to the annual average for 1946-51 it should be recalled that the prevailing payments systems differ in the Northern and Southern Zones. In the former, where free currency convertibility exists in greater or less degree, the ten Republics comprising Mexico, Central America and the Caribbean countries were able on an average to compensate only 47 per cent of their trade on a bilateral basis; 24 per cent was multilaterally compensatable and the net balance to be settled amounted to 29 per cent. In the Southern Zone, on the other hand, where bilateral agreements and inconvertible currencies are the general rule, 69 per cent was cleared bilaterally and 12 per cent multilaterally, leaving a net final balance of 19 per cent. If these estimates were confined to the seven southernmost countries

[21] *Multilateral compensation of international payments in Latin America*, op. cit., p. 24.

DE,[a] AVERAGE 1946-51

ollars)

Ecuador	*Venezuela*	*Costa Rica*	*Cuba*	*Dominican Republic*	*El Salvador*	*Guatemala*	*Haiti*	*Honduras*	*Mexico*	*Nicaragua*	*Panama*
+355	+7,602	−76	−1,107	−244	−62	−102	−70	−72	+662	−8	−1,785
+94	−5	—	+278	—	+1	—	—	—	+286	—	+
−230	+8,538	−20	−1,008	−136	−15	−136	−12	−15	+747	−25	−280
+237	−323	−55	+686	+1,179	−93	−113	−1	−116	+1,058	−7	−1,503
+5	+17	—	—	—	—	−4	—	—	—	—	−1
−282	−1,040	−200	+134	−2	−301	−247	−1	−22	+552	+320	+25
+829	+4,066	−42	+614	−20	−152	−35	+1	−12	+263	−8	+359
+2,383	+121	+516	+479	+5	−43	−15	+361	−94	+860	−3	+248
×	−1,786	−57	−2,146	−183	−74	−12	−30	+2	+37	−2	−665
+1,786	×	+172	+5,265	+27	+349	−8	+20	+52	+2,679	+423	+276
+57	−172	×		+3	+176	−2	—	−32	+513	+310	−88
+2,146	−5,265	+81	×	+58	+41	−108	+600	+542	+3,760	+278	−525
+183	−27	−3	−58	×	−10	−4	+86	−122	+443	+1	−52
−74	−349	−176	−41	+10	×	−1,143	−9	+810	+579	+620	−416
+12	+8	+2	+108	+4	+1,143	×	+3	+142	+4,834	+180	−84
+30	−20	—	−600	−86	+9	−3	×	−3	+271	+1	+2
−2	−52	+32	−542	+122	−810	−142	+3	×	+797	+40	−80
−37	−2,679	−513	−3,760	−443	−579	−4,834	−271	−797	×	−715	−899
+2	−423	−310	−278	−1	−620	−180	−1	−40	+715	×	−639
+665	−276	+88	+525	+52	+416	+84	−2	+80	+899	+639	×
8,784	20,252	809	8,170	1,460	2,209	84	1,074	1,628	19,955	2,812	914
625	12,417	1,533	9,540	1,115	2,685	7,088	397	1,325	—	768	7,017
+8,159	+7,835	−724	−1,370	+345	−476	−7,004	+677	+303	+19,955	+2,044	−6,103

g the columns.

— Argentina, Bolivia, Brazil, Chile, Paraguay, Peru and Uruguay — which absorb more than eight-tenths of intra-regional trade, the results would be as follows: compensated bilaterally, 72 per cent; multilaterally compensatable, 10 per cent; net balance, 18 per cent. The disequilibria of many countries with the region are a corollary of the situations analysed when the nature and size of the balances were examined. Attention may be drawn to the extreme cases of Bolivia, Uruguay and Colombia, among the debtor countries, and of Peru and Ecuador among the creditors — all in the Southern Zone — because of the absolute and relative magnitude of their non-compensatable net balances (see table 84).

Unlike previous years, 1952 witnessed a decrease in the percentage of trade compensated bilaterally, both in Latin America as a whole and in the Northern and Southern Zones into which it has been conventionally divided. Conversely, the possibilities for multilateral compensation increased, as did the net final balances. This can be attributed to the exceptional trade circumstances which, as has already been explained, prevailed during that year; at all events, the fluctuations in individual balances and the disparities in net payments positions are evident (see table 85).

As before, the data for 1953 are given in two tables, one of which includes petroleum values while the other excludes them. Both cover only the ten countries of the Southern Zone.

The first (table 86) shows that bilateral compensations in this zone averaged only 50 per cent; the possibilities of multilateral compensation, on the other hand, represented some 13 per cent. Consequently, the net balance amounted to as much as 37 per cent. If the findings are limited to the seven southernmost countries of the region, there is some relative improvement, but not sufficient for the situation to be considered satisfactory. Bilateral compensations, in effect, rise to 55 per cent and multilateral possibilities to 14 per cent; the net balance is therefore reduced to 31 per cent.

The exclusion of petroleum values immediately raises bilateral compensation to higher proportions. For the zone as a whole the percentage reaches 60 and for the most southerly countries 62. The multilateral compensation margins contract to 10 and 9 per cent respectively, and the corresponding net balances become 30 and 29 per cent. Furthermore, the redistribution of the final balances through the exclusion of petroleum mitigates the disequilibrium in the positions of most of the individual countries (see table 87).

TABLE 80. LATIN AMER

(Thous

	Argentina	Bolivia	Brazil	Chile	Paraguay	Peru	Uruguay	Colombia	Ecua
Argentina	×	−2,541	+66,662	+6,242	+755	−10,404	+385	+1,933	+2
Bolivia	+2,541	×	−1,058	+1,373	+7	+6,863	+366	0	+
Brazil	−66,662	+1,058	×	−2,814	−242	+402	+7,997	−53	−
Chile	−6,242	−1,373	+2,814	×	−57	+37,619	−9,083	−1,018	.
Paraguay	−755	−7	+242	+57	×	+12	−1,453	—	
Peru	+10,404	−6,863	−402	−37,619	−12	×	−5,506	−5,002	−2,0
Uruguay	−385	−366	−7,997	+9,083	+1,453	+5,506	×	−527	+5
Colombia	−1,933	0	+53	+1,018	—	+5,002	+527	×	+3,4
Ecuador	−268	−48	+13	+5	—	+2,081	−578	−3,466	
Venezuela	−32,324	−50	−62,249	+3	—	−150	−10,863	−720	+
Costa Rica	+9	−2	+4	+133	—	−66	+3	−930	−
Cuba	+571	+7	+13	−784	—	−215	−3,810	−1,180	+1
Dominican Republic	+31	−1	+4	+5	—	+3	−42	−47	.
El Salvador	+19	—	0	+155	—	−36	+12	+70	.
Guatemala	+24	—	+10	+27	—	+85	+13	+37	.
Haiti	+6	+49	−9	+4	—	−20	—	−117	.
Honduras	+89	—	—	+60	—	+9	—	—	+
Mexico	−171	−72	−1,278	−719	+1	−1,821	−86	−292	−1
Nicaragua	−4	—	+13	+53	—	−1,165	—	+61	.
Panama	+194	−5	+157	+478	—	−218	−97	−205	+2
Positive balances (+)	13,888	1,114	69,985	18,696	2,216	57,582	9,303	2,101	4,8
Negative balances (−)	108,744	11,328	72,993	41,936	311	14,095	31,518	13,557	2,2
Net balances	−94,856	−10,214	−3,008	−23,240	+1,905	+43,487	−22,215	−11,456	+2,5

SOURCES AND NOTES: See table 73.

[a] The balances were determined on the basis of statistics in f.o.b. values. The signs (+) and (−) correspond to the countries headi the columns.

It is useful to summarize the percentages for the different periods under review. Although the corresponding tables are not strictly comparable, since three include all twenty Latin American countries while the other two cover only the ten Republics of the Southern Zone, the percentages do represent relationships sufficiently close to permit of partial comparison.

As regards bilateral compensations, the summary reveals that they fluctuate between 44 and 67 per cent. The proportions represented by multilateral compensations, except in 1952 — a notably abnormal year — range from 10 to 14 per cent, or within the percentage limits usually found in other regions. Finally, the net balances vary from 20 to 37 per cent, although the highest frequency of this small series is concentrated around 30 per cent, which may be considered a relatively large figure (see table 88).

The relationship between the regional imbalance of the Latin American countries and their over-all disequilibria with the rest of the world should now be ascertained. However, the problem can be examined only superficially, owing to the lack of data permitting comparison of each country's balance-of-payments situation with the region and with the world.

In order to determine the debit or credit position of each of the Latin American Republics with the world, table 89 was prepared, giving the net international balance-of-payments position in each case for the years 1950 to 1953.

The most striking feature of this table is the tendency to extreme fluctuation displayed by most of the balances and the volatility with which they switch from debtor to creditor positions, or vice-versa. However, in some cases more or less persistent positive or negative trends are registered. The final column, showing the cumulative balances for the four years under review, offsets the plus and minus fluctuations observable from year to year and gives a clearer impression of the situation of equilibrium or disequilibrium in which the countries of the region are placed.

The only statistics on the debtor or creditor position of the Latin American countries with the region available for comparison with this table are those relating to visible trade balances (see again tables 78 to 82). An examination of the figures, especially those for 1952 and 1953, in so far as they are relatively comparable with table 89, would appear to suggest that the final intra-regional trade balances of several countries are larger than the sums resulting from their balance of payments with the world. This could be confirmed only by strictly

RA-REGIONAL TRADE BALANCES,[a] 1952

llars)

Venezuela	Costa Rica	Cuba	Dominican Republic	El Salvador	Guatemala	Haiti	Honduras	Mexico	Nicaragua	Panama
+32,324	−9	−571	−31	−19	−24	−6	−89	+171	+4	−194
+50	+2	−7	+1	—	—	−49	—	+72	—	+5
+62,249	−4	−13	−4	0	−10	+9	—	+1,278	−13	−157
−3	−133	+784	−5	−155	−27	−4	−60	+719	−53	−478
—	—	—	—	—	—	—	—	−1	—	—
+150	+66	+215	−3	+36	−85	+20	−9	+1,821	+1,165	+218
+10,863	−3	+3,810	+42	−12	−13	—	—	+86	—	+97
+720	+930	+1,180	+47	−70	−37	+117	—	+292	−61	+205
−51	+17	−120	−4	−5	−2	−1	−20	+174	+7	−292
×	+441	+4,887	−405	+194	−302	−29	+567	+1,519	+2,618	−276
−441	×	−65	+1	+21	−514	—	−6	+448	−63	−402
−4,887	+65	×	−67	−355	+89	−210	+2.167	+3,374	+392	−462
+405	−1	+67	×	—	—	+59	−15	+385	—	−55
−194	−21	+355	—	×	+441	−123	+2,360	+405	+843	+729
+302	+514	−89	—	−441	×	—	−94	+5,215	+6	+123
+29	—	+210	−59	+123	—	×	0	+151	—	+1
−567	+6	−2,167	+15	−2,360	+94	0	×	+579	+272	+115
−1,519	−448	−3,374	−385	−405	−5,215	−151	−579	×	−1,068	−1,209
−2,618	+63	−392	—	−843	−6	—	−272	+1,068	×	−647
+276	+402	+462	+55	−729	−123	−1	−115	+1,209	+647	×
107,368	2,506	11,970	161	374	624	205	5,094	18,966	5,954	1,493
10,280	619	6,798	963	5,394	6,358	574	1,259	1	1,258	4,172
+97,088	+1,887	+5,172	−802	−5,020	−5,734	−369	+3,835	18,965	4,696	−2,679

comparable data; were it true, it would mean that certain difficulties would arise — as explained elsewhere[22] to hinder the ultimate operation of multilateral compensation mechanisms in Latin America.

5. Final considerations

The principal features of the inter-Latin-American payments situation having now been examined — although in summary fashion and with the limitations inherent in the inadequacy of the available data — in connexion with the possibilities of ultimately establishing some kind of multilateral system, the time has come to draw certain conclusions.

In the first place, there seems no room for doubt that although some progress has been made in the perfecting of bilateral mechanisms, the payments situation prevailing in Latin America is not the most propitious for any substantial expansion of inter-Latin-American trade in goods and services. A nearer approach to such an objective — which would mean improving upon the present strictly bilateral régime — would certainly require the remodelling of the payments system on bases which, by permitting multilateral transfers, would enlarge the regional market for each country's exports, imports and services.

The facts analysed in this chapter at once give rise to various questions as to the practicability of concrete achievements in this field over the short or medium term. It may well be asked at the outset whether the twenty Latin American Republics would meet — at all events at first — with incentives strong enough to induce them to take a direct part in solving the financial problem of intra-regional payments. Stress has already been laid on the differences between one country and another from the standpoint of currency convertibility. Such disparities, like those in the volume of their inter-Latin-American trade, are particularly marked between the Northern and Southern Zones. Although some of the Republics with convertible currencies might perhaps be interested in acceding to regional agreements designed to broaden their markets,[23] it would not be surprising if at first the geographical scope of any intra-regional payments agree-

[22] See above, pp. 139-142.

[23] It should, however, be borne in mind that the commitments established in Article VIII of the agreement setting up the International Monetary Fund may make it difficult for member countries of this latter to participate in a multilateral payments system based on the use of non-convertible currencies.

ment had to be limited.[24] On this assumption, the initial bases of the compensation system would virtually be limited for the time being to collaboration among those seven or eight countries in the Southern Zone which account for the major share of inter-Latin-American trade.

As has already been explained in considerable detail, the countries in question seem to fall into two categories, i.e., persistent creditors and persistent debtors. In certain cases, the regional disequilibria described are not only very large and of a permanent character, but are apparently even greater than those of the countries concerned with the rest of the world. The obstacles thus created to participation in an inter-Latin-American compensation régime would be difficult to overcome over the short term. Although an examination of trade and financial disequilibria in relation to internal stability or instability is outside the scope of this research, existing conditions give grounds for the belief that the smoothing-out of some of the imbalances in inter-Latin-American trade in the Southern Zone will be a task far from easy to accomplish. In actual fact, the competitive capacity of certain current or potential exports is influenced, *inter alia*, not only by circumstances relating to trade and payments policy, but also by the inflation prevalent in several of the countries of the region.

For these and other reasons, it would appear that further specific studies must be carried out before a decision can be reached as to the feasibility of agreements on broad bases. Moreover, the complexity of the problem suggests that it might possibly be advisable to adopt alternative and less ambitious measures to begin with; their gradual development would pave the way to more far-reaching solutions. With respect to action of this limited kind, it should be recalled that, from time to time, in order te elude or reduce difficulties in bilateral financing, there has been talk of the usefulness of concluding agreements which would permit triangular or multilateral transfers among the Latin American countries. Such arrangements would consist in the establishment of open accounts through which, subject to the decision taken in each case by the countries concerned and to predetermined regulations, the credit balances of some of these countries could be liquidated to compensate the debit balances of others resulting from bilateral accounts. Again, some degree of standardization in the methods of keeping these same accounts — and especially in the criteria adopted for the classification of goods and services according to differential rates of exchange — as well as in the system of parities and the granting and liquidation of credits, would figure among the measures that might reasonably be put into effect over the short term, if the Latin American countries, or at all events those responsible for the major share of intra-regional trade, were to take steps to promote them. Closer co-ordination of the trade policies of the Latin American Republics would be one means of encouraging the transition from the present bilateralism to less rigid trade and payments mechanisms. Such co-operation might be expected to give rise to agreements of a multilateral kind, designed both to co-ordinate the interests of several countries in relation to specific commodities, and, at the same time, to grant these same products an *ad hoc* exchange and payments régime.

[24] It would also perhaps be opportune to investigate the possibilities of organizing a system based on currencies which are transferable at the present time, such as the pound sterling and the German mark.

TABLE 81. INTER-SOUTH-AMERICAN TRADE BALANCES,[a] 1953

(Thousands of dollars)

Importer countries / *Exporter countries*	*Argentina*	*Bolivia*	*Brazil*	*Chile*	*Paraguay*	*Peru*	*Uruguay*	*Colombia*	*Ecuador*	*Venezuela*
Argentina	×	−4,481	−105,205	+2,579	−4,870	−9,604	−1,154	+1,071	+200	+31,919
Bolivia	+4,481	×	−792	+658	—	+5.545	+86	+173	+683	+150
Brazil	+105,205	+792	×	−3,083	−71	+196	−13,960	−37	−659	+75,115
Chile	−2,579	−658	+3,083	×	−34	+26,622	−7,178	−898	−734	+1,149
Paraguay	+4,870	—	+71	+34	×	+9	+1,918	—	—	+163
Peru	+9,604	−5,645	−196	−26,622	−9	×	−3,632	−7,057	−2,286	+698
Uruguay	+1,154	−86	+13,960	+7,178	−1,918	+3,632	×	−1,398	+849	+11,824
Colombia	−1,071	−173	+37	+898	—	+7,057	+1,398	×	+2,494	−717
Ecuador	−200	−683	+659	+734	—	+2,286	−849	−2,494	×	−171
Venezuela	−31,919	−150	−75,115	−1,149	−163	−698	−11,824	+717	+171	×
Positive balances (+)	125,314	792	17,810	12,081	—	45,347	3,402	1,961	4,397	121,018
Negative balances (−)	35,769	11,776	181,308	30,854	7,065	10,302	38,597	11,884	3,679	888
Net balances	+89,545	−10,984	−163,498	−18,773	−7,065	+35,045	−35,195	−9,923	+718	+120,130

SOURCES AND NOTES: See table 76.
[a] The balances were determined on the basis of export statistics in f.o.b. values. The signs (+) and (−) correspond to the countries heading the columns.

TABLE 82. INTER-SOUTH-AMERICAN TRADE BALANCES[a] (EXCLUDING PETROLEUM), 1953

(Thousands of dollars)

Exporter countries \ Importer countries	Argentina	Bolivia	Brazil	Chile	Paraguay	Peru	Uruguay	Colombia	Ecuador	Venezuela
Argentina	×	−4,493	−105,205	+2,557	−4,870	−11,726	−1,154	−275	−252	−2,851
Bolivia	+4,493	×	−792	+658	—	+4,705	+86	+173	+683	−1
Brazil	+105,205	+792	×	−3,083	−71	+47	−13,960	−37	−659	−439
Chile	−2,557	−658	+3,083	×	−34	+19,713	−3,351	−898	−734	−734
Paraguay	+4,870	—	+71	+34	×	+9	+1,918	—	—	+1
Peru	+11,726	−4,705	−47	−19,713	−9	×	−2,688	−7,054	−1,395	−129
Uruguay	+1,154	−86	+13,960	+3,351	−1,918	+2,688	×	−1,398	−10	−100
Colombia	+275	−173	+37	+898	—	+7,054	−1,398	×	+2,494	−770
Ecuador	+252	−683	+659	+734	—	+1,395	+10	−2,494	×	−171
Venezuela	+2,851	+1	+439	+734	−1	+129	+100	+770	+171	×
Positive balances (+)	130,826	793	18,249	8,966	—	35,740	3,512	943	3,348	1
Negative balances (−)	2,557	10,798	106,044	22,796	6,903	11,726	21,153	12,156	3,005	5,195
Net balances	+128,269	−10,005	−87,795	−13,830	−6,903	+24,014	−17,641	−11,213	+298	−5,194

SOURCES AND NOTES: See table 77.

[a] The balances were determined on the basis of export statistics in f.o.b. values. The signs (+) and (−) correspond to the countries heading the columns.

TABLE 83. COMPENSATION POSSIBILITIES IN INTER-LATIN-AMERICAN TRADE,[a] AVERAGE FOR 1934-38

Country	Total trade		Bilaterally compensated		Multilaterally compensatable		Net non-compensatable balances	
	Value [b]	Percentage	Value [b]	Percentage	Value [b]	Percentage	Value [b]	Percentage
Argentina	76,874	100	51,876	68	7,906	10	+17,902	22
Bolivia	5,115	100	1,790	35	530	10	−2,795	55
Brazil	59,432	100	34,860	59	8,492	14	−16,080	27
Chile	16,833	100	8,726	52	3,132	19	−4,975	29
Paraguay	6,371	100	4,982	78	198	3	−1,191	19
Peru	17,697	100	9,400	53	2,046	12	+6,251	35
Uruguay	21,289	100	12,094	57	6,642	31	−2,553	12
TOTAL	203,611	100	123,728	61	28,946	14	50,937	25
Colombia	1,805	100	702	39	270	15	−833	46
Ecuador	3,568	100	1,258	35	108	3	+2,202	62
Venezuela	2,073	100	640	31	178	9	+1,255	60
GRAND TOTAL FOR SOUTH AMERICA	211,057	100	126,328	60	29,502	14	55,227	26
Costa Rica	459	100	176	38	184	40	+99	22
Cuba	4,539	100	1,622	36	1,810	40	−1,107	24
Dominican Republic	196	100	76	39	114	58	+6	3
El Salvador	992	100	548	56	182	18	−262	26
Guatemala	708	100	162	23	70	10	−476	67
Haiti	74	100	6	8	—	—	−68	92
Honduras	703	100	442	63	142	20	−119	17
Mexico	5,423	100	1,176	22	32	1	+4,215	77
Nicaragua	567	100	214	38	244	43	+109	19
Panama	864	100	90	10	4	1	−770	89
TOTAL FOR MEXICO, CENTRAL AMERICA AND THE CARIBBEAN AREA	14,525	100	4,512	31	2,782	19	7,231	50
GRAND TOTAL FOR LATIN AMERICA	225,582	100	130,840	58	32,284	14	62,458	28

SOURCE: ECLA.

[a] Based on f.o.b. export figures.

[b] Values in thousands of dollars.

TABLE 84. COMPENSATION POSSIBILITIES IN INTER-LATIN-AMERICAN TRADE,[a] AVERAGE 1946-51

Country	Total trade		Bilaterally compensated		Multilaterally compensatable		Net non-compensatable balances	
	Value [b]	Percentage	Value [b]	Percentage	Value [b]	Percentage	Value [b]	Percentage
Argentina	336,778	100	280,016	83	29,884	9	+26,878	8
Bolivia	22,264	100	5,042	23	32	0	−17,190	77
Brazil	258,189	100	223,844	87	19,718	7	+14,627	6
Chile	122,107	100	74,546	61	17,088	14	−30,473	25
Paraguay	23,837	100	19,600	82	3,142	13	−1,095	5
Peru	85,643	100	28,764	33	21,978	26	+34,901	41
Uruguay	63,382	100	27,614	43	3,018	5	−32,750	52
TOTAL	912,200	100	659,426	72	94,860	10	157,914	18
Colombia	28,817	100	9,912	35	366	1	−18,539	64
Ecuador	17,263	100	7,854	46	1,250	7	+8,159	47
Venezuela	70,391	100	37,722	54	24,834	35	+7,835	11
GRAND TOTAL FOR SOUTH AMERICA	1,028,671	100	714,914	69	121,310	12	192,447	19
Costa Rica	4,788	100	2,446	51	1,618	34	−724	15
Cuba	41,098	100	23,388	57	16,340	40	−1,370	3
Dominican Republic	4,087	100	1,512	37	2,230	55	+345	8
El Salvador	10,152	100	5,258	52	4,418	43	−476	5
Guatemala	8,364	100	1,192	14	168	2	−7,004	84
Haiti	1,841	100	370	20	794	43	+677	37
Honduras	8,239	100	5,286	64	2,650	32	+303	4
Mexico	37,931	100	17,976	47	—	—	+19,955	53
Nicaragua	5,220	100	1,640	31	1,536	30	+2,044	39
Panama	11,001	100	3,070	28	1,828	17	−6,103	55
TOTAL FOR MEXICO, CENTRAL AMERICA AND THE CARIBBEAN AREA	132,721	100	62,138	47	31,582	24	39,001	29
GRAND TOTAL FOR LATIN AMERICA	1,161,392	100	777,052	67	152,892	13	231,448	20

SOURCE: ECLA.
[a] Based on f.o.b. export figures.
[b] Values in thousands of dollars.

TABLE 85. COMPENSATION POSSIBILITIES IN INTER-LATIN-AMERICAN TRADE,[a] 1952

Country	Total trade		Bilaterally compensatable		Multilaterally compensatable		Net non-compensatable balances	
	Value [b]	Percentage	Value [b]	Percentage	Value [b]	Percentage	Value [b]	Percentage
Argentina	282,722	100	160,090	57	27,776	10	−94,856	33
Bolivia	17,774	100	5,332	30	2,228	13	−10,214	57
Brazil	255,500	100	112,522	44	139,970	55	−3,008	1
Chile	164,844	100	104,212	63	37,392	23	−23,240	14
Paraguay	15,015	100	12,488	83	622	4	+1,905	13
Peru	104,775	100	33,098	32	28,190	27	+43,487	41
Uruguay	83,607	100	42,786	51	18,606	22	−22,215	27
TOTAL	924,237	100	470,528	51	254,784	28	198,925	21
Colombia	20,448	100	4,790	23	4,202	21	−11,456	56
Ecuador	10,892	100	3,740	34	4,594	42	+2,558	24
Venezuela	126,750	100	9,102	7	20,560	16	+97,088	77
GRAND TOTAL FOR SOUTH AMERICA	1,082,327	100	488,160	45	284,140	26	310,027	29
Costa Rica	6,043	100	2,918	48	1,238	21	+1,887	31
Cuba	35,266	100	16,498	47	13,596	38	+5,172	15
Dominican Republic	1,738	100	614	35	322	19	−802	46
El Salvador	10,734	100	4,966	46	748	7	−5,020	47
Guatemala	9,102	100	2,120	23	1,248	14	−5,734	63
Haiti	1,165	100	386	33	410	35	−369	32
Honduras	10,887	100	4,534	42	2,518	23	+3,835	35
Mexico	26,257	100	7,290	28	2	0	+18,965	72
Nicaragua	9,268	100	2,056	22	2,516	27	+4,696	51
Panama	9,679	100	4,014	41	2,986	31	−2,679	28
TOTAL FOR MEXICO, CENTRAL AMERICA AND THE CARIBBEAN AREA	120,139	100	45,396	38	25,584	21	49,159	41
GRAND TOTAL FOR LATIN AMERICA	1,202,466	100	533,556	44	309,724	26	359,186	30

SOURCE: ECLA.

[a] Based on f.o.b. export figures.

[b] Values in thousands of dollars.

TABLE 86. COMPENSATION POSSIBILITIES IN INTER-SOUTH-AMERICAN TRADE[a] 1953

Country	Total trade		Bilaterally compensatable		Multilaterally compensatable		Net non-compensatable balances	
	Value[b]	Percentage	Value[b]	Percentage	Value[b]	Percentage	Value[b]	Percentage
Argentina	427,635	100	266,552	62	71,538	17	+89,545	21
Bolivia	17,416	100	4,848	28	1,584	9	−10,984	63
Brazil	386,184	100	187,066	49	35,620	9	−163,498	42
Chile	157,333	100	114,398	73	24,162	15	−18,773	12
Paraguay	19,951	100	12,886	65	—	—	−7,065	35
Peru	79,337	100	23,688	30	20,604	26	+35,045	44
Uruguay	67,031	100	25,032	37	6,804	10	−35,195	53
TOTAL	1,154,887	100	634,470	55	160,312	14	360,105	31
Colombia	18,689	100	4,844	26	3,922	21	−9,923	53
Ecuador	13,572	100	5,496	41	7,358	54	+718	5
Venezuela	133,132	100	11,226	8	1,776	1	+120,130	91
GRAND TOTAL FOR SOUTH AMERICA	1,320,280	100	656,036	50	173,368	13	490,876	37

SOURCE: ECLA.

[a] Based on f.o.b. export figures.

[b] Values in thousands of dollars.

TABLE 87. COMPENSATION POSSIBILITIES IN INTER-SOUTH-AMERICAN TRADE (EXCLUDING PETROLEUM)[a], 1953

Country	Total trade		Bilaterally compensatable		Multilaterally compensatable		Net non-compensatable balances	
	Value[b]	Percentage	Value[b]	Percentage	Value[b]	Percentage	Value[b]	Percentage
Argentina	388,911	100	255,528	66	5,114	1	+128,269	33
Bolivia	16,413	100	4,822	29	1,586	10	−10,005	61
Brazil	310,481	100	186,188	60	36,498	12	−87,795	28
Chile	144,692	100	112,930	78	17,932	12	−13,830	10
Paraguay	19,789	100	12,886	65	—	—	−6,903	35
Peru	66,436	100	18,970	29	23,452	35	+24,014	36
Uruguay	49,477	100	24,812	50	7,024	14	−17,641	36
TOTAL	996,199	100	616,136	62	91,606	9	288,457	29
Colombia	17,287	100	4,188	24	1,886	11	−11,213	65
Ecuador	11,370	100	4,972	44	6,100	53	+298	3
Venezuela	7,592	100	2,396	32	2	0	−5,194	68
GRAND TOTAL FOR SOUTH AMERICA	1,032,448	100	627,692	60	99,594	10	305,162	30

SOURCE: ECLA.

[a] Based on f.o.b. export figures.

[b] Values in thousands of dollars.

TABLE 88. COMPENSATION POSSIBILITIES IN INTER-LATIN-AMERICAN TRADE

(Percentages)

	Average 1934–38	Average 1946–51	1952	1953 [a]	1953[a] [b]
Bilaterally compensated	58	67	44	50	60
Multilaterally compensatable	14	13	26	13	10
Net non-compensatable balances	28	20	30	37	30
TOTAL TRADE	100	100	100	100	100

SOURCE: ECLA.

[a] South America only.

[b] Excluding petroleum values.

TABLE 89. LATIN AMERICA: NET INTERNATIONAL BALANCE-OF-PAYMENTS POSITIONS,[a] 1950-1953

(Millions of dollars)

Country	*1950*	*1951*	*1952*	*1953* [b]	*Cumulative balances 1950-53*
Argentina	87	−111	−378	354	48
Bolivia	− 1	4	− 3	6	6
Brazil	65	−463	−620	88	−930
Chile	− 12	− 9	62	− 9	32
Paraguay	8	4	− 7	2	7
Peru	8	− 3	− 16	− 14	− 25
Uruguay	53	− 68	6	76	67
TOTAL	208	−646	−956	503	−891
Colombia	− 27	− 4	49	1	19
Ecuador	20	− 6	14	− 6	22
Venezuela	2	50	143	175	370
GRAND TOTAL FOR SOUTH AMERICA	203	−606	−750	673	−480
Costa Rica	2	3	− 2	1	4
Cuba	5	73	− 36	101	143
Dominican Republic	17	14	− 4	− 7	20
El Salvador	14	10	8	5	37
Guatemala	7	− 2	1	5	11
Haiti	3	5	—	− 10	− 2
Honduras	3	10	− 1	3	15
Mexico	137	− 51	46	− 52	80
Nicaragua	—	8	3	− 2	9
Panama [c]					
TOTAL FOR MEXICO, CENTRAL AMERICA AND THE CARIBBEAN AREA	188	70	15	44	317
GRAND TOTAL FOR LATIN AMERICA	391	−536	−735	717	−163

SOURCE: ECLA, on the basis of data supplied by the International Monetary Fund.

[a] Net balance-of-payments positions cover net transactions in trade in goods and services (freight, insurance and travel); net movements of capital; and investment and debt services. Compensatory financing, changes in reserves, short-term credits or trade payments arrears, and errors and omissions are excluded.

[b] Provisional data.

[c] Excluding statistics for Panama, because of lack of income data for the Canal Zone, its chief source of foreign exchange.

Chapter VI

MARITIME TRANSPORT IN SOUTH AMERICA

1. Introduction

Any analysis of reciprocal trade relations among the countries of South America would be incomplete without an examination of one of the salient aspects of this topic, namely, the characteristics and problems of maritime transport, whose influence upon trade, of which it is by far the most important medium, is necessarily decisive. Such an analysis is the purpose of this chapter. It should be noted that inter-South-American commerce is largely carried on by means of shipping lines which also serve the whole of Latin America's foreign trade. Occasional reference to certain aspects of maritime traffic with other regions of the world has therefore been unavoidable.

Chapter I contained a preliminary survey of those basic facts which could be established from the incomplete data available, and of the fundamental conclusions to which they lead. Both the former and the latter are examined here in detail, within the limitations imposed by the fragmentary nature of the information to hand.

On account of these limitations, which preclude a thorough analysis of all the problems involved, certain questions have had to remain unanswered. For instance, there is not enough evidence to show whether the 40-percent surplus carrying capacity in South American vessels plying over long sea-routes tends to increase with the growth of the region's merchant fleet, and whether the regular services to South America maintained by countries in other regions have, on account of similar idle capacity, been curtailed. Nor can it be ascertained, with any degree of accuracy, how far the existence of surplus hold space affects foreign enterprises engaging in the same sort of traffic[4] whether this surplus exceeds the margin required for the absorption of exceptionally large quantities of cargo during those periods when the demand for transport is greatest; and whether in normal conditions, it is or is not one of the determinants of higher freight costs. It has often been pointed out that the participation of South American shipping companies in maritime conferences might prove a means of establishing equitable tariffs for the region's sea transport. But the whole benefit of solutions attained in this way would be endangered if it were through surcharges that the drawback of idle carrying capacity were to be overcome.

Unknown quantities such as these throw into relief the need for progress in studies that may serve to guide shipping investment in South America into more useful channels. In the present survey, incomplete though it is, certain fresh data have been collected and research has been carried into fields unexplored until now.

2. Statistics

For a study of South America's maritime foreign trade, the following factors, among others, had to be ascertained; (*a*) the total volume of cargo carried to and fro both among the South American countries themselves and in the course of their trade with the rest of the world; (*b*) the proportion of this volume moved by sea; (*c*) the composition of cargo by type of goods; (*d*) the part played by local shipping enterprises in its transport; and (*e*) the income accruing to these latter from freight.

Statistics were available on the subject indicated under (*a*) and to a certain extent on (*c*). Owing to the lack of official data on the remaining topics, information had to be obtained from private sources, especially from South American shipping enterprises, whose contribution to the present study was of great value. In this way data for the triennium 1950 to 1952 were obtained for (*b*) and (*d*), and for (*e*) only those corresponding to 1952. Although the significance of these five elements can therefore be determined on the basis of complete figures only for 1952,[1] in general terms the information collected is more or less indicative of the importance of the factors examined over the three-year period 1950-1952.

3. Total tonnages transported by sea

(*a*) Including liquid fuels

The total volume of commodities traded by sea between South America and the rest of the world in 1952 amounted to some 135 million tons, almost 111.3 million corresponding to exports and 23.3 million to imports. The former included about 7.9 million tons moved to and fro in the course of inter-South-American trade.

According to average figures for the three-year period 1950-52, in South America's aggregate trade with the rest of the world 99.5 per cent of exports and 97.8 per cent of imports were carried by sea. Over the same period, about 92 per cent of total inter-South-American trade was absorbed by maritime transport; the remainder was effected by means of either inland waterways — as in the case of commerce in the south of the zone among the Republics bordering on the Rivers Paraguay, Paraná and

[1] Even in periods when South America's foreign trade is relatively normal, the yearly fluctuations in the tonnage carried are considerable; and, in addition, figures for 1952, with respect to Argentine wheat, vary from those which might be considered more or less typical of the volume of sea freight in the most recent period. Argentina's total exports of this cereal fell, on account of weather conditions, from an annual average of almost 2.2 million tons in 1946-1951, to 117,000 tons in 1952, although in 1953 they recovered, and even exceeded, their former average level.

TABLE 90.
SOUTH AMERICA: MARITIME FOREIGN TRADE, 1952
(Millions of tons)

Destination or origin	*Exports*	*Imports*	*Total trade*
Mexico, Central America and the Caribbean area [a]	49.4	7.5	56.9
United States and Canada	40.6	8.9	49.5
Europe	11.5	5.3	16.8
Asia, Africa and Oceania	1.9	1.6	3.5
South America	7.9		7.9
TOTAL	111.3	23.3	134.6

SOURCE: Official statistics.
[a] Including Aruba, Curaçao and Trinidad.

El Plata — or overland traffic, like that between Colombia and Ecuador in the Tulcán–Ipiales district.

South America's trade with countries outside the region amounts to almost 127 million tons, unequally distributed between exports and imports (see table 90). The volume of exports is more than four times greater than that of imports, within a general disequilibrium which reaches its extreme in trade between the South American countries and the Northern Zone of the region (Mexico, Central America and the Caribbean area), the formers' aggregate exports being five-and-a-half times heavier than their imports from the Northern Zone. The disparity between the tonnages carried is least in South America's trade with Asia, Africa and Oceania, where the volume of exports is only about one-sixth larger than that of imports.

(*b*) EXCLUDING LIQUID FUELS

The predominance of exports within the total volume of trade is due to South America's position, within Latin America as a whole, as a world supplier of petroleum, chiefly on account of Venezuela's output.[2] If the figures for the transport of liquid fuels in tankers between the South American countries and other parts of the world (95.4 million tons exported in 1952 and 9.2 million imported) are excluded from the tonnage in question, the disparity in volume between exports and imports practically disappears (see table 91).

With the exclusion of petroleum, a considerable drop is registered, from 135 million tons to 30 million — in which latter figure are included the 1.6 million tons pertaining to inter-South-American trade by sea — and the flow of exports then displays a notable similarity to that of imports. At the same time, the geographical distribution of South America's foreign trade is altered, for when Venezuela's petroleum exports to the refineries of Aruba and Curaçao are excluded from the calculation, the share of the northern countries of the zone is relegated to the lowest place, its level falling even below that of South America's trade with Asia, Africa and Oceania.

4. Inter-South-American trade volumes and flows

The transport of the volume of almost 7.9 million tons of total cargo represented by inter-South-American trade displayed certain marked characteristics in 1952 (see table 92). The chief of these was that, out of the whole volume of freight, from 55 to 65 per cent corresponded to exports of liquid fuels from Venezuela to Argentina and Brazil, and, on a smaller scale, to Uruguay. Another of these typical features, apart from the very obvious concentration of trade in the south of the zone, was its distribution in three channels, of which all are important, though the first is outstandingly so.

(*a*) One of these is the two-way flow between Argentina and Brazil, which also embraces Uruguay. Although in the course of 1952 the amount of cargo carried northward was less than that brought southward, on account of the setback suffered in that year by Argentina's wheat export trade, it should be remembered that as a general rule the reverse takes place.

TABLE 91. SOUTH AMERICA: MARITIME FOREIGN TRADE, EXCLUDING LIQUID FUELS
(Millions of tons)

Destination or origin	*Exports*	*Imports*	*Total trade*
Mexico, Central America and the Caribbean area [a]	0.1	0.3	0.4
United States and Canada	8.8	8.1	16.9
Europe	4.7	5.3	10.0
Asia, Africa and Oceania	0.7	0.4	1.1
South America	1.6		1.6
TOTAL	15.9	14.1	30.0

SOURCE: Official statistics.
[a] Including Aruba, Curaçao and Trinidad.

(*b*) Next comes the flow from the Brazilian coast connecting the countries on the Atlantic seaboard with the South Pacific countries, as far north as Peru, by way of the Straits of Magellan. Here the greater volume of cargo is that proceeding from the Republics on the Pacific coast.

(*c*) Lastly, there is the coastal flow between Chile and Ecuador, covering the Peruvian seaboard. The volume of freight carried southward is the larger.

5. Composition of cargo

The characteristics of existing maritime services and the various types of commodities transported in the course of South America's foreign trade are closely interrelated. In this connexion it must be pointed out that goods transported by sea in effect fall into the following four categories, according to their nature:

(*a*) Liquid fuels, for which tankers are required, specializing in the type of transport called "point-to-point", because as a rule no calls are made between the ports of

[2] As was explained in chapter III of the present *Study*, Latin America as a whole exports to the rest of the world about 90 million tons of petroleum and petroleum derivatives (1953), in the form of products both carried in tankers and packed for transport as general cargo, while importing about 19 million tons, of which about 7 million come from Latin America itself. (These statistics do not take into account liquid fuels purchased in the Dutch West Indies and Trinidad.)

TABLE 92. SOUTH AMERICA: TOTAL INTRA-ZONAL TRADE,[a] 1952

(Thousands of tons)

Exporter countries	*Importer countries*										*Total*
	Argentina	*Bolivia*	*Brazil*	*Colombia*	*Chile*	*Ecuador*	*Paraguay*	*Peru*	*Uruguay*	*Venezuela*	
Argentina	×	7	124	84	1	—	39	87	1	3	346
Bolivia	8	×	2	5	—	—	—	—	—	—	15
Brazil	472	2	×	29	—	—	—	—	127	6	636
Colombia	100	—	1	—	×	—	—	—	—	3	104
Chile	204	12	63	×	6	8	—	57	123	2	475
Ecuador	28	—	—	20	5	×	—	3	72	—	128
Paraguay	129	—	1	—	—	—	×	—	33	—	163
Peru	176	91	5	642	25	21		×	121		1,082
Uruguay	1	2	132	10	—	—	15	1	×	1	162
Venezuela	2,029	—	2,563	32	5	—	—	—	617	×	5,246
TOTAL	3,147	114	2,891	822	42	29	54	148	1,094	16	8,357

SOURCE: Official statistics.

[a] Including inland waterway, overland and air traffic.

origin and destination. Hold-space is customarily utilized in only one direction;

(*b*) Bulk cargo. As such cargo is not packed in containers, and its unit value is often small, boats are needed with low operation and installation costs (self-trimmers) and holds suitable for freight of this type, which usually comprises raw ores, in the form of concentrates, ingots or bars, besides sulphur, coal, nitrate, and cereals. Under this head are also included goods which, although they are transported in sacks, as in the case of sugar, flour and cement, generally represent so large a volume that it is advisable to use vessels of the same kind, often tramps,[3] specializing in bulk freightage;

(*c*) General cargo, made up of goods of different types and often of medium and high unit value; while the tonnage of each commodity transported varies widely, it is the level attained by this trade as a whole, taking into account the unloading of cargo en route, that determines whether maritime enterprises can or cannot depend on the volume of freight necessary for the establishment of regular services;

(*d*) Cold cargo, requiring specially-conditioned compartments — either in boats designed for this purpose or in those carrying general cargo — for the preservation of the goods to be transported, in accordance with the nature of these latter.

In classifying the commodities involved in South America's foreign trade according to the type of vessel required for their transport, emphasis should be laid on two outstanding facts. The first is the immense preponderance of liquid fuels in the total volume of commodities transported, and the second, the small proportional importance of the group of products on which the functioning of regular maritime services can be most securely based, namely, general cargo. In point of fact, within South America's total foreign trade, petroleum accounted for 85.7 per cent of exports in 1952 and 39.5 per cent of imports. Goods in bulk — to which must be added, in years that as compared with 1952 are relatively normal for Argentina's export trade, more than two million tons of wheat[4] — came next in importance to liquid fuels. This was true in relation both to trade as a whole and to exports since in the year in question bulk cargo constituted 11.1 per cent of the former and 7.7 per cent of the latter. Where imports were concerned, it accounted for a smaller proportion than general cargo, which represented 33 per cent of imports, but only 5.7 per cent of exports. The share of cold cargo in South America's total foreign trade was seen to be very modest — barely 0.9 per cent.

TABLE 93. SOUTH AMERICA: BREAK-DOWN OF MARITIME FOREIGN TRADE BY TYPES OF CARGO, 1952

(Millions of tons)

Type of product	*Total foreign trade*			*Inter-South-American trade*
	Exports [a]	*Imports*	*Total trade*	
Liquid fuels	95.4	9.2	104.6	6.3
Bulk cargo	8.6	6.4	15.0	0.4
General cargo	6.3	7.7	14.0	1.0
Cold cargo	1.0	—	1.0	0.2
TOTAL	111.3	23.3	134.6	7.9

SOURCE: Official statistics.

[a] Including inter-South-American trade.

As regards inter-South-American trade, the freight transported falls into the different categories along lines similar to those indicated for foreign trade cargo as a whole, especially if it is recalled that exports of wheat from Argentina, which were practically non-existent in 1952, normally add an annual average of nearly 800,000 tons to the bulk cargo indicated (see table 93).

6. Traffic flows by types of cargo

The movement of South America's exports and imports gives rise to two kinds of traffic flows, namely, those which may be called simple, because as a general rule no

[3] Boats without fixed itineraries, plying indiscriminately on any route.

[4] Figure based on the average for 1946-51.

TABLE 94. SOUTH AMERICA: GEOGRAPHIC DISTRIBUTION OF FOREIGN TRADE BY TYPES OF CARGO, 1952

(Millions of tons)

	Mexico, Central America and the Caribbean area [a]		*United States & Canada*		*Europe*		*Asia, Africa and Oceania*		*South America*		*Total*
	Exports	*Imports*	*Exports*	*Imports*	*Exports*	*Imports*	*Exports*	*Imports*	*Exports*	*Imports*	
Liquid fuels	49.3	7.1	31.8	0.8	6.8	—	1.2	1.2	6.3	—	104.5
Bulk cargo	—	0.2	5.9	4.3	1.9	2.0	0.4	—	0.4	—	15.1
General cargo	0.1	0.2	2.4	3.8	2.5	3.3	0.3	0.4	1.0	—	14.0
Cold cargo	0.2		0.5		0.3		—		0.2	—	1.0
TOTAL	49.4	7.5	40.6	8.9	11.5	5.3	1.9	1.6	7.9	—	134.6

SOURCE: Official statistics.

[a] Including Aruba, Curaçao and Trinidad.

additional loading or unloading of cargo takes place during the trip, and those which, on the contrary, might be described as complex.

The former, which often operate without fixed itineraries or regular intervals between sailings, derive from the transport of liquid fuels, and of bulk and cold cargo. Traffic of the second kind, generally using services with predetermined sailing dates, is based on the transport of general or miscellaneous cargo, which usually includes goods in bulk contracted for in quantities that are insufficient to make up complete shiploads. The changes which the original general cargo undergoes when commodities are unloaded or taken on board at each port of call exert a considerable influence on the itineraries followed.

(*a*) LIQUID FUELS

As has already been pointed out,[5] Latin America as a whole exported a total of almost 98 million tons of petroleum and its derivatives in 1952, and 95 million in 1953. In turn, the region's imports of liquid fuels in each of the years in question amounted to about 19 million tons; of these, nearly 6 million tons yearly came from within Latin America itself. Apart from the share corresponding to Mexico, which represented 2.4 per cent of Latin America's total exports to the world in 1953, the rest of this movement was accounted for entirely by South American countries, among which Venezuela took the lead. This Republic provides 91.6 per cent of Latin America's aggregate exports, and supplies the region with 83.7 per cent of its total purchases from Latin American territory. Next in importance as exporters came, in 1953, Colombia with 4.9 per cent of the whole, Peru, with 0.8 per cent, and Ecuador with 0.2, while Chile, Bolivia and Argentina followed on a smaller scale. About half the production of Venezuela and Colombia is destined for the refineries of Aruba and Curaçao; this is the principal export channel for South American petroleum. Most of the rest of the exportable surplus is despatched to the United States, and a smaller proportion goes to Europe and the East.

In actual fact, the maritime transport of the imports of varying quantities and types of petroleum products from different sources affected by the countries of the zone, especially Argentina, Brazil, Chile and Uruguay (see table 94), is only partly covered by South American shipping. Of the 65 tankers possessed by the South American countries in the aggregate, 31 are used for imports. Their hold capacity is probably sufficient to transport about 30 per cent of the supplies of liquid fuels received by South America through its foreign trade. It must be added that if the remainder of such imports were to be distributed among vessels of the kind generally used for cargo of this sort — of 15,000 tons deadweight[6] and a speed of 14 knots — another 69 boats would have had to be utilized in 1952 (see table 95).

TABLE 95. LATIN AMERICA: TANKERS[a] USED FOR IMPORTING LIQUID FUELS, 1952

(Estimate)

Importer countries	*Thousands of tons*	*Tankers*		
		National	*Foreign*	*Total*
Argentina	6,058	16	33	49 [b]
Bolivia	102	—	—	—
Brazil	6,232	12	23	35
Chile	1,480	1	5	6 [c]
Colombia	376	—	1	1 [d]
Ecuador	25	—	—	—
Paraguay	27	—	—	—
Peru	38	—	—	—
Uruguay	1,222	2	7	9
Venezuela	67	—	—	— [e]
South America	15,467	31	69	100

SOURCE: ECLA.

[a] Vessels of 15 thousand tons deadweight and 14 knots (capacity: 130 thousand barrels).

[b] Including transport of Paraguay's imports.

[c] Including transport of imports to Bolivia and Chile.

[d] Including transport for Colombia, Ecuador and Peru.

[e] Uses the same boats as are engaged in exporting its petroleum.

(*b*) BULK CARGO

The transport of this type of cargo, which amounted to 15 million tons in 1952, hardly seems to justify the operating of maritime services subject to predetermined itinera-

[5] See above, p. 38.

[6] Deadweight: term generally employed to indicate the weight of the cargo which the boat can carry, plus the weight of fuels, lubricants, water, provisions and crew.

ries and sailing dates. As far as South America's export trade is concerned, with certain exceptions, such as the transport of mining products regularly effected by the producer enterprises themselves, the traffic originating in the shipping of bulk cargo to consumer centres is more apt to be seasonal, like the freightage of cereals, or sporadic, as is often the case with oleaginous products. Much the same may be said of imports; here again the absence of transport services with fixed itineraries is attributable to the irregularity in the movement of bulk cargo, the most stable item of which is perhaps, coal for Argentina and Brazil.[7]

(c) General cargo

Maritime transport of this type of merchandise, which totalled 14 million tons in 1952, sustains clearly defined traffic flows.[8]

(1) *The Atlantic*

The main current of exports flows from the Southern Atlantic (see figure 1), and, after general cargo has been picked up in Argentina, Paraguay, Uruguay and Brazil, and imports from farther south have been unloaded in this last country, attains its greatest volume off the northern coast of Brazil, where it spreads out into three branches, as follows: (*a*) one to North America, which in turn is distributed over three traffic lines, to the Gulf, to the Atlantic Coast of the United States, and to Canada; (*b*) a second — the most important, on account of the heavy tonnages carried — to Europe; and (*c*) a third, relatively modest, to Asia, Africa and Oceania.

The trade flow from the Northern to the Southern Atlantic (see figure 2) is similar in its composition, being constituted by the imports of the countries on the Southern Atlantic seaboard.

The salient fact emerging from a comparison between the great to-and-fro Atlantic trade flows — exports and imports — relates to the inadequate utilization of available hold space on the outward trip. For want of the products which are as a rule transported in bulk in vessels of another type — cereals in particular — the tonnage of goods to be carried to other regions is notably less than that of the imports brought back. Hence arises one of those disequilibria which are so frequent in the ocean traffic occasioned by South America's foreign trade.

(2) *The Pacific*

The situation is different in the case of those trade flows whose point of departure or destination lies on the Southern Pacific coast (see figures 3 and 4). Here the volume of exports carried by the regular shipping services usually comprises not only general cargo but ores, concentrates and certain metals shipped by Chile, Bolivia and Peru to the United States. For this reason, cargo going northward by way of the Pacific Ocean exceeds in volume the imports brought back; whereas on the Atlantic the opposite is the case.

Before the northward trade flow via the Pacific passes through the Panama Canal, a small side stream is diverted towards Vancouver. The main movement, once the Canal has been left behind, is divided into two principal currents, directed (*a*) towards Europe and (*b*) towards Canada and the United States, this latter, which is the larger, breaking up in turn into three sub-divisions, bound for the Gulf of Mexico, the Atlantic seaboard of the United States and the Atlantic coast of Canada.

3. *The Caribbean*

Between the northern countries of South America bordering on the Caribbean Sea — Colombia and Venezuela — and those of North America and Europe, there exists a separate trade flow, which for geographical reasons does not merge with the main currents that have their source in the foreign trade of the rest of South America.

Little general cargo is carried northward from the South American ports on the Caribbean. Colombian coffee, exports of which amounted to 305,000 tons in 1953 and 401,000 in 1954, is for the most part shipped from the port of Buenaventura, on the Pacific; while Venezuela's iron ore exports, which constitute bulk cargo, do not provide freight for general cargo boats. Shipments of this kind are thus reduced to merely marginal lines. The consequent failure to utilize hold-space on the northward voyages of general cargo boats belonging to the regular shipping lines, contrasts with the heavy tonnage carried southward, particularly from the United States.

(4) *Atlantic and Southern Pacific*

The trade flow between the Atlantic and the Southern Pacific via the Straits of Magellan (see figure 3) conveys exports from Brazil, Uruguay and Argentina to Chile and Peru, and vice versa (see figure 4). An outstanding characteristic of this trade is, once again, the disparity between the amounts of general cargo carried in each of these two directions. If bulk cargo is excluded, the tonnage coming from the Atlantic is barely half that shipped from the Pacific.

(d) Cold cargo

The main activity under this head is the export of bananas from Ecuador and Colombia, in special boats, to the United States and Europe. Next in importance comes the transport of meat from Argentina and Uruguay, destined for the European market. The third place is held by the reciprocal trade between Argentina and Brazil in fruit from the temperate and tropical zones, and the last by shipments of fruit from Brazil to Europe.[9] All these movements, with the exception of the trade between Argentina and Brazil, are unilateral, as the vessels concerned are utilized primarily for exports.

[7] Imports of coal effected by Argentina and Brazil during the periods indicated were as follows (in thousands of tons):

	Argentina	*Brazil*
Average 1946–51	1,586	1,094
1952	1,740	924
1953	1,184	742

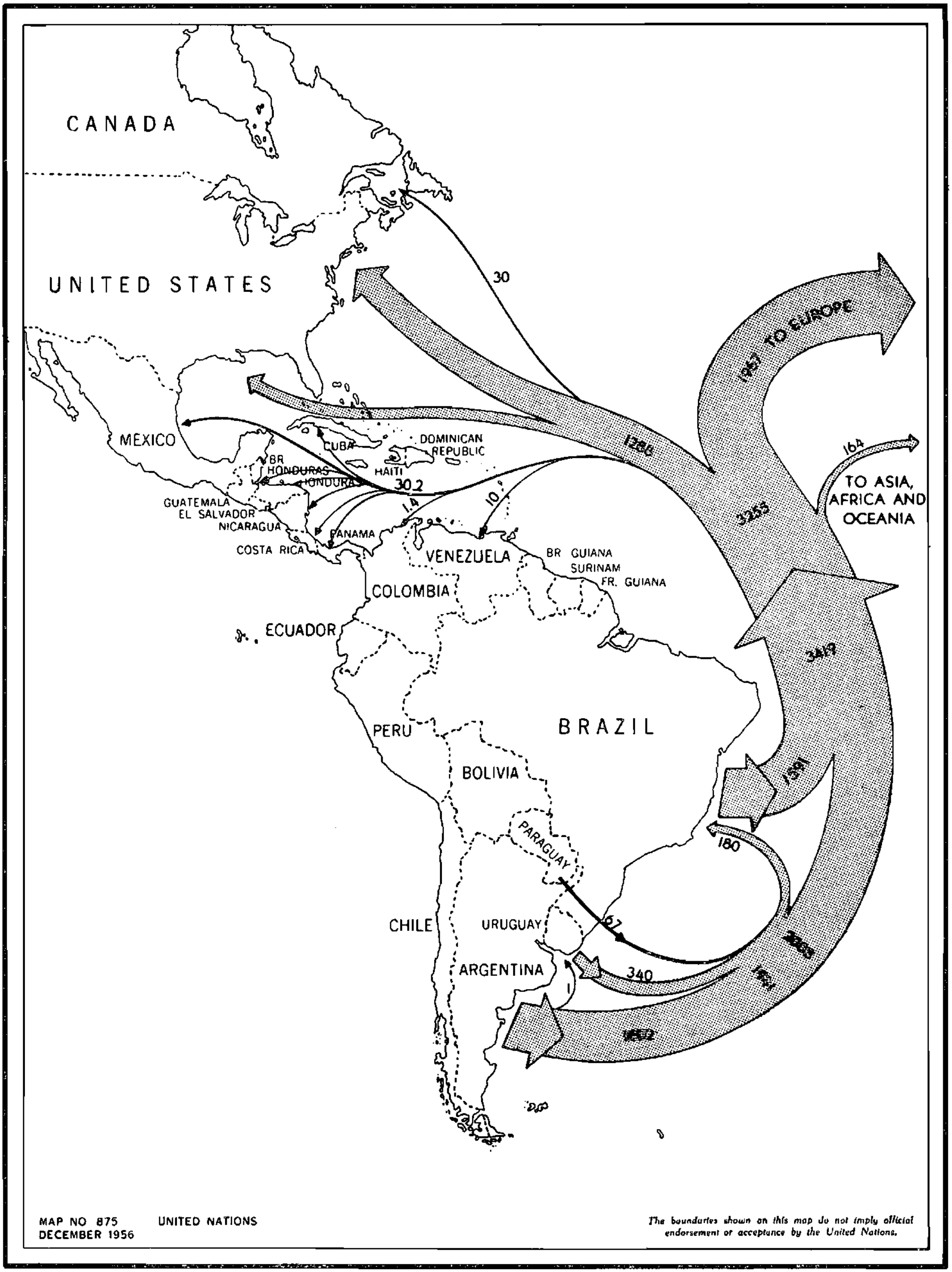
[8] See table 116.

[9] In 1946-53 the average annual figure for these exports, in thousands of tons, was as follows:

Argentina	Meat	423	
Argentina	Miscellaneous fruit	70	
Brazil	Miscellaneous fruit	234.5	
Colombia	Bananas	133	(1948-52)
Ecuador	Bananas	198	

FIGURE I. COMPOSITION OF MARITIME TRAFFIC PROCEEDING FROM THE EAST COAST OF SOUTH AMERICA: GENERAL CARGO, 1952

(*Thousands of tons*)



SOURCE: Official statistics.

Figure II. Composition of maritime traffic proceeding to the east coast of South America: general cargo, 1952

(*Thousands of tons*)

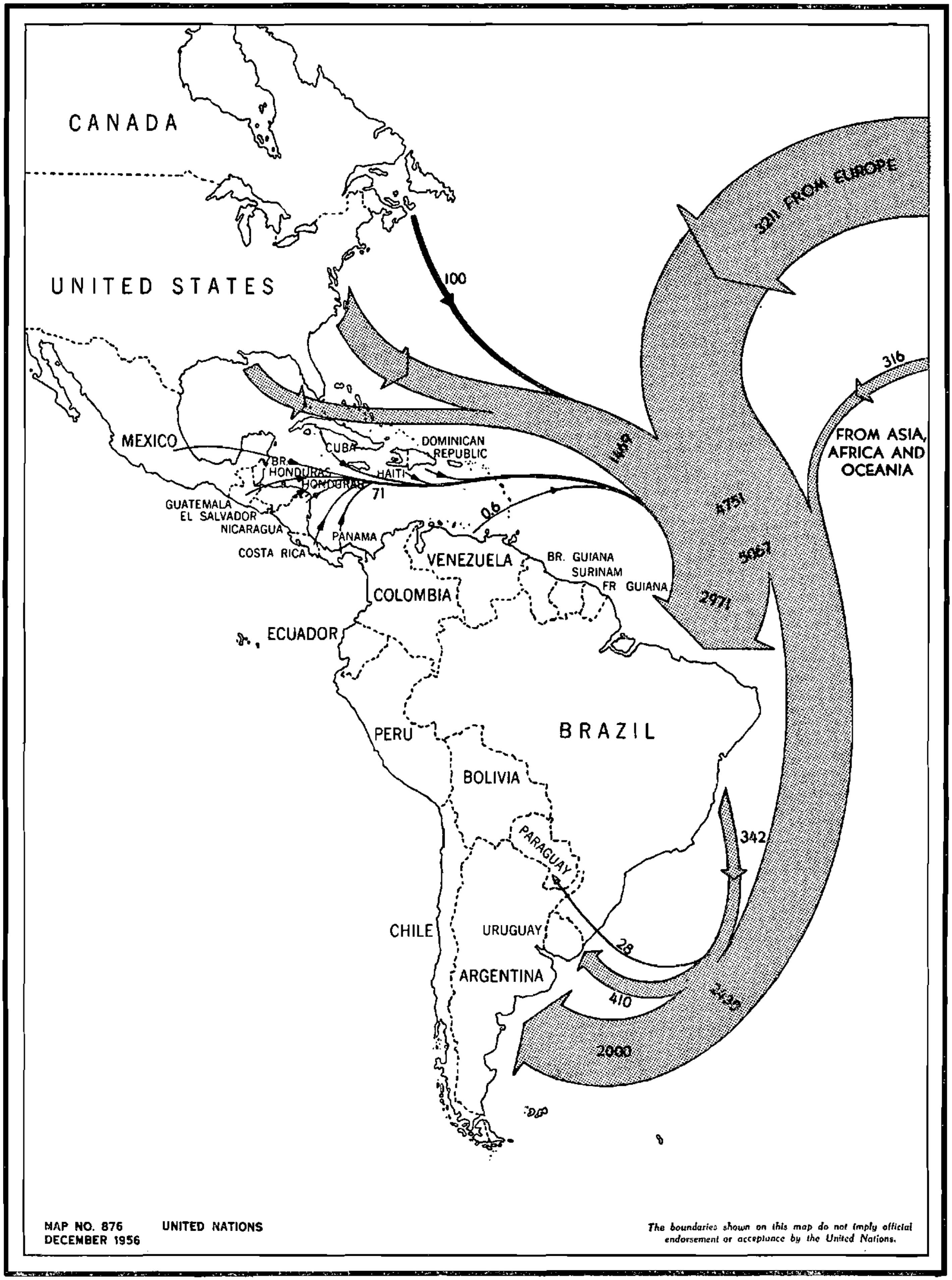
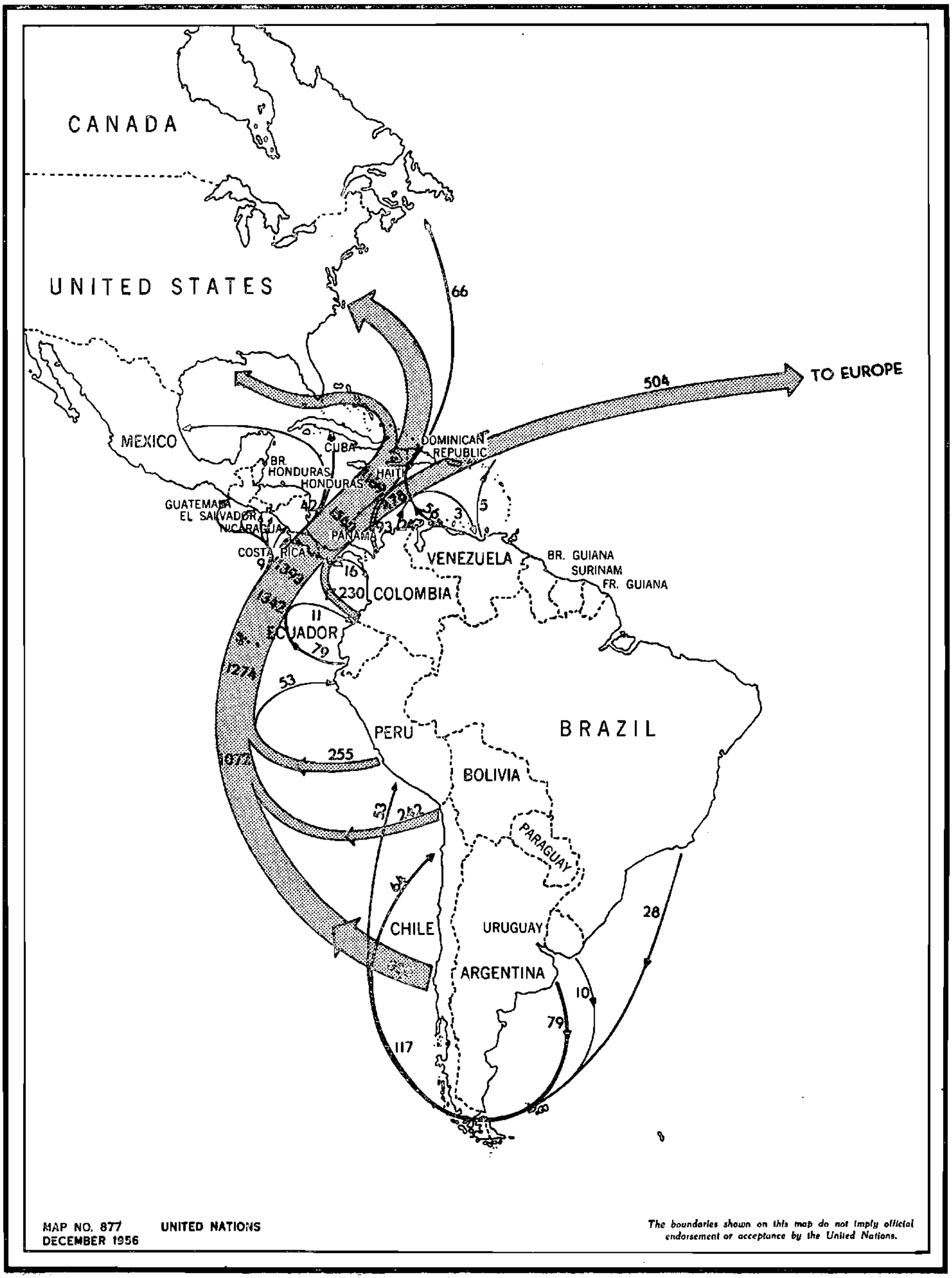


FIGURE III. COMPOSITION OF MARITIME TRAFFIC FROM THE NORTH AND FROM THE WEST COAST OF SOUTH AMERICA, AND FROM THE SOUTH ATLANTIC TO THE SOUTH PACIFIC: GENERAL CARGO, 1952

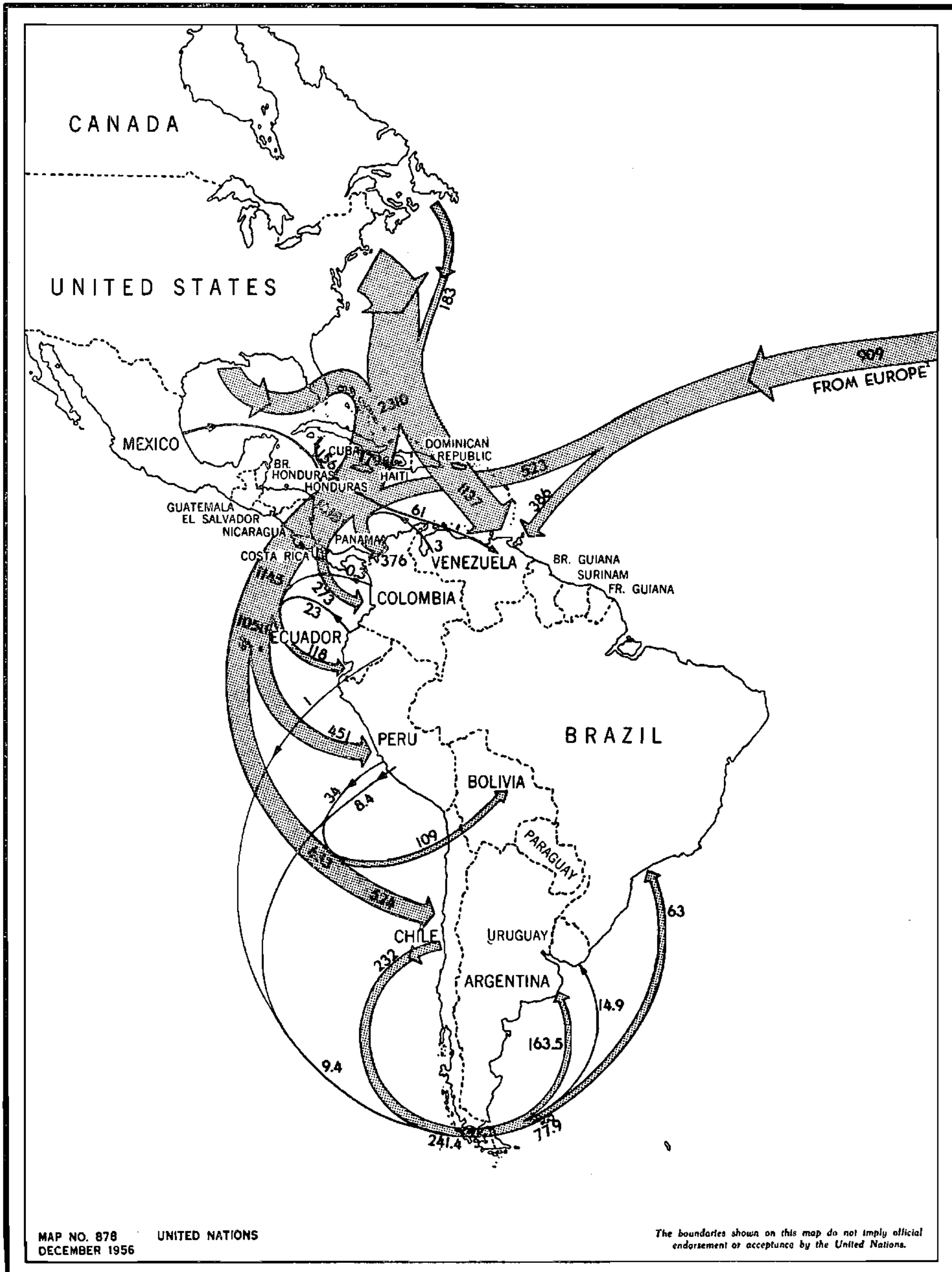
(*Thousands of tons*)



SOURCE: Official statistics.

Figure IV. Composition of maritime traffic proceeding to the north and to the west coast of South America, and from the South Pacific to the South Atlantic: general cargo, 1952

(*Thousands of tons*)



Source: Official statistics.

TABLE 96. SOUTH AMERICA: MERCANTILE MARINE
(January 1954)

	Foreign service				Coastal trade		Total	
	Dry cargo		Liquid cargo					
	Units	Deadweight (thousands of tons)	Units	Deadweight (thousands of tons)	Units	Deadweight (thousands of tons)	Units	Deadweight (thousands of tons)
Argentina	101 [a]	694 [a]	16	213	26 [b]	242 [b]	143	1,148
Brazil	20	157	12	204	334	796 [c]	366 [d]	1,157 [d]
Chile	17	120	1	17	52	126	70	263
Colombia	11	53	—	—	2 [e]	6 [e]	13	59
Ecuador	5	17 [c]	—	—	26 [d]	10 [c d]	31	28
Peru [f]	13	82 [c]	—	—	4 [d]	1 [c d]	17	83
Uruguay	4	34	2	30	7	3	13	66
Venezuela	14 [g]	77 [g]	34	315 [c]	15 [h]	10 [h]	63	402
TOTAL	185	1,234	65	779	466	1,194	716	3,205

SOURCE: Shipping companies.
[a] Including coasters also used for overseas trade.
[b] Including only tankers.
[c] Estimate.
[d] Excluding boats in use on inland waterways.
[e] Including only the two coasters owned by the Flota Gran Colombiana.
[f] 1952: only boats belonging to the Corporación Peruana de Vapores.
[g] Including three metal boats.
[h] Including only vessels belonging to the Compañía Anónima Venezolana de Navegación.

7. Shipping under national flags

(a) SIZE OF MERCHANT FLEETS

In January 1954, South America's mercantile marine had a registered gross tonnage of nearly 2.6 million, or the equivalent of almost 3.2 million tons deadweight (about 3 per cent of the world availability).[10] When the units engaged in coastal traffic are subtracted from this total, about 2 million tons deadweight remain for use on foreign service, 778,000 tons corresponding to tankers and about 1.2 million tons to boats for dry goods, whether bulk or general cargo.

The aggregate tonnage represented by Latin America's cargo boats for overseas dry freight — 1.2 million tons deadweight — is distributed among 188 units, of which 94 have a capacity of less than 6,500 tons deadweight, and 27, which constitute one-fourth of the tonnage afloat, are of more than 10,000 tons. Of these craft, 64 per cent are under 10 years old. Their mean speed varies as a rule from 10 to 15 knots, about one-third of the total being vessels with a speed of more than 15 knots.

Argentina possesses approximately half of South America's aggregate shipping suitable for dry cargo — that is, 694,000 tons — while it should be noted that more than one-fourth of this country's total availabilities are vessels of over 10,000 tons. In contrast, Brazil's mercantile marine for dry cargo did not exceed 157,000 tons in 1954. The modesty of this figure in comparison with the country's economic significance is in practice partly counteracted by the high speed of the boats, which are capable of doing 17 knots. Chile, in whose economy sea transport is of considerable importance, has 120,000 tons of shipping, while the remainder — 263,000 tons — is for the most part distributed, in similar but decreasing numbers, among Peru, Venezuela and Colombia, in that order. Colombia's share is characterized by a high proportion (54 per cent) of nearly new craft, under five years old.

More than half South America's boats for the transport of liquid cargo, totalling nearly 780,000 tons, are units of over 15,000 tons, with a mean speed usually higher than 15 knots; adequate data as to the age of these vessels is not available. Ownership of South American tankers is even more irregularly distributed than that of dry cargo boats. Venezuela's fleet, whose units are of a lower weight than is common in the rest of South America, accounts for 40 per cent of the total, or 315,000 tons. The remainder is more or less equally divided between Argentina and Brazil. Uruguay's share is small, and that of Chile even more modest.

With reference to table 96, it should be pointed out that the shipping availabilities it records do not include those vessels contracted by charter-party to enlarge South America's mercantile marine. The data collected show that in recent years boats utilized by South American countries under this system totalled not less than 300,000 tons deadweight yearly. About half this tonnage corresponded to units chartered for the exporting of Chilean nitrate in complete shiploads.[11] Almost the whole of the remainder consisted of boats which added to the carrying capacity available for the regular general cargo trade served by the Chilean, Greater Colombian and Venezuelan merchant fleets.

(b) PARTICIPATION IN SOUTH AMERICA'S TOTAL FOREIGN TRADE

Available data on which to base an estimate of what proportion of South America's foreign trade cargo is carried in the area's own craft are very limited, as the

[10] A registered gross tonnage of approximately 85 million.

[11] Exports of this fertilizer amounted to 1.3 and 1.2 million tons in 1952 and 1953 respectively.

sole complete statistics referring to 1950-53 supply such information for only two categories of products.[12] These are (a) dry cargo, which includes general, bulk and cold cargo, and (b) liquid fuels. Moreover, statistics for exports and imports are not given separately but in the aggregate. At all events, the concrete data collected make it quite clear that in 1950-53 about 16 per cent of the dry cargo involved in South America's total foreign trade was carried in its own boats, plus the chartered vessels to which allusion has already been made. At the same time, 4 per cent of the petroleum exported and imported by South America in tankers was transported in those belonging to the zone itself.

The statistics indicated, with those that it was possible to compile on the role of most South American merchant fleets in both export and import trade during the four-year period 1950-53, provide a basis on which to establish a scale for South America as a whole (see table 97).

TABLE 97. SOUTH AMERICA: APPROXIMATE SHARE IN THE TRANSPORT OF THE AREA'S OWN FOREIGN TRADE CARGO, 1950-53

(Percentages of tonnage carried)

	Dry cargo		Liquid fuels	
	Vessels		Vessels	
	South American	Foreign	South American	Foreign
Exports	12	88	1	99
Imports	23	77	18	82
Total trade	16	84	4	96

SOURCE: ECLA, on the basis of official statistics and data supplied by shipping companies.

The participation of foreign companies in the transport of South American overseas freight was greatest in the case of exports. During the period 1950-53, such companies carried about 88 per cent of the dry cargo exported, and 77 per cent of that imported. On the other hand, the share of dry cargo — slightly less than one-sixth of the total — transported by South American craft was constituted mainly by imports. Two factors account for this. Firstly, by far the most predominant among South America's exports are goods which, even though they may be contained in sacks, are despatched in bulk, or in complete shiploads; and, secondly, the transport of this type of cargo does not form part of the services usually provided by the South American shipping companies, whose activities are more apt to be confined to fairly regular general cargo traffic.

It is not at present possible to obtain any reliable information as to the proportions represented by bulk cargo and by the other products included in this type of transport, within the total dry cargo moved by South American shipping in domestic or chartered vessels. Nitrate, which is exported in boats chartered by Chile, is probably the only high tonnage line thus handled (somewhat more than 1.3 million tons yearly).

[12] See table 103.

(c) PARTICIPATION IN EACH COUNTRY'S FOREIGN TRADE

The part played by South American shipping in the transport of the foreign trade cargo of each of the countries concerned varied considerably.

Boats belonging to Argentina, Colombia and Chile transported slightly more than one-fourth of the total dry cargo involved in their national foreign trade: Ecuadorean and Venezuelan vessels, about one-eighth; Peruvian shipping, about 18 per cent. The smallest proportions were carried under the flags of Brazil and Uruguay (6.0 and 4.6 per cent respectively). As regards liquid cargo, the most substantial share — about one-fifth of the total amount of petroleum moved — fell to Uruguay. Argentina followed closely with 17.7 per cent; the proportion transported by Brazil, which was not quite so large, amounted to a little more than one-tenth (see table 98).

TABLE 98. SOUTH AMERICA: SHARE OF EACH COUNTRY'S OWN SHIPPING IN THE TRANSPORT OF ITS FOREIGN TRADE CARGO, 1952

(Percentages of tonnages carried)

Country	Dry cargo	Liquid cargo
Argentina	25.8	17.7
Brazil	6.0	11.3
Chile	27.3	1.0
Colombia	27.7	—
Ecuador	12.7	—
Peru	17.8 [a]	—
Uruguay	4.6 [a]	18.8
Venezuela	12.0	1.6 [a]

SOURCE: ECLA, on the basis of official statistics and data supplied by shipping companies.
[a] 1951.

(d) PARTICIPATION IN INTER-SOUTH-AMERICAN TRADE

Neither from official nor from private sources are figures available which permit the volume of inter-South-American trade served by local shipping to be ascertained. The only complete statistics refer to Chile. This country, whose vessels are, it appears, those which devote the largest proportion of their hold-space to intra-regional traffic, transported cargo totalling almost 1.7 million tons in 1952. About one-fourth of this amount, or 425,000 tons, represented the share of inter-South-American trade.

Information for 1951, supplied by companies serving the sea traffic between Argentina, Brazil, Chile, Peru and Uruguay, is also available.[13] According to these data, vessels belonging to the above countries transported about 900,000 tons of cargo pertaining to their reciprocal trade in the year in question; this would mean that their share in the transport of the total tonnage corresponding to such trade amounted to a little over 27 per cent.

[13] See *Study of the Prospects Inter-Latin-American Trade (Southern Zone of the Region)*, op. cit.

8. Revenue accruing from freight

(a) From exports

The aggregate value of the sea freight involved in South America's foreign trade in 1952 reached some 1,246 million dollars, comprising 669 million for the transport of goods to purchasers outside the area and nearly 577 million for that of imports. This latter sum includes freight charges on all inter-South-American trade (see table 99).

Table 99. South America: Total value of maritime freight for exports, 1952

	Tons (thousands)	Average tariff per ton (dollars)	Total value of freight (millions of dollars)[a]
Liquid fuels	89,082	5	445.4
Bulk cargo	8,478	8	67.8[b]
General cargo	5,061	24	121.5
Cold cargo	769	45	34.6
	103,390		669.3

Source: ECLA, on the basis of data supplied by shipping companies.

[a] Excluding inter-South-American trade.

[b] In years when the export trade in Argentine wheat is normal, this sum increases by not less than 20 million dollars.

The share of South America's mercantile marine in freight resulting from the area's export trade was very limited.[14] From the figures supplied by shipping companies in five out of the eight countries possessing fleets, and from an estimate for the other three, it can be inferred that in 1952 the gross income accruing from the transport of exports in locally-owned vessels probably totalled just under 34 million dollars, or about 5 per cent of the aggregate value of South American export freight. The main causes of this phenomenon are the practice of marketing the area's exports on an f.o.b. basis; the fact that in organizing much of the transport of liquid fuel, iron ore and other primary goods, the producer enterprises are guided by the freight charges most favourable to the ability of such commodities to compete on the world market; and the tendency of South American shipping companies to confine their services to general cargo.

Apart from the high proportion of total export freight charges represented by liquid fuels, another interesting point should be noted. The relevant figures indicate that the average tariff applied to bulk freight constitutes only one-third of the price of transport of general cargo. The value of this latter is 24 dollars per ton; the tariff for the former is 8 dollars[15] (see again table 99).

[14] In those countries for which exact data are available, the gross income accruing from export freight in 1952 was as follow (in million of dollars): Brazil 5.4; Chile 11.9; Colombia 1.7; Ecuador 0.8, and Venezuela 0.4. Estimated income from the same source in the case of Argentina, Peru and Uruguay amounted to 11.6, 1.0 and 1.0 million dollars, respectively.

[15] Nevertheless, it should be borne in mind that when the volume of bulk cargo transported on regular shipping lines is not sufficient to constitute complete shipments, freight charges are usually assimilated to the tariff in force for the transport of similar goods in craft specializing in point-to-point traffic.

(b) From imports[16]

It has already been stated that the value of import freight deriving from South America's foreign trade seems to have been nearly 577 million dollars in 1952. The share of South American shipping companies in this sum must have been approximately one-fifth, or 113.6 million dollars. In absolute terms, the highest freight income fell to Argentina, and was about 40 million dollars, while the lowest — 2.6 millions — was received by Uruguay (see table 100).

It should be taken into account that, according to the figures supplied by maritime enterprises, about 60 per cent of the gross income of South American vessels properly so-called, and 80 per cent of that accruing from chartered vessels, is spent outside South America on normal shipping costs (shifting of cargo in port, hull insurance premiums, etc.), which in 1952 totalled about 67.3 million dollars. This meant that the revenue of 113.6 million dollars accruing to the area's shipping enterprises in the aggregate from import freight was reduced to about 41.4 millions.

Hence the relation between the freight charges accruing to the South American enterprises and those payable in foreign exchange to companies outside the area was different for each Republic. Thus, payments in foreign currency amounted to 87 per cent in Brazil, 77 per cent in Argentina, and in Colombia and Ecuador only a little over 50 per cent, despite the fact that these two countries have to pay the whole of the freight charges on their fuel imports in foreign exchange.

From another angle, it can be seen that within total expenditure on freightage of imports in foreign shipping — about 463 million dollars in 1952 — the outlay on dry cargo reached almost 330 million dollars, a much larger amount than that spent on transport of liquid cargo, which did not exceed 140 million dollars in all, owing to the low average tariff of 5 dollars per ton in force for freight of this kind.

(c) From inter-South-American trade

The figures mentioned above include, from the standpoint of imports, inter-South-American freight in both directions, the value of which amounted to 163 million dollars in 1952.[17] Four-fifths of this sum corresponded to

[16] In the South American countries, with the exception of Brazil, there is a lack of official statistics as to the sums actually paid for import freight. Whether the foreign trade yearbooks record the price of the goods purchased on an f.o.b. or a c.i.f. basis, national estimates for statistical purposes, in connexion with the balance of payments and other requirements, are usually established, as is well known, on a basis of coefficients determined by estimates and sampling. In these latter, freight charges are usually computed together with insurance and other costs, often including the value of consular visas on the bill of lading, the rate for which varies from one country to another. Changes in the composition of imports, in their price and in the cost of transport, as also a shift of purchases from one market to another, mean that the degree of fidelity in the results obtained is directly related to the frequency and thoroughness of the sampling procedures. The present *Study* was not based on coefficients determined by this means, but on calculations derived from average freight tariffs supplied by shipping companies.

[17] This figure also includes the value of South America's imports from the rest of Latin America.

TABLE 100. SOUTH AMERICA: SHARE OF THE AREA'S OWN SHIPPING IN THE VALUE OF IMPORT FREIGHT, 1952

(Millions of dollars)

Country	*Total value of maritime freight*	*For transport of dry cargo*	*For transport of liquid cargo*	*Total*	*Percentage of the total*	*Freight for services on other traffic lines*
Argentina	169.8	28.8	10.9	39.7	23.4	
Bolivia	8.7	—	—	—	—	
Brazil	212.1	18.9 [a]	7.2	26.1	12.3	
Chile	36.9	9.7 [a]	0.1	9.8	26.5	4.3
Colombia	30.8	14.2 [a]	—	14.2	46.2	0.9
Ecuador	6.6	3.0 [a]	—	3.0	45.5	
Paraguay	3.3	—	—	—	—	—
Peru	24.2	4.9	—	4.9	20.1	
Uruguay	28.7	0.3	2.3	2.6	9.1	
Venezuela	55.5	13.3 [a]	0.0	13.3	24.0	
SOUTH AMERICA	576.6	93.1	20.5	113.6	19.7	5.2

SOURCE: ECLA, estimate based on data supplied by shipping companies.

[a] Effective receipts.

payments for the transport of liquid fuels, which in the year in question represented more than 87 per cent of the volume of cargo carried by sea both among the countries of South America themselves and between these and the other Latin American countries. The share of South American shipping in such freight income would seem to have amounted to almost 28 million dollars in 1952, 20.5 million having been received by tankers and 7.1 million by boats carrying dry cargo. Proportionally, this share is somewhat smaller than that of the same vessels in total South American imports (see table 101).

(*d*) BALANCE OF FREIGHT INCOME AND EXPENDITURE

As the area's own shipping plays so small a part in the transport of South America's imports, the income and expenditure deriving from maritime freight necessarily result in a considerable deficit.

Statistics show that in 1952 the eight ship-owner countries' gross receipts for freightage of South America's exports and imports amounted to 152 million dollars, plus 5.2 million for transport between ports in other regions. When costs incurred by these vessels outside the area are deducted, the net income whereby South America's mercantile marine helped to reduce foreign exchange expenditure on freightage of South America's imports drops to 54.6 million. The total deficit on the area's aggregate freight — 522 million dollars — proved in practice to be somewhat less, on account of the foreign exchange liquidated by foreign craft carrying South America's exports and imports, in order to cover their outlay on consumption and shifting of cargo in South American ports (see table 102). But not even partial statistics are available on the possible importance of income from this source.

9. Incidence of freight tariffs on the f.o.b. value of imports

The relative influence of freight tariffs on the capacity to import is more marked in inter-South-American trade than in the area's trade with the rest of the world, as can be seen from the fact that the incidence of maritime transport on the f.o.b. value of imports is, on the average, much higher for goods carried from one South American country to another than in the case of commodities purchased outside the area. This is largely because inter-South-American freight tariffs are higher than those applied in maritime traffic with other regions (see table 103).

TABLE 101. SOUTH AMERICA: PERCENTAGE SHARE OF ITS SHIPPING IN MARITIME FREIGHT

	South American vessels		*Vessels belonging to other countries*		*Total [a]*
	Value of freight [a]	*Percentage*	*Value of freight [a]*	*Percentage*	
Exports	33.7	5.0	635.6	95.0	669.3
Imports	113.6	19.7	463.0	80.3	576.6
TOTAL	147.3	11.8	1,098.6	88.2	1,245.9
Inter-South-American trade freight	27.6	16.9	135.7	83.1	163.3

SOURCE: ECLA; estimates based on data supplied by shipping companies.

[a] In millions of dollars.

TABLE 102. SOUTH AMERICA: MARITIME FREIGHT INCOME AND EXPENDITURE, 1952

(Millions of dollars)

Country	Income: Gross	Income: Net	Expenditure	Balance
Argentina	51.3	20.5	106.8	−149.3
Bolivia	—	—	8.7	− 8.7
Brazil	31.5	12.6	212.1	−199.5
Chile	25.8	7.5	36.9	− 29.4
Colombia	16.3	4.9	30.8	− 25.9
Ecuador	3.9	1.2	6.6	− 5.4
Paraguay	—	—	3.3	− 3.3
Peru	5.9	2.4	24.2	− 21.8
Uruguay	3.6	1.4	28.7	− 27.3
Venezuela	13.7	4.1	55.5	− 51.4
TOTAL	152.0	54.6	576.6	−522.0

SOURCE: ECLA: estimates based on data supplied by shipping companies.

The incidence of freight tariffs on the f.o.b. value of goods imported by South American countries from others in the same area amounted on an average to 25.3 per cent in 1952, that is, to a good deal more than double the corresponding figure of 10.5 per cent registered elsewhere. This fact is mainly due to the higher proportion of inter-South-American trade represented by liquid fuels, especially those of a low unit value, such as crude petroleum and fuel oil.

Moreover, the transport of the area's own fuels from one South American country to another is more expensive than that of fuels from other regions, since freight charges represent 43 and 27 per cent respectively of the value of the petroleum. This is because the purchases of liquid fuels from abroad effected by certain countries — such as Colombia, Ecuador, Peru and Venezuela — chiefly involve derivatives of a high unit value, so that the incidence of freight charges is very slight. In the case of Venezuela it amounts to only 4.4 per cent.

With respect to dry cargo, the significance of freightage in the value of imports is comparatively similar in inter-South-American trade and in the area's commerce with the rest of the world, being 9.5 per cent in the former and 10.2 per cent in the latter. But this similarity disappears when particular cases are taken into consideration, as, for example, those of Argentina, Brazil and Uruguay, which import large quantities of coal from other regions. As the unit value of this fuel is very low, the cost of its transport is proportionaly high, and influences the average figure for South America as a whole. In other cases — the most outstanding being Colombia and Venezuela — the incidence of freight tariffs is usually greater for goods from South America. In contrast with an average incidence of 9.5 per cent for South America's aggregate dry cargo imports from within the area, those effected by the above Republics have to bear the burden of freight charges which in 1952 represented 20 per cent and 21.2 per cent on the f.o.b. value of the goods concerned for Colombia and Venezuela respectively. This is partly because of the trans-shipments which are frequently occasioned by the lack or irregularity of direct maritime services between these countries' Caribbean ports and the more southerly countries of South America. (In these case of imports of dry cargo from the rest of the world, maritime freight tariffs imply a surcharge of 9 per cent for Colombia and 7.1 per cent for Venezuela.) Freight charges also account for a very high proportion — 18 per cent — of the cost of Peru's imports from South America, while for this country's purchases from other regions a maritime freight tariff equivalent to a little less than 10 per cent of the f.o.b. value is registered for dry cargo. In this instance, the surcharge on inter-South-American freight is probably mainly due to the high relative cost of transport of frozen meat purchased from Argentina. Similarly, in Chile's case the incidence of freight tariffs differs according to whether the dry cargo comes from within the area or from elsewhere (12.2 per cent and 9.1 per cent respectively.) Here the phenomenon may be linked to the surcharge on such tariffs due to the inadequate utilization of hold-space in vessels carrying the goods purchased by Chile from

TABLE 103. SOUTH AMERICA: INCIDENCE OF MARITIME FREIGHT[a] ON THE F.O.B. VALUE OF IMPORTS, 1952

Importer countries	Total: From Latin America	Total: From the rest of the world	Dry cargo: From Latin America	Dry cargo: From the rest of the world	Liquid fuels: From Latin America [b]	Liquid fuels: From the rest of the world
Argentina	23.9	16.4	7.4	15.2	56.0	38.7
Bolivia	15.9	11.1	13.2	9.5	33.3	40.0
Brazil	29.6	8.7	9.1	9.9	39.5	7.2
Chile	22.1	9.8	12.2	9.1	43.4	47.7
Colombia	10.1	9.2	20.0	9.0	8.7	12.5
Ecuador	11.8	12.0	12.0	12.2	11.1	9.4
Paraguay	58.3	10.8	—	11.1	58.3	36.9
Peru	18.1	9.8	18.1	9.8	—	8.3
Uruguay	23.6	11.7	7.4	11.0	57.8	42.1
Venezuela	19.5	7.0	21.2	7.1	10.7	4.4
South America	25.3	10.5	9.5	10.2	42.8	27.4

SOURCE: ECLA, on the basis of official statistics and data supplied by shipping companies.

[a] Excluding insurance and other expenditure

[b] Including liquid fuels from Aruba, Curaçao and Trinidad.

TABLE 104. SOUTH AMERICA: MARITIME TRANSPORT OF FOREIGN TRADE CARGO, 1952

Trade flow	*Percentage of utilization of carrying capacity*					
	In relation to real utilization in the direction where transport is heavier			*In relation to 75-per-cent utilization in the direction where transport is heavier*		
	Atlantic	*Pacific* [a]	*Caribbean* [a]	*Atlantic*	*Pacific* [a]	*Caribbean* [a]
To and from North America	80	92	11	60	69	8
To and from Europe. . . .	80	75	11	60	56	8
From the Atlantic to the South Pacific, and vice versa	49	49		37	37	
Others	82	83	2	61	62	1.5

SOURCE: ECLA, on the basis of official statistics.

[a] Colombian cargo is included in each column, with due regard to the tonnages transported via the Pacific and the Carribbean ports.

countries on the Atlantic seaboard in the Southern Zone of South America.

10. Utilization of hold capacity

The degree to which floating hold capacity for general cargo in both directions on each sea route is utilized bears a relation to the level of the tariffs applied to maritime transport on the established shipping lines. At the same time, the balance or the disequilibrium between the to-and fro tonnages to be transported affects the regularity of itineraries.

The utilization of carrying capacity differs from one to another of the main transport routes linking South America with the rest of the world.[18] In freight carried via the Atlantic, imports predominate, whereas exports play a somewhat more important part in trade by way of the Pacific. If, in order to graduate the relative utilization of available capacity, 100 is taken as the level attained on the route where the highest transport density is registered, it will be seen that on the Atlantic routes, whether to or from both North America and Europe, the tonnage of cargo exported amounted in 1952 to about four-fifths of that represented by imports. In the case of the Pacific Ocean the reverse is true, since the volume of imports is equivalent to 92 per cent of exports to North America and 75 per cent of those to Europe. In trade between South American ports on the Caribbean and those of North America and Europe, exports take up barely 11 per cent of the capacity required for imports. Another example of disequilibrium, similar in kind but less in degree, is to be found in the tonnages carried on inter-South-American lines between the Atlantic ports and those of the South Pacific, via the Straits of Magellan. Here the smaller volume comes from the Atlantic, and is barely half the amount brought from the Pacific (see table 104).

As to the real level of utilization of carrying capacity in the branch of transport most attractive for South American shipping investment — i.e., general cargo —, only fragmentary information is available. In the aggregate, a rudimentary idea of its proportions can be obtained if it is assumed that available hold space is utilized in the highest degree possible — 75 per cent[19] — on vessels sailing in the direction where transport density is greater. With this hypothesis as a point of departure — determined on the basis of data supplied by shipping companies — the estent to which hold capacity is occupied in the instances in question would seem to amount at the best to 69 per cent. This applies to the Pacific shipping lines, which, as they deal mainly with general cargo, carry, *inter alia,* ores from Peru, Bolivia and Chile to North America. Elsewhere — still in the direction in which traffic is heavier — the level of utilization seems to be 60 per cent for some and decidedly lower for others. The corresponding figure recorded by Lloyd Brasileiro for boats plying to the United States and Europe is almost the same — a little under 60 per cent.

TABLE 105. BRAZIL: REAL UTILIZATION OF CARRYING CAPACITY BY LLOYD BRASILEIRO

(Percentages of hold space)

Average for 1949–53

	Southward lines	*Northward lines*
To and from the United States	60.1	40.4
To and from Europe.	67.7	60.2
To and from the River Plate.	7.1	85.0

SOURCE: Lloyd Brasileiro.

In terms of volume, the failure of some South American enterprises to utilize part of the available hold space is linked to a marked disequilibrium between the tonnages transported by their shipping in the two opposite directions of the same trade flow (see table 106). The outstanding instances are to be found among the more northerly countries of South America. Owing to the varying nature of the products exported by Venezuela — petroleum, iron ore, coffee, cacao — the demand for

[18] See table 116 below.

[19] An examination of the volumes carried, on the basis of statistics expressing them in terms of a single unit — metric tons — might lead to under- or over-estimation in relation to real utilization. In this connexion the case of products whose specific weight is markedly high or low should be borne in mind. The boat can only transport the former — copper ingots or concentrates for example — up to the limit allowed by its deadweight tonnage, so that there is a certain amount of hold-space which is necessarily left vacant but does not appear in the pertinent statistics. If the cargo is of low specific weight — pinewood, for example — holds may be filled, while statistics would seem to indicate the existence of unoccupied space.

transport of general cargo in locally-owned vessels is low. In 1951-55, the amount conveyed to the markets of North America was not as much as 18,000 tons annually, whereas, conversely, 267,000 tons were transported to Venezuela by its own shipping. Over the same period, Colombia's boats took 110,000 tons of cargo annually to North America, and brought back, on a yearly average, 605,000 tons. Because of these disequilibria, in the cases of Venezuela and Colombia respectively, only 7 and 18 per cent of hold capacity was utilized on the outward voyage, in relation to the volume carried on the return trip.

TABLE 106. SOUTH AMERICA: DIFFERENCE BETWEEN THE VOLUMES TRANSPORTED BY THE AREA'S OWN SHIPPING IN THE TWO OPPOSITE DIRECTIONS OF THE SAME TRADE FLOW

(Thousands of tons)

Country	*Trade flows*	*Imports*	*Exports*	*Disequilibrium (Percentages)*
Brazil [a]	River Plate	182	14	7.7
	United States	170	111	65.3
	Europe	141	132	93.6
	TOTAL LLOYD BRASILEIRO	493	257	
Chile [b]	United States (Atlantic)	53	74	71.6
	United States (the Gulf)	14	47	29.8
	South Atlantic	52	101	51.5
	TOTAL CHILEAN SHIPPING	119	132	
Colombia [c]	*North America*	605	110	18.2
Ecuador [d]	*North America*	96	30	31.3
Venezuela [d]	*North America*	267	18	6.7

SOURCE: Official statistics and shipping companies.

[a] Lloyd Brasileiro. Average for 1949-53.

[b] Average for 1951/52, excluding vessels chartered for the transport. of nitrate.

[c] Flota Mercante Grancolombiana and Coldemar, average for 1951-53.

[d] Flota Mercante Grancolombiana, average for 1951-53.

Disequilibrium is also to be noted on the Brazil-River Plate route. During the five-year period 1949-53, imported cargo totalled 182,000 tons, while that exported amounted to only 14,000. Hence Brazilian ships plying on this route utilized barely 8 per cent of their carrying capacity (see again table 106).

Traffic between the Atlantic and the South Pacific via the Straits of Magellan, both as a whole, and, particularly, as regards the share accounted for by South American vessels, reveals similar but less pronounced disequilibria.[20] It has already been stated that, as a general rule, the tonnage of cargo carried from the Atlantic is barely half that transported from the Pacific. As in the preceding case, this imbalance reflects the disparities in the unit prices of the commodities traded. The unit values of the goods moved from the Atlantic to the Pacific are more than double those registered for the products conveyed in the opposite direction. The disproportion in the cargoes carried therefore increases when there is a tendency towards equilibrium in the trade balances of the countries engaging in the bilateral trade concerned, and decreases as the liabilities of the debtor nation grow.

[20] See *Study of the Prospects of Inter-Latin-American Trade: Southern Zone of Latin America*, op. cit:

TABLE 107. SOUTH AMERICA: AVERAGE VALUE OF COMMODITIES TRADED BY SEA BETWEEN THE ATLANTIC AND THE SOUTH PACIFIC, 1952

(Dollars per ton)

Direction	*Argentina-Chile*	*Uruguay-Chile*	*Brazil-Chile*	*Average for the route*
From the Atlantic to the Pacific	487.29	20.59	400.47	386.34
From the Pacific to the Atlantic	195.18	42.29	138.95	172.57

SOURCE: ECLA, on the basis of official statistics.

11. Trade routes inadequately served

Among the factors limiting inter-Latin-American trade must be included the absence of direct and regular shipping lines between the ports on three South American coastal routes, though services of a sporadic or occasional nature do exist. The following are the routes in question: (*a*) from the River Plate countries and Brazil to the Caribbean coasts of Venezuela and Colombia; (*b*) from the South Pacific via the Panama Canal to this same Caribbean Coast, and (*c*) from the River Plate ports to those of Ecuador and Colombia on the Pacific.

The commodity trade agreements — often taking the shape of barter arrangements — concluded in the last ten years between the more southerly and the more northerly countries of South America, have hitherto had few practical results on the whole. One of the various reasons why such agreements have not contributed to the establishment of regular trade flows between the contracting parties seems to be the increase in freight charges occasioned by transshipment when transport cannot be contracted on vessels going directly from one point to another. It often happens that in barter arrangements the principal commodity delivered by the northern countries is liquie fuel, for the transport of which special vessels are used. Consequently trade operations involving dry cargo usually mean that the boats concerned carry freight in one direction only. Some of the effects deriving from this circumstance are reflected in the incidence[21] of maritime transport on the f.o.b. value of goods imported by Colombia and Venezuela from other South American countries.

The statistics for the tonnage of goods carried on each of the shipping routes where no regular maritime service is available are presented in table 108, and show that not even the route symbolized by the letter A, where the highest annual tonnage of trade (11,000 tons) is registered, would be capable of maintaining shipping lines which were not at the same time serving a wider range of ports. Moreover, the short-term prospects of expanding the volume of transportable cargo in the first two sectors indicated in the above table relate particularly to bulk cargo, the transport of which cannot as a rule be undertaken by lines engaged in carrying general cargo.[22]

[21] See above, p. 167.

[22] If the programmes under way are developed within the time limits envisaged, the export of Colombian coking coal from the Cauca Valley, with Buenaventura as the port of embarkation, is projected for the second half of 1956, at an initial rate of about 10,000 tons monthly. Apparently its possible markets of destination include the Chilean steel mill at Huachipato.

TABLE 108. SOUTH AMERICA: TRADE ON INADEQUATELY-SERVED ROUTES; GENERAL CARGO, 1952

(Thousands of tons)

Sectors		Exports from sector I		Percentages
I	II	To sector II	To South America	
Route A:				
South Atlantic [a]	Caribbean [b]	11	652	1.7
Caribbean	South Atlantic	1	6	16.7
Route B:				
South Atlantic	Ecuador	—	652	0.0
Ecuador	South Atlantic	1	29	3.4
Route C:				
South Pacific [c]	Caribbean	3	383	0.8
Caribbean	South Pacific	3	6	50.0
	TOTAL	19	1,041 [d]	1.8

SOURCE: Official statistics.

[a] Including Argentina, Brazil and Uruguay.

[b] Including Colombian and Venezuelan ports on the Caribbean.

[c] Including Chile, Ecuador and Peru.

[d] Total inter-South-American exports of general cargo.

These facts would seem to provide a partial explanation of the short duration or the sporadic nature of the coastal services established by Argentine and Chilean enterprises in the more neglected sectors. They also reveal the basis of the ideas expressed in informed circles within the area — sometimes on the occasion of the conclusion or renewal of trade treaties — on the desirability of investigating how far the problem of such routes might be solved or alleviated by promoting the establishment of shipping lines extended to serve whole circuits or to yield in the aggregate the amount of freight necessary for their maintenance. The overcoming of this difficulty is linked, up to a point, with the problem of certain local traffic lines where there is a marked disequilibrium between the volumes of cargo carried in each direction. In this connexion the peculiar features of the inter-South-American routes[23] should be recalled. If these special characteristics are taken into account, only a study which dealt simultaneously with the questions both of disequilibrium in the aggregate volume of cargo and of the routes inadequately served, could show whether the restraint imposed by the former on the development of inter-South-American trade can be obviated or modified through the establishment of lines with longer itineraries than at present.

12. Agreements on distribution of cargo

In most South American countries there is a tendency to conclude agreements with a view to ensuring the participation of their own shipping in the transport of cargo on given traffic lines, either through direct negotiation between enterprises or by means of clauses incorporated in trade treaties. An example of the former case is the agreement in force between a Chilean company and two United States enterprises. Because the Chilean exchange authorities, with the aim of channelling a share of cargo towards the country's own shipping,[24] decreed in 1950 that applications for import licences should be accompanied by a declaration specifying the nationality of the boat in which transport was to be effected, these companies agreed to divide among themselves, on given bases, the freight involved in trade between the east coast of the United States, the Gulf of Mexico and the Chilean seaboard. Under the second head may be included trade treaties comprising clauses with similar aims. At the present time, six treaties of this kind are in force between South American countries.

In addition to the agreements on distribution of cargo by flags, the trade treaty and payments agreement signed by Argentina and Ecuador on 22 August 1953, without setting up a system of this kind for transport between the two countries, stipulates (clause XVI, f) that both Republics shall study means of co-ordinating their national maritime transport services.

Aggregate ocean traffic among the countries that have concluded agreements on the distribution of inter-South-American transport of maritime cargo amounts to approximately 2.5 million tons yearly. This volume decreases to some 900,000 tons if the calculation excludes those goods in whose transport local enterprises running regular inter-South-American services usually play little part, since it is for the freight in question — bulk and cold cargo,[25] and fuels — that competition from specialized

[23] See above, pp. 166-168.

[24] Another of the methods adopted by Latin American Republics for the same purpose is to stipulate that cargo transported on behalf of official entities be carried in vessels belonging to the country concerned, and likewise that import licences be granted on the basis of the f.o.b. price, so that the value of the freight may be paid in local currency to maritime enterprises belonging to the importer country; certain countries also grant reductions of the duty on the consular invoice for goods carried under the national flag.

[25] In this connexion an exception is constituted by the Argentine fruit boats which regularly serve the fruit trade between Argentina and Brazil.

TABLE 109. SOUTH AMERICA: AGREEMENTS ON DISTRIBUTION OF CARGO BY FLAGS

Contracting parties	*Title of the instrument*	*Date*	*Number of the transport clause*	*Remarks*
Argentina [a]–Chile	Trade and finance agreement	19/2/54	27	Clause covers boats sailing under other flags chartered or operated by enterprises belonging to either of the two countries
Argentina–Colombia	Agreement on commodity trade and payments system	23/4/54	11	
Argentina–Brazil	Payments agreement	25/6/54	22	
Argentina–Peru	Trade and finance agreement	22/8/49	17	
Brazil–Uruguay	Trade agreement	18/12/53	19	Leaves responsibility for putting the clause into practice to the representatives of the shipping enterprises of each country
Colombia–Uruguay	Commodity trade agreement	12/12/53	11	

SOURCE: Trade treaties.

[a] Argentina concluded a trade agreement of this type with France on 23 July 1947 (Article 46) and with Yugoslavia on 13 August 1953 (Article 24).

foreign shipping is most frequently encountered (see table 110). Experience shows that the discrepancy between the amounts carried to and fro on each of the bilateral routes, and sometimes the low tonnages involved, as well as the lack of continuity in the volume of demand for transport, are factors that conspire against the maintenance of permanent services. To them, for example, may probably be attributed the irregularity in the sailing dates of boats plying between Argentina and Chile.[26] The few data available on the practical application of bilateral agreements relating to the distribution of cargo are provided by shipping companies, and reveal that if such agreements are implemented in isolation, cargo is deflected from lines serving circuits wider than the merely bilateral trade routes. In this context consideration must be given to the way in which these independent arrangements function, and how their operation affects the utilization of available hold-space through the unloading of cargo en route. Supposing, for instance that a Chilean vessel plies from its country of origin to ports in Argentina, Uruguay and Brazil. On leaving harbour it carries commodities produced in Chile and destined for all three of these markets. But it will not be able to replace the cargo unloaded in Argentina or Uruguay with products to be carried from these countries to Brazil unless their own shipping is not interested in such freight or is unable to handle it. This system, accompanied as it sometimes is by exchange measures which strengthen its restrictive influence on the utilization of hold-space belonging to other countries within the region itself, seems to be one of the factors upon which may depend the future promotion or discouragement of the growth of the local freight market for South American shipping. Some of the shipping companies in the zone would apparently like to see official treaties replaced by direct agreements between enterprises, providing for the indiscriminate transport of cargo under any South American flag, and the final liquidation, on given bases, of the net product of freight.

13. Port efficiency

The differences in efficiency, and therefore in tariffs, among the main South American ports would seem to indicate that in some of them facilities and procedures are decidedly inadequate. These port defects have direct repercussions on ocean freight tariffs, as the expenditure of vessels in port, including the cost of shifting cargo, is a factor in freight costs. The characteristics of each port, with respect both to the operation speed per hour in harbour and per working hour and to service charges, have a bearing on the development of foreign trade. This is still more important in the case of inter-South-American trade conducted under local flags, for, as the shipping enterprises themselves point out, surcharges arising from delays in loading and unloading are usually substantial.

Table 111 indicates the operational efficiency of 14 South American ports, from three points of view. The first, relating to the time actually worked per 100 hours' stay in port, is linked to wharf availabilities and work régimes. Here the most important factors are the basis on which wages are paid — per days worked or per volume of cargo shifted — and the system of payment for overtime. In ports where overtime is very highly paid, it is only in exceptional circumstances that shipwrights decide to work continuously. Some influence, though an indirect one, is also exerted by the regulation time limit for cargo to remain in port, with the consequent tariff surcharges if the term is exceeded, as well as by the hindrances resulting from the absence of any clear line of demarcation between the functions of the port and the customs authorities, to be noted in some South American countries. The second aspect — that of the tonnage shifted per hour of stay in port — is affected by the same factors as the first, with the addition of those deriving from the extent and quality of the existing facilities. The third characteristic — the tonnage shifted per hour of work — is largely determined by the degree of mechanization, and also, to a lesser extent, by the skill of the personnel.

With due allowance for the limitations of the data available, it can be seen that as far as the first aspect is concerned — working hours — Buenaventura and Cartagena, where the time worked represents nearly two-thirds of the total stay in port, are outstanding. The reverse is true of Guayaquil and Buenos Aires. As regards the tonnages shifted per hour of stay, San Antonio and Buenaventura head the list, and Maracaibo and Montevideo

[26] See *Study of the Prospects of Inter-Latin-American Trade (Southern Zone of the Region)*, op. cit.

TABLE 110. SOUTH AMERICA: MARITIME TRADE BETWEEN CO-SIGNATORIES OF AGREEMENTS ON DISTRIBUTION OF CARGO, 1953/54

Countries	Bulk cargo		General cargo		Cold cargo		Fuels		Totals	
	(A) [a]	(B) [b]	(A) [a]	(B) [c]	(A) [a]	(B) [d]	(A) [a]	(B) [e]	(A) [a]	(B)
Argentina–Brazil	1,000	10	100	5	—	5	—	0	1,100	20
Brazil–Argentina	—		380		150		—		530	
Argentina–Colombia	—	0	2	0	—	0	—	1	2	1
Colombia–Argentina	—		—		—		90		90	
Argentina–Chile	85	2	65	5	—	0	—	0	150	7
Chile–Argentina	—		210		—		—		210	
Argentina–Peru	100	2	15	1 [f]	7 [g]		—	1 [h]	122	4
Peru–Argentina	45		10		—		75		130	
Colombia–Uruguay	—	0	—	0	—	0	—	0	—	0
Uruguay–Colombia	—		—		—		—		—	
Brazil–Uruguay	—	1 [i]	107	1	18	1	—	0	125	3
Uruguay–Brazil	54		6		—		—		60	
TOTAL	1,284	15	895	12	175	6	160	2	2,519	35

SOURCE: ECLA.

(A) = Thousands of tons.

(B) = Number of ships required.

[a] Relatively representative annual statistics.

[b] Ships of 10,000 tons deadweight and 14 knots.

[c] Ships of 7,500 tons deadweight (about 6,000 tons of cargo) and 14 knots.

[d] Ships of 3,000 tons deadweight (about 950 tons of cargo) and 14 knots.

[e] Ships of 15,000 tons deadweight (capacity of about 130,000 barrels) and 14 knots.

[f] Three voyages (135 days).

[g] Carried in cold storage in holds of general cargo boats.

[h] Five voyages (165 days).

[i] Six voyages (180 days).

TABLE 111. SOUTH AMERICA: OPERATIONAL EFFICIENCY OF SELECTED PORTS (GENERAL CARGO), 1953

Ports	Hours of work per 100 hours' stay in port	Tons shifted	
		Per hour of stay in port	Per hour of work
Antofagasta	51.1	20.8	40.8
Barranquilla	56.5	17.1	30.2
Buenaventura [a]	65.7	25.2	38.3
Buenos Aires	36.9	19.7	53.3
Cartagena [b]	64.0	20.4	31.9
Eva Perón		17.5	
Guayaquil	29.0	11.8	40.5
La Guaira [c]	43.3	15.4	35.4
Maracaibo [c]	47.3	11.6	24.6
Montevideo [d]	39,0	11.2	28.8
Puerto Cabello [c]	37.8	12.7	33.6
San Antonio	48.5	28.6	59.1
Santos [e]	54.1	13.8	25.5
Valparaíso	40.8	15.3	37.6

SOURCE: ECLA, on the basis of data provided by port authorities.

[a] March 1954.

[b] January–March 1954.

[c] March–May 1953.

[d] January–July 1952.

[e] 1952.

register the lowest figures. From the third point of view, that of cargo shifted per work hour, San Antonio and Buenos Aires come first, while results are apparently poorest in Maracaibo and Santos. The statistics in the relevant table show that the product of work in the most efficient South American ports is twice as great as in ports where negative features predominate (see table **111**).

14. Freight tariffs

It has already been stated that transport of most of the general cargo involved in South America's foreign trade, as well as in inter-South-American commerce, is effected by the regular lines run by enterprises outside the area. With few exceptions, these companies are parties to shipping conferences which fix freight tariffs. As the South American enterprises too have, in their turn, joined these conferences, practically all the regular shipping lines serving any one traffic flow have to apply the same tariff for each type of product, in terms of convertible currency. This system apparently offsets the tendency of surplus carrying capacity, such as exists in South America's maritime traffic, to bring about a reduction in tariffs. Similarly, early in 1955, the companies which habitually carry goods in both directions between the Atlantic and the South Pacific — and which until a short time ago had remained outside the common tariff régime — set up the Conferencia del Tráfico Maritimo

TABLE 112. SOUTH AMERICA: COMPARATIVE FREIGHT TARIFFS IN FORCE IN JANUARY 1955
(Dollars per ton)

Product	Supplier country	Importer country: Argentina	Brazil	Chile	Venezuela
Barley	Chile	—	—	—	26.00
		—	—	—	(3,260)
	United States	—	—	—	26.50
		—	—	—	(1,848)
	Holland	—	—	—	23.94
		—	—	—	(4,100)
Cotton	Brazil	—	—	35.00	—
		—	—	(3,457)	—
	Peru	—	—	13.00	—
		—	—	(1,300)	—
	Egypt	—	—	49.56	—
		—	—	(9,607)	—
	United States	—	—	30.00	—
		—	—	(4,043)	—
Iron (sheet)	Chile	13.00	—	—	—
		(2,582)	—	—	—
	Germany	7.38	—	—	—
		(6,959)	—	—	—
	United States	20.40	—	—	—
		(5,838)	—	—	—
Sugar	Brazil	—	—	14.00	—
		—	—	(3,457)	—
	Cuba	—	—	13.00	—
		—	—	(3,670)	—
	Peru	—	—	8.80	—
		—	—	(1,570)	—
Wheat	Argentina	—	13.00	—	—
		—	(1,020)	—	—
	United States	—	8.38	—	—
		—	(4,930)	—	—

SOURCE: Shipping companies.
NOTE: The figures in brackets show the distance in miles between the ports of origin and destination.

Argentino–Chileno, one of the aims of which is to standardize freight tariffs.

Not only are the special features of the traffic concerned taken into account — among them, the degree of utilization of carrying capacity, port facilities and the rates charged for shifting cargo — but, generally speaking, in establishing freight tariffs the highest are assigned to those commodities which, by virtue of their market value, can best afford them. As the cost of transport is included in the domestic price of the article concerned, theoretically, if no other factors intervene, the exports of those countries for whose trade by sea lower tariffs are in force are placed at an advantage. Nevertheless, despite the system followed in fixing rates, and even if no circumstances arise whose influence on the channelling of trade is stronger than that of freight tariffs, these latter are of barely secondary importance in transactions involving goods of a high unit value. Similarly, even where goods of low unit value are concerned, the price of transport may have little effect on the direction of trade flows, if the operation is dictated by such motives as the implementation of barter agreements or the need to utilize frozen balances, to pay debts in kind or to save convertible foreign exchange by defraying ocean freight charges with local currency.

This is not always the position in inter-South-American trade. Although such trade is largely based on clearing agreements, some of the commodities exchanged are not therefore exempt from competing in their market of destination with similar goods from other sources. Many barter agreements are concluded by governments — on the basis of exchanging given quantities of products within predetermined periods — without being completely fulfilled in practice, since the import trade can obtain similar products at lower prices from third countries, still under the system of clearing accounts. Often, as in the case of cement and fertilizers, such large tonnages are purchased from other regions that advantage can be taken of the reduced freight tariffs in force for complete shiploads despatched in special bulk cargo boats. As the volume of inter-South-American trade in these same products is small or moderate, they have to be carried in craft used for general cargo, and somewhat higher rates are usually charged. In table 112 some characteristic examples are given to show the variations in freight tariffs for similar commodities on different routes, and the resultant surcharges for inter-South-American transport.

Several different causes account for relatively higher freight tariffs. Some are to be found in the situations described under previous headings in the present chapter, such as the proportion of idle carrying capacity on the important traffic lines and the inadequate utilization of the hold-space available for specific cargo because of the unequal tonnages carried to and fro in the course of inter-South-American trade. When craft are sailing partly on ballast, they still incur high overhead expenditure, which must be covered by the freight charged on goods carried in the other direction. Further reasons likewise exist, one of the chief being the incidence of outlays on the shifting of cargo in port, when this is aggravated by delays due in some instances to shortcomings in port facilities and methods of work. Another cause of high rates is the practice of using general cargo boats for products which in trade with other areas are carried by special craft for bulk cargo. Similarly, anti-economic boats are used in the Atlantic and South Pacific sector. Lastly, mention must be made of the over-valued exchange rates applied by certain countries for the negotiation of the foreign exchange accruing to their shipping from freightage.[27] This last factor, besides helping to raise freight tariffs on the regular lines, tends to reduce the capacity of South American vessels to compete with those sailing under other flags, since these latter are able to buy enough national currency to cover their local expenditure at more realistic exchange rates. Although in greater or less degree the circumstances described affect both the freight tariffs in force in inter-South-American trade and those prevailing in South America's trade with the rest of the world, their influence on the former is more marked, for two reasons in particular. First, carrying capacity is less efficiently utilized in inter-South-American trade than on other routes, and secondly, port deficiencies carry greater relative weight.

[27] See *Study of the Prospects of Inter-Latin-American Trade (Southern Zone of the Region)*, op. cit.

TABLE 113. SOUTH AMERICA: FOREIGN TRADE BY TRANSPORT SYSTEMS

(Thousands of tons)

Country	*Year*	*Total foreign trade*	*Foreign trade with South America*	*Percentages*	*Maritime foreign trade with South America*	*Percentages*	*Foreign trade by other transport systems*	*Percentages*	*Percentage of total foreign trade transported by sea*
Argentina	1950	19,019	3,954	20.8	3,195	80.8	758	19.2	96.0
	1951	18,108	3,951	21.8	3,522	89.1	429	10.9	97.6
	1952	13,721	3,494	25.4	3,228	92.4	266	7.6	98.1
Average		16,949	3,800	22.4	3,315	87.3	484	12.7	97.1
Bolivia	1950	469	126	26.9	64	50.8	62	49.2	86.8
	1951	567	132	23.3	74	56.1	58	43.9	89.8
	1952	635	130	20.3	90	69.2	40	30.8	93.5
Average		557	129	23.2	76	58.9	53	41.1	90.4
Brazil	1950	13,323	2,440	18.3	2,351	96.4	89	3.6	99.3
	1951	16,079	4,022	25.0	3,922	97.5	100	2.5	99.4
	1952	15,313	3,527	23.0	3,445	97.7	82	2.3	99.5
Average		14,905	3,330	22.4	3,278	97.3	90	2.7	99.4
Chile	1950	7,194	1,204	16.8	1,119	92.9	85	7.1	98.8
	1951	7,902	1,211	15.3	1,090	90.0	121	10.0	98.5
	1952	6,835	1,297	19.0	1,188	91.6	109	8.4	98.4
Average		7,310	1,237	16.8	1,132	91.5	105	8.5	98.6
Colombia	1950	5,443	178	3.3	162	91.0	16	9.0	99.7
	1951	6,210	222	4.1	212	95.5	10	4.5	99.8
	1952	6,068	147	2.4	140	95.2	7	4.8	99.9
Average		5,907	182	3.1	171	94.0	11	6.0	99.8
Ecuador	1950	624	233	37.3	232	99.6	1	0.4	99.8
	1951	637	188	29.5	187	99.5	1	0.5	99.8
	1952	866	159	18.3	158	99.4	1	0.6	99.9
Average		709	193	27.2	192	99.5	1	0.5	99.9
Paraguay	1950	475	367	77.3	2	0.5	365	99.5	23.1
	1951	477	341	71.5	—	—	341	100	28.5
	1952	383	217	56.7	—	—	217	100	43.3
Average		445	308	69.2			308	100	30.8
Peru	1950	2,449	1,264	51.6	1,249	98.8	15	1.2	99.4
	1951	2,636	1,179	46.5	1,152	97.7	27	2.3	99.0
	1952	2,890	1,321	45.7	1,297	98.2	24	1.8	99.1
Average		2,658	1,255	47.2	1,233	98.2	22	1.8	99.2
Uruguay [a]	1950	2,535	1,253	49.5	815	65.1	438	34.9	82.7
	1951	2,441	1,135	46.5	1,000	88.2	134	11.8	94.5
	1952	2,427	1,256	51.7	1,135	90.4	121	9.6	95.2
Average 1951 and 1952		2,434	1,196	48.9	1,068	89.3	128	10.7	94.7
Venezuela	1950	75,994	2,308	3.0	2,293	99.3	15	0.7	100
	1951	87,139	3,879	4.5	3,870	99.8	9	0.2	100
	1952	93,616	5,261	5.6	5,255	99.9	6	0.1	100
Average		85,583	3,816	4.5	3,806	99.7	10	0.3	100
Average of total trade 1950–52		137,457	15,446	11.2	14,271	92.2	1,212	7.8	99.1

SOURCE: ECLA, on the basis of official statistics.

[a] Including 294,000 tons of sand exported to Argentina.

TABLE 114. SOUTH AMERICA: MARITIME EXPORT TRADE CLASSIFIED BY TYPES OF CARGO, 1952
(Thousands of tons)

Exporter country	Destination	Liquid fuels	Bulk cargo	General cargo	Cold cargo	Total	Percentage
Argentina	South America	—	62	179	9	250	8.5
	Mexico, Central America and the Caribbean area	—	—	12	0	12	0.4
	United States and Canada	—	—	361	0	361	12.3
	Europe	—	1,025	1,111	147	2,283	77.7
	Asia, Africa and Oceania	—	7	18	9	34	1.1
	TOTAL	—	1,094	1,681	165	2,940	100
	Average 1950–53		3,393 [a]	2,168	198 [b]	5,759	
Bolivia	South America	—	—	—	—	—	—
	Mexico, Central America and the Caribbean area	—	—	—	—	—	—
	United States and Canada	—	—	201	—	201	82.4
	Europe	—	—	42	—	42	17.2
	Asia, Africa and Oceania	—	—	1	—	1	0.4
	TOTAL	—	—	244 [c]	—	244	100
	Average 1950–52	—		226 [c]	—	226	
Brazil	South America	—	—	377	201 [d]	578	14.3
	Mexico, Central America and the Caribbean area	—	—	10	—	10	0.2
	United States and Canada	—	1,332 [e]	807	—	2,139	53.1
	Europe	—	400 [e]	650	12 [d]	1,062	26.4
	Asia, Africa and Oceania	—	34 [e]	208	—	242	6.0
	TOTAL	—	1,766	2,052	213	4,031	100
	Average 1950–52	—	1,429	2,910	185	4,524	
Chile	South America	109	19	301 [g]	—	429	10.1
	Mexico, Central America and the Caribbean area	—	—	48	—	48	1.1
	United States and Canada	—	2,461 [h]	432	—	2,893	68.0
	Europe	—	316 [h]	281	—	597	14.1
	Asia, Africa and Oceania	—	253 [h]	33	—	286	6.7
	TOTAL	109	3,049	1,095	—	4,253	100
	Average 1950–52	87	3,853	929	—	4,869	
Colombia	South America	100	—	3	—	103	2.1
	Mexico, Central America and the Caribbean area	1,999	—	34	—	2,033	40.1–0.7
	United States and Canada	2,152	—	293	108 [d]	2,553	51.2
	Europe	200	—	52	43 [d]	295	5.9
	Asia, Africa and Oceania	—	—	1	—	1	
	TOTAL	4,451	—	383	151	4,985	100
	Average 1950–52	4,355	—	369	150	4,874	
Ecuador	South America	99	—	29 [i]	—	128	18.8
	Mexico, Central America and the Caribbean area	—	—	6	—	6	0.9
	United States and Canada	17	—	49	363 [d]	429	63.3
	Europe	—	—	19	42 [d]	61	9.0
	Asia, Africa and Oceania	—	54 [j]	—	—	54	8.0
	TOTAL	116	54	103	405	678	100
	Average 1950–52	130	32	116	268	546	
Paraguay	South America	—	—	—	—	—	—
	Mexico, Central America and the Caribbean area	—	—	—	—	—	—
	United States and Canada	—	—	38	—	38	56.7
	Europe	—	—	27	—	27	40.3
	Asia, Africa and Oceania	—	—	2	—	2	3.0
	TOTAL	—	—	67	—	67	100
	Average 1950–52	—	—	73	—	73	—

Exporter country	*Destination*	*Liquid fuels*	*Bulk cargo*	*General cargo*	*Cold cargo*	*Total*	*Percentage*
Peru	South America	763	253 [e f]	51	—	1,067	57.6
	Mexico, Central America and the Caribbean area.	2	—	1	—	3	0.2
	United States and Canada	—	217 [c e]	139	—	356	19.3
	Europe	125	148 [c e]	103	—	376	20.4
	Asia, Africa and Oceania	—	40 [e]	6	—	46	2.5
	TOTAL	890	658	300	—	1,848	100
	Average 1950–52	931	600	256	—	1,787	
Uruguay	South America	—	36	96	1 [b]	133	28.4
	Mexico, Central America and the Caribbean area.	—[i]	—	8	—	8	1.7
	United States and Canada	—	—	40	—	40	8.5
	Europe	—	36	177	45 [b]	258	55.2
	Asia, Africa and Oceania	—	—	29	—	29	6.2
	TOTAL	—	72 [a]	350	46	468	100
	Average	—	62	312	58	432	
Venezuela	South America	5,237	—	3	—	5,240	5.7
	Mexico, Central America and the Caribbean area.	47,244	—	5	—	47,249	51.5
	United States and Canada	29,590	1,911 [c]	56	—	31,557	34.4
	Europe	6,522	—	5	—	6,527	7.1
	Asia, Africa and Oceania	1,231	—	—	—	1,231	1.3
	TOTAL	89,824 (2.1 %)	1,911 0.1 %	69	—	91,804	100
	1950	73,279	0	50	—	73,329	
	1951	84,126	693	49	—	84,868	
	1953	87,015	2,008	73 [k]	—	89,096	
	Average 1950–53	83,561	1,153	60	—	84,774	

SOURCE: Official statistics.

[a] Average exports of cereals in bulk over period 1948-53 inclusive amounted to 3,283 million tons.

[b] Meat.

[c] Ores.

[d] Bananas.

[e] Sugar.

[f] Coal.

[g] Exports of nitrate from Chile to the Latin American countries have been included under general cargo, as the shipments are usually small and are carried in vessels belonging to regular shipping lines.

[h] Nitrate.

[i] Including 19 thousand tons of bananas exported to Chile in ordinary cargo boats.

[j] Rice.

[k] 62 thousand tons of coffee and cacao.

NOTE: Small shipments of cargo in bulk, exported to different markets of destination, have been included in the column "General cargo", because they are usually carried in boats belonging to regular services.

TABLE 115. SOUTH AMERICA: MARITIME IMPORT TRADE CLASSIFIED BY TYPES OF CARGO, 1952
(Thousands of tons)

Importer country	Origin	Liquid fuels	Bulk cargo [a]	General cargo	Cold cargo	Total	Percentage
Argentina	South America	2,284	60 [b]	458	178 [c]	2,980	28.3
	Mexico, Central America and Caribbean area	2,341	—	18		2,359	22.4
	United States and Canada	354	975 [b]	499		1,828	17.4
	Europe	—	1,065 [b d]	1,024		2,089	19.9
	Asia, Africa and Oceania	1,080	13 [b]	165		1,258	12.6
	TOTAL	6,059	2,113	2,164	178	10,514	100
	Average 1950–52	5,575	2,291	3,176	134	11,176	
Bolivia	South America	49	40 [c]	1	—	90	25.5
	Mexico, Central America and Caribbean area	35	—	—	—	35	9.9
	United States and Canada	18	78 [f b]	100	—	196	55.5
	Europe	—	8 [b]	23	—	31	8.8
	Asia, Africa and Oceania	—	—	1	—	1	0.3
	TOTAL	102	126	125	—	353	100
	Average 1950–52	87	93	95	—	275	
Brazil	South America	2,563	64 [f]	243	1	2,871	23.9
	Mexico, Central America and Caribbean area	3,554	—	48	—	3,602	30.0
	United States and Canada	115	2,464 [f b]	885	—	3,464	28.8
	Europe	—	849 [d b]	1,120	—	1,969	16.4
	Asia, Africa and Oceania	—	—	106	—	106	0.9
	TOTAL	6,232	3,377	2,402	1	12,012	100
	Average 1950–52	5,397	3,111	2,387	—	10,895	
Chile	South America	488	150 [e f]	121	—	759	30.7
	Mexico, Central America and Caribbean area	617	62 [e]	3	—	682	27.6
	United States and Canada	217	407 [f b]	262	—	886	35.8
	Europe	—	—	141	—	141	5.7
	Asia, Africa and Oceania	—	—	6	—	6	0.2
	TOTAL	1,322	619	533	—	2,474	100
	Average 1950–52	1,293	513	531	—	2,337	
Colombia	South America	18	—	18	—	36	3.3
	Mexico, Central America and Caribbean area	350	—	13	—	363	33.7
	United States and Canada	5	29 [f]	466	—	500	46.5
	Europe	—	—	170	—	170	15.8
	Asia, Africa and Oceania	—	—	8	—	8	0.7
	TOTAL	373	29	675	—	1,017	100
	Average 1950–52	285	42	696	—	1,023	
Ecuador	South America	19	—	11	—	30	15.7
	Mexico, Central America and Caribbean area	4	—	3	—	7	3.6
	United States and Canada	2	35 [f]	83	—	120	62.9
	Europe	—	—	32	—	32	16.7
	Asia, Africa and Oceania	—	—	2	—	2	1.1
	TOTAL	25	35	131	—	191	100
	Average 1950–52	17	16	131	—	164	
Paraguay	South America	—	—	—	—	—	
	Mexico, Central America and Caribbean area	24	—	3	—	27	27.3
	United States and Canada	3	44 [f]	—	—	47	47.5
	Europe	—	—	22 [c]	—	22	22.2
	Asia, Africa and Oceania	—	—	3	—	3	3.0
	TOTAL	27	44	28	—	99	100
	Average 1950–52	17	15	33	—	65	

Importer country	Origin	Liquid fuels	Bulk cargo [a]	General cargo	Cold cargo	Total	Percentage
Peru	South America	—	26 [f]	109	10 [h]	145	16.9
	Mexico, Central America and Caribbean area	—	—	14	—	14	1.6
	United States and Canada	38	210 [f]	262	—	510	59.4
	Europe	—	—	172	—	172	19.8
	Asia, Africa and Oceania	—	—	20	—	20	2.3
	TOTAL	38	236	577	10	861	100
	Average 1950–52	45	212	500	7	764	
Uruguay	South America	888	29 [e]	63	22 [c]	1,002	54.4
	Mexico, Central America and Caribbean area	163	36 [e]	2	—	201	10.9
	United States and Canada	34	84 [b]	86 [g]	—	204	11.2
	Europe	—	12 [b]	233 [g]	—	245	13.3
	Asia, Africa and Oceania	137	9 [b]	41	—	187	10.2
	TOTAL	1,222	170	425	22	1,839	100
	Average 1950–52	1,029	219	400 [g]	20 [g]	1,668	
Venezuela	South America	—	—	15	—	15	0.8
	Mexico, Central America and Caribbean area	52	58 [e d]	61	—	171	9.5
	United States and Canada	15	11 [d]	1,137	—	1,163	64.4
	Europe	—	33 [b]	386	—	419	23.2
	Asia, Africa and Oceania	—	—	38	—	38	2.1
	TOTAL	67	102	1,637	—	1,806	100
	Average 1951–52	66	195	1,578	—	1,839	

SOURCE: Official statistics.

[a] The column "Bulk cargo" includes not only goods carried in bulk, such as coal and wheat, but also those transported in sacks, and often constituting complete point-to-point shipments, as in the case of raw sugar and also cement.

[b] Coal.

[c] Bananas.

[d] Cement.

[e] Sugar.

[f] Wheat.

[g] Estimates of volume.

[h] Meat.

Table 116. South America: General cargo trade flows, 1952

(Thousands of tons)

		Northward routes via the Atlantic				*Countries*	*Southward routes via the Atlantic*					
	Total	*To South Pacific*	*To Asia, Africa & Oceania*	*To Europe*	*To America*	*Exporter | Importer*	*To America*	*To Europe*	*To Asia, Africa & Oceania*	*To South Pacific*	*Total*	
	1,680	79	18	1,159	424	. . . Argentina	664	1,171	165	164	2,164	
	351	11	29	220	91	. . . Uruguay	112	257	41	15	425	
	67	—	2	27	38	. . . Paraguay	3	22	3	—	28	
342 [a]	2,053	28	208	652	823	. . . Brazil	934	1,120	106	63	2,403	180 [b]
		118	257	2,058	1,376	. . . Total per route .	1,713	2,570	315	242		
		Northward routes via the Pacific					*Southward routes via the Pacific*					
		To South Atlantic	*To Asia, Africa & Oceania*	*To Europe*	*To America*		*To America*	*To Europe*	*To Asia, Africa & Oceania*	*To South Pacific*		
	1,095	232	33	317	513	. . . Chile	318	144	6	64	532	
	243	—	1	42	200	. . . Bolivia	101	23	1	—	125	
34 [a]	299	9	1	111	144	. . . Peru	279	172	20	54	578	53 [b]
23 [a]	103	1	—	22	67	. . . Ecuador	86	32	2	—	131	11 [b]
	230	—	—	—	230	. . . Colombia	273	—	—	—	273	
		242	35	492	1,144	. . . Total per route .	1,057	371	29	118		
			Northward routes via the Caribbean				*Southward routes via the Caribbean*					
			To Asia, Africa & Oceania	*To Europe*	*To America*		*To America*	*To Europe*	*To Asia, Africa & Oceania*			
1 [a]	153		1	54	97	. . . Colombia	206	170	8		402	18 [b]
3 [a]	69		—	5	61	. . . Venezuela	1,198	386	38		1,637	15 [b]
			1	59	158	. . . Total per route .	1,404	556	46			
	6,343					. . . Total					8,698	

Source: ECLA, on the basis of official statistics.

[a] Southward routes to America and Europe.

[b] Northward routes to America and Europe.

Table 117. Argentina: Foreign service fleet

Units belonging to the Marina Mercante de Servicio Exterior, Flota Mercante del Estado, Flota Argentina de Navegación de Ultramar and private enterprises

Deadweight tonnage	*Age of vessels (years)* 0-5	6-10	11-20	21-30	31-40	Over 40	*Total*	*Percentage of total fleet*
Up to 6,500	4	6	9	6	10	9	44	43.6
6,501–10,000	12	11	—	2	8	—	33	32.6
Over 10,000	—	18	3	1	2	—	24	23.8
Total	16	35	12	9	20	9	101	
Percentage of total fleet . . .	15.9	34.6	11.9	8.9	19.8	8.9		100.0
	50.5							

Speed (knots)	*Age of vessels (years)* 0-5	6-10	11-20	21-30	31-40	Over 40	*Total*	*Percentage of total fleet*	
Under 10.	—	2	2	3	13	5	25	24.8	
10.1–12	—	11	5	5	5	4	30	29.7	
12.1–15	3	6	1	1	2	—	13	12.9	75.2
Over 15	13	16	4	—	—	—	33	32.6	
Total	16	35	12	9	20	9	101		
Percentage of total fleet . . .	15.9	34.6	11.9	8.9	19.8	8.9		100.0	

Source: Ministry of Transport of Argentina.

Note: Argentina's overseas petroleum fleet comprises 16 tankers with an approximate total of 213 thousand tons deadweight, and a speed of over 14.5 knots.

Table 118. Brazil: Foreign service fleet

Lloyd Brasileiro [a] and Frota Nacional de Petroleiros [b]

Deadweight tonnage	Age of vessels (years) 0-5	6-10	11-20	21-30	Over 40	Total	Percentage of total fleet
Up to 6,500	—	—	—	—	—	—	—
6,501–10,000	—	20	—	—	—	20	62.5
Over 10,000	12	—	—	—	—	12	37.5
Total	12	20	—	—	—	32	100
Percentage of total fleet	37.5	62.5	—	—	—	100	
	100						

Source: Comissão de Marinha Mercante, Río de Janeiro.

[a] Lloyd Brasileiro possesses 20 7-year-old vessels, of 7,870 tons deadweight each, and with a speed of 16.5 knots.

[b] The Frota Nacional de Petroleiros possesses 12 tankers under 5 years old, of which 10 are of 16,000-17,000 tons deadweight, and 2 of 20,000 tons deadweight; their speed is unknown.

Table 119. Colombia: Foreign service fleet

Flota Mercante Gran Colombiana (F.M.G.C.), Compañía Colombiana de Navegación Marítima Ltda. (Navenal) and Compañía Nacional de Navegación S.A. (Coldemar) [a]

Deadweight tonnage	Age of vessels (year) 0-5	6-10	11-20	21-30	31-40	Over 40	Total	Percentage of total fleet
Up to 6,500	6	5	—	—	—	—	11	100.0
6,501–10,000	—	—	—	—	—	—	—	—
Over 10,000	—	—	—	—	—	—	—	—
Total	6	5	—	—	—	—	11	100.0
Percentage of total fleet	54.5	45.5	—	—	—	—	100.0	

Speed (knots)	Age of vessels (years) 0-5	6-10	11-20	21-30	31-40	Over 40	Total	Percentage of total fleet	
Under 10	—	—	—	—	—	—	—	—	
10–12	—	4	—	—	—	—	4	36.4	
12.1–15	6	1	—	—	—	—	7	63.6	100
Over 15	—	—	—	—	—	—	—	—	
Total	6	5	—	—	—	—	11	100.0	
Percentage of total fleet	54.5	45.5	—	—	—	—	100		

Source: Colombian shipping enterprises.

[a] During the year 1955 the motor-launches "Ciudad de Cuencia", "Ciudad de Popayán", "Ciudad de Neiva" and "Ciudad de Santa Marta", of approximately 5,000 tons and 14 knots, will be incorporated into the Flota Mercante Gran Colombiana. The same enterprise will shortly order four other units to be built, with a displacement of 12,000 tons each and a speed of 17 knots.

Table 120. Chile: Foreign service fleet

Compañía Sud Americana de Vapores, (C.S.A.V.), Compañía Chilena de Navegación Interoceánica (C.C.N.I.) and Compañía de Muelles de la Población Vergara (C.M.P.V.) [a]

Deadweight tonnage	*Age of vessels (years)*						*Total*	*Percentage of total fleet*
	0-5	*6-10*	*11-20*	*21-30*	*31-40*	*Over 40*		
Up to 6,500	1	5	—	1	—	3	10	58.9
6,501–10,000		3	1		3	—	7	41.1
Over 10,000	—	—	—	—	—	—	—	—
Total	1	8	1	1	3	3	17	100.0
Percentage of total fleet	5.9	47.1	5.9	5.9	17.6	17.6	100.0	
	53.0							

Speed (knots)	*Age of vessels (years)*						*Total*	*Percentage of total fleet*	
	0-5	*6-10*	*11-20*	*21-30*	*31-40*	*Over 40*			
Under 10	—	—	—	1	1	—	2	11.7	
10–12	—	5	—	—	2	3	10	58.9	
12.1–15	1	—	—	—	—	—	1	5.9	88.3
Over 15	—	3	1	—	—	—	4	23.5	
Total	1	8	1	1	3	3	17	100.0	
Percentage of total fleet	5.9	47.1	5.9	5.9	17.6	17.6	100.0		

Source: Chilean shipping enterprises.

Note: Plus 1 two-year-old tanker, of 16,785 tons deadweight and a speed of 14 knots, belonging to the Sociedad de Navegación Petrolera (SONAP).

[a] During the year 1955 the steamers *Lebu* and *Andalién*, of 10,500 tons deadweight and a speed of over 15 knots, were to be incorporated into the C.S.A.V. fleet.

Table 121. Ecuador: Foreign service fleet

Flota Mercante Gran Colombiana (F.M.G.C.) and 2 vessels belonging to other enterprises

Deadweight tonnage	*Age of vessels (years)*						*Total*	*Percentage of total fleet*
	0-5	*6-10*	*11-20*	*21-30*	*31-40*	*Over 40*		
Up to 6,500	1	4	—	—	—	—	5	100.0
6,501–10,000	—	—	—	—	—	—	—	—
Over 10,000	—	—	—	—	—	—	—	—
Total	1	4	—	—	—	—	5	100.0
Percentage of total fleet	20.0	80.0	—	—	—	—	100.0	

Speed (knots)	*Age of vessels (years)*						*Total*	*Percentage of total fleet*	
	0-5	*6-10*	*11-20*	*21-30*	*31-40*	*Over 40*			
Under 10	—	—	—	—	—	—	—	—	
10–12	—	3	—	—	—	—	3	60.0	
12.1–15	1	1	—	—	—	—	2	40.0	100
Over 15	—	—	—	—	—	—	—	—	
Total	1	4	—	—	—	—	5	100.0	
Percentage of total fleet	20.0	80.0	—	—	—	—	100.0		

Source: Flota Gran Colombiana, Ecuador Section.

Table 122. Peru: Foreign service fleet

Corporación Peruana de Vapores

Deadweight tonnage	*Age of vessels (years)* 0-5	6-10	11-20	21-30	31-40	Over 40	*Total*	*Percentage of total fleet*
Up to 4,000	—	4	—	2	1	1	8	61.5
4,001–6,000	—	—	—	—	—	3	3	23.1
6,001–8,000	—	2	—	—	—	—	2	15.4
Total	—	6	—	2	1	4	13	100.0
Percentage of total fleet	—	46.1	—	15.4	7.7	30.8	100.0	

Source: Corporación Peruana de Vapores.

Table 123. Uruguay: Foreign service fleet

Gross registered tonnage	*Age of vessels (years)* 0-5	6-10	11-20	21-30	31-40	Over 40	*Total*	*Percentage of total fleet*
Up to 6,500	—	2	—	—	—	—	2	50.0
6,501–10,000	—	—	—	—	—	—	—	
Over 10,000	—	—	—	1	1	—	2	50.0
Total	—	2	—	1	1	—	4	100.0
Percentage of total fleet	—	50.0	—	25.0	25.0	—	100.0	

Source: Administración Nacional de Puertos.

Note: Uruguay also possesses 2 tankers of 15,000 tons each, operated by the Administración Nacional de Comestibles, Alcohol y Portland (ANCAP).

Table 124. Venezuela: Foreign service fleet

Compañía Anónima Venezolana de Navegación (C.A.V.N.) [a]

Deadweight tonnage	*Age of vessels (years)* 0-5	6-10	11-20	21-30	31-40	Over 40	*Total*	*Percentage of total fleet*
Up to 6,500	4	7	—	—	—	—	11	100.0
6,501–10,000	—	—	—	—	—	—	—	—
Over 10,000	—	—	—	—	—	—	—	—
Total	4	7	—	—	—	—	11	100.0
Percentage of total fleet	36.4	63.6	—	—	—	—	100.0	

100

Speed (knots)	*Age of vessels (years)* 0-5	6-10	11-20	21-30	31-40	Over 40	*Total*	*Percentage of total fleet*
Under 10	—	—	—	—	—	—	—	—
10–12	—	7	—	—	—	—	7	63.6
12.1–15	4	—	—	—	—	—	4	36.4
Over 15	—	—	—	—	—	—	—	— 100
Total	4	7	—	—	—	—	11	100.0
Percentage of total fleet	36.4	63.6	—	—	—	—	100.0	

Source: Venezuelan shipping enterprises.

Special vessels: 34 tankers with a total of 80,246 tons net registered weight, belonging to the Shell Caribbean Petroleum, Petróleo Lago, Mene Grande Oil and Richmond Exploration Companies, and 2 metal boats belonging to the Iron Mines Company, and totalling 7,473 tons net registered weight.

[a] In April 1955, the C.A.V.N. had 4 motor-launches under construction in Holland.

STATISTICAL APPENDIX

NOTE

In connexion with this Appendix the following points should be borne in mind:

1. The numbers contained in columns (1) and (2) — volumes and values — of the tables summing up exports and imports refer to the individual tables by countries and products in the relevant sections of the Appendix.

2. Some of the tables for individual products whose movement within inter-Latin-American trade is very limited have been excluded from the Appendix, in order to reduce its length as much as possible. They are, however, included in the summaries. Consequently, the numbering of the tables is not always consecutive.

TABLE I-A. LATIN AMERICA: SUMMARY OF EXPORTS TO THE REGION

Tables for individual products (1)	(2)	Product	Average 1934-38 (A)	(B)	(C)	Average 1946-51 (A)	(B)	(C)	1952 (A)	(B)	(C)	1953 (A)	(B)	(C)
		Grand total	*	**112,791**	**100.0**	*	**580,696**	**100.0**	*	**601,233**	**100.0**	*	**720,428**	**100.0**
		Total products listed	*3,759,694.06*	*92,671*	*81.9*	*6,728,017*	*496,736*	*85.3*	*8,762,144*	*525,415*	*87.5*	*10,514,154.03*	*662,961*	*92.0*
		1. Foodstuffs	**1,847,017.06**	**67,596**	**59.8**	**1,885,519**	**276,067**	**47.6**	**1,078,675**	**212,549**	**35.2**	**2,344,256.03**	**367,365**	**51.0**
1	2	Hulled rice	19,451	921	0.8	62,191	10,728	1.8	15,996	2,942	0.5	17,194	3,780	0.5
3	4	Refined and raw sugar	167,354	4,139	3.7	343,605	43,728	7.5	311,728	36,400	6.0	311,518	28,823	4.0
5	6	Frozen meat [a]	6,670 [b]	597	0.5	12,879	4,850	0.8	19,814	10,159	1.7	10,724	5,882	0.8
		Tinned foods:												
7	8	Meat	11,067 [c]	2,144	1.9	7,350	4,487	0.8	2,322	1,883	0.3	2,276	2,039	0.3
9	10	Fruit	357	39	0.0	776	717	0.1	264	197	0.0	446	311	0.0
11	12	Milk	572	74	0.1	435	310	0.1	46	65	0.0	138	222	0.0
13	14	Vegetables	372	47	0.0	1,047	1,249	0.2	217	95	0.0	58	55	0.0
15	16	Fish	88	18	0.0	1,105	589	0.1	263	169	0.0	504	267	0.0
		Stimulants:												
17	18	Cacao	8,791	1,175	1.0	14,322	7,779	1.3	15,641	10,760	1.8	18,952	12,187	1.7
19	20	Coffee	26,542	4,285	3.8	50,900	23,957	4.1	32,729	34,289	5.7	44,248	51,410	7.1
21	22	Tea	0.6	0.2	0.0	323	341	0.1	151	124	0.0	502	596	0.1
23	24	Maté	67,111	4,685	4.2	53,394	8,799	1.5	47,293	10,245	1.7	36,079	8,366	1.2
25	26	Dried beans	15,007	729	0.6	14,930	2,648	0.5	7,959	1,456	0.2	4,138	777	0.1
		Fruit:												
27	28	Fresh	206,414	3,617	3.2	226,130	22,113	3.8	274,943	34,542	5.7	233,526	34,453	4.8
29	30	Dried	4,492	758	0.7	5,412	2,756	0.5	3,692	3,159	0.5	5,068	5,625	0.8
		Livestock:												
31	32	Sheep	29,239 [d]	1,193	1.1	24,440	3,849	0.7	4,150	1,322	0.2	5,469	1,286	0.2
33	34	Pigs	159	33	0.0	4,670	977	0.2	3,386	699	0.1	3,553	760	0.1
35	36	Cattle	78,901 [e]	4,114	3.6	142,768	21,680	3.7	67,081	22,452	3.7	49,770	15,399	2.1
		Edible oils and fats:												
37	38	Oils	289	39	0.0	8,370	4,694	0.8	1,074 [f]	394	0.1	21,006 [g]	9,584	1.3
39	40	Fats	1,576	244	0.2	5,228	3,273	0.6	1,358	1,516	0.3	11,283	8,840	1.2
41	42	Butter	248	89	0.1	1,803	1,534	0.3	827	1,528	0.3	1,348	2,199	0.3
43	44	Malt	6,034	352	0.3	19,231	3,453	0.6	21,868	3,309	0.6	22,202	3,780	0.5
45	46	Cheese	303	91	0.1	1,723	1,237	0.2	953	957	0.2	1,327	1,593	0.2
47	48	Salt	15,361	93	0.1	22,573	346	0.1	21,444	393	0.1	11,325	226	0.0
49	50	Leaf tobacco	7,669	1,611	1.4	9,194	5,667	1.0	4,778	3,349	0.6	5,357	3,560	0.5
		Tobacco manufactures:												
51	52	Cigars	13	119	0.1	402	474	0.1	454	206	0.0	450	180	0.0
53	54	Cigarettes	15	35	0.0	22	100	0.0	1	1	0.0	0.3	0.3	0.0

55	56	Wheat	1,094,120	32,929	29.2	781,735	85,380	14.7	95,659	11,098	1.8	1,423,315	152,398	21.2
187	188	Maize	5,906	105	0.1	27,242	1,664	0.3	26,806	3,023	0.5	46,149	3,512	0.5
57	58	Wheat flour	70,870	3,145	2.8	36,572	5,500	0.9	94,695	15,555	2.6	55,560	9,010	1.2
59	60	Wines	1,254	83	0.1	3,854	735	0.1	1,012	212	0.0	664	140	0.0
61	62	Spirits	772	93	0.1	893	453	0.1	71	50	0.0	107	105	0.0
		2. Raw materials	**333,712**	**10,457**	**9.1**	**1,103,390**	**109,116**	**18.8**	**1,056,297**	**124,367**	**20.8**	**1,012,658**	**125,232**	**17.4**
		A. Agricultural	296,643	8,967	7.8	840,785	83,667	14.3	681,379	85,323	14.3	719,035	85,628	11.7
63	64	Unginned cotton	2,986	773	0.7	30,551	19,945	3.4	32,655	29,422	4.9	40,204	28,075	3.9
		Hides:												
65	66	Raw	10,044 [h]	1,862	1.7	4,362	2,163	0.4	4,751	2,716	0.5	4,256	2,634	0.4
67	68	Tanned	38	70	0.1	1,422	2,863	0.5	625	1,110	0.2	615	1,673	0.2
69	70	Vegetable fibres [i]	709	116	0.1	5,880	2,328	0.4	1,226	993	0.2	1,843	1,168	0.2
		Wool:												
71	72	Greasy	1,258	503	0.4	1,476	1,740	0.3	1,052 [j]	1,283	0.2	859	1,033	0.1
73	74	Washed	944	617	0.5	2,221	3,594	0.6	785	2,513	0.4	1,000	2,810	0.4
75	76	Chemical and mechanical pulp	—	—		200	26	0.0	—	—		—	—	
77	78	Quebracho	10,407	695	0.6	18,350	3,445	0.6	17,974	3,382	0.6	19,807	4,620	0.6
79	80	Oil seeds [k]	34,473	1,290	1.1	6,397	1,352	0.2	12,848	2,875	0.5	13,115	2,362	0.3
81	82	Tagua	3,578	47	0.0	2,354	168	0.0	966	59	0.0	590	54	0.0
		Timber:												
83	84	Rough and partly-worked [l]	221,503	2,926	2.6	731,414	43,756	7.5	588,538	40,422	6.7	645,754	39,922	5.5
85	86	Manufactured [m]	314	9	0.0	6,056	1,689	0.3	301	57	0.0	1,626	237	0.0
87	88	Posts [m]	3,274	31	0.0	20,168	392	0.1	18,886	475	0.1	16,955	314	0.0
89	90	Sleepers [m]	7,115	28	0.0	9,934	206	0.0	772	16	0.0	12,615	726	0.1
		B. Minerals	37,069	1,490	1.3	262,605	25,449	4.5	374,918	39,044	6.5	293,623	39,604	5.4
91	92	Amiant or asbestos	1	0.4	0.0	52	11	0.0	137 [n]	30	0.0	361 [n]	95	0.0
93	94	Sulphur	10,273	203	0.2	6,283	316	0.1	27,255	4,983	0.8	19,487	3,590	0.5
95	96	Cement	1,215	20	0.0	35,653	968	0.2	94,731	2,486	0.4	39,843	943	0.1
		Copper:												
97	98	Ores	—	—		14	7	0.0	—	—		—	—	
99	100	Electrolytic (ingots)	547	129	0.1	11,767	5,019	0.9	3,909	2,528	0.4	2,207	1,732	0.2
101	102	Electrolytic (billets)	—	—		6,864	3,775	0.7	—	—		—	—	
103	104	Standard or blister (ingots)	—	—		872	260	0.0	—	—		163	30	0.0
105	106	Refined or recast	—	—		799	393	0.1	200	142	0.2	18	14	0.0
107	108	Bars, sheet, scrap	84	24	0.0	1,813	1,271	0.2	6,624	6,722	1.1	6,207	5,609	0.8
111	112	Tin bars and ingots	114	99	0.1	164	259	0.0	128	82	0.0	231	338	0.0

TABLE I-A. LATIN AMERICA: SUMMARY OF EXPORTS TO THE REGION (*continued*)

Tables for individual products (1)	(2)	Product	Average 1934-38 (A)	(B)	(C)	Average 1946-51 (A)	(B)	(C)	1952 (A)	(B)	(C)	1953 (A)	(B)	(C)
		Iron and steel:												
113	114	Pig-iron				25,158	2,180	0.4	39,759	4,094	0.7	14,723	2,409	0.3
115	116	Bars, shapes and strip .				1,872	211	0.0	30,454	3,584	0.6	21,876	2,105	0.3
117	118	Sheet and rolled metal .				409	56	0.0	23,995	4,915	0.8	55,364	13,500	1.9
119	120	Iron and steel in various forms				5	3	0.0	1	1	0.0	5	1	0.0
121	122	Tinplate				—	—		407	134	0.0	1,504	397	0.1
		Lead:												
123	124	Ores and concentrates .	3,656	257	0.2	2,154	353	0.1	6,604	1,706	0.3	7,155	1,291	0.2
125	126	Bars and ingots	3,556	310	0.3	15,754	4,417	0.8	4,514	1,478	0.2	4,790	1,199	0.2
127	128	Fertilizers	17,495 [o]	432 [p]	0.4	150,315	5,183	0.9	104,633	4,796	0.8	114,893	5,330	0.7
		Zinc:												
129	130	Ores and concentrates .	—	—		268	24	0.0	424	38	0.0	20	4	0.0
131	132	Bars and ingots	128	16	0.0	2,389	743	0.1	3,751 [q]	1,325	0.2	4,776 [r]	1,017	0.1
		3. Fuels	**1,577,017**	**13,624**	**12.2**	**3,717,177**	**63,453**	**10.9**	**6,607,253**	**135,533**	**22.6**	**7,145,495**	**151,892**	**21.1**
133	134	Coal	58,241	282	0.3	87,653	1,791	0.3	41,342	1,006	0.2	35,726	490	0.1
135	136	Petroleum and derivatives	918,776	13,342	11.9	3,629,524	61,662	10.6	6,565,911	134,527	22.4	7,109,749	151,402	21.0
137	138	Crude	375,031	4,381	3.9	1,629,142	24,804	4.3	2,927,343	54,666	9.1	3,082,256	58,994	8.2
139	140	Aviation spirit	132,929	3,095	2.7	258,632	9,118	1.6	182,001	6,927	1.2	123,736	4,644	0.6
141	142	Petrol	50,851	1,616	1.4	193,451	6,365	1.1	1,004,288	35,626	5.9	1,135,596	44,087	6.1
143	144	Kerosene	50,766	1,025	0.9	48,234	1,208	0.2	94,360	2,585	0.4	113,350	3,215	0.4
145	146	Diesel oil	13,890	183	0.2	358,461	6,057	1.0	663,819	15,470	2.6	928,642	21,004	2.9
147	148	Fuel oil	285,988	2,527	2.2	1,134,374	13,622	2.3	1,647,267	18,027	3.0	1,690,515	17,998	2.5
149	150	Mineral oils and greases	4,872	434	0.4	2,295	343	0.1	1,842	341	0.1	9,798	446	0.1
151	152	Asphalt	4,439	80	0.1	3,451	84	0.0	39,395	746	0.1	25,856	1,014	0.1
153	154	Other derivatives . . .	10	1	0.0	1,484	61	0.0	5,596	139	0.0	—	—	
		4. Manufactured goods .	**1,948**	**994**	**0.8**	**21,931**	**48,100**	**8.0**	**19,919**	**52,966**	**8.9**	**11,745**	**18,472**	**2.4**
		Copper:												
155	156	Wire	—	—		1,677	1,077	0.2	7,578	7,681	1.3	6,377	5,939	0.8
157	158	Tubing	—	—		243	186	0.0	158	149	0.0	8	8	0.0
159	160	Other manufactured products	8	8	0.0	446	585	0.1	1	4	0.0	2	3	0.0
		Iron and steel:												
161	162	Wire rod and related products, bars [s]	—	—		202	61	0.0	6	6	0.0	3	3	0.0
163	164	Rails and railway accessories	—	—		1,717	88	0.0	—	—		—	—	
165	166	Metal structures	—	—		724	440	0.1	—	—		—	—	
167	168	Tubing	—	—		3,774	862	0.1	1,504	329	0.1	82	39	0.0

		Yarns:												
169	170	Cotton	154	109	0.1	1,661	5,995	1.0	4,305	27,711	4.6	75	198	0.0
171	172	Woollen	18	24	0.0	502	2,590	0.4	988	6,105	1.0	617	3,758	0.5
173	174	Linen	4	5	0.0	108	264	0.0	109	381	0.1	101	419	0.1
175	176	Paper and board	66	24	0.0	780	232	0.0	1,030	334	0.1	709	212	0.0
177	178	Pharmaceutical products .	237	211	0.2	1,702	4,545	0.8	734	2,931	0.5	753	2,280	0.3
179	180	Hard fibre sacks [t]	1,068	199	0.2	291	134	0.0	199	163	0.0	166	59	0.0
		Textiles:												
181	182	Cotton	382	371	0.3	7,609	29,110	5.0	2,243	5,433	0.9	1,839	3,886	0.5
183	184	Woollen	16	39	0.0	119	1,093	0.2	26	108	0.0	10	40	0.0
185	186	Rayon	3	4	0.0	386	838	0.1	1,038	1,631	0.3	1,003	1,628	0.2

SOURCE: Official foreign trade statistics.
(*1*) Tables of exports by products and countries, in tons.
(*2*) Tables of exports by products and countries, in values.
(*A*) Tonnages.
(*B*) F.o.b. values (thousands of dollars).
(*C*) Percentages.
[*] The difficulties inherent in the preparation of tonnage statistics, on account of the lack of uniformity in the physical units recorded in national sources, have made it impossible to include these among the totals computed for the present *Study*.
[a] Including beef, mutton, pork, poultry and offal.
[b] 6,433 tons exported by Brazil to Uruguay but not registered in the latter country's import statistics.
[c] 7,886 tons exported by Brazil to Uruguay but not registered in the latter country's import statistics.
[d] 28,048 tons exported by Argentina to Chile; the latter country registers imports of only 19,207 tons from Argentina.
[e] 32,891 tons exported by Uruguay to Brazil. Brazil registers imports from Uruguay of only 8,144 tons.
[f] 96 tons exported by Argentina to Chile. The latter country registers imports of 3,582 tons from Argentina.
[g] 19,506 tons exported by Argentina to Chile. Chile registers imports from Argentina of only 10,030 tons.
[h] 6,203 tons exported by Brazil to Uruguay, but not registered in the latter country's import statistics.
[i] Including jute, hemp, flax, henequen and sisal.
[j] 573 tons exported by Argentina to Peru, but not registered in the latter country's import statistics.
[k] Including peanut, copra, palm, cotton, soya bean, sesame and sunflower.
[l] Including exports of posts and sleepers from Central America.
[m] Including exports from South America only.
[n] Exports to Chile and Cuba, not registered in these countries' yearbooks.
[o] Import statistics.
[p] Estimate.
[q] Mexico contributes 3,670 tons exported to Brazil and Chile but not registered in these countries' import statistics.
[r] Mexico contributes 3,824 tons exported to Brazil and Chile, but, as in 1952, not registered by these countries.
[s] Including wire, nails, bolts, nuts, screws and rivets.
[t] Including jute, henequen, abacá, etc.

Table I-B. Latin America: Summary of exports to the rest of the world

Tables for individual products (1)	(2)	Product	Average 1934-38 (A)	(B)	(C)	Average 1946-51 (A)	(B)	(C)	1952 (A)	(B)	(C)	1953 (A)	(B)	(C)
		Grand total	*	**1,922,973**	**100.0**	*	**6,146,895**	**100.0**	*	**7,067,541**	**100.0**	*	**7,659,533**	**100.0**
		Total products listed	*57,561,111*	*1,632,637*	*84.8*	*95,210,635*	*5,296,989*	*85.7*	*105,159,338*	*6,251,879*	*89.0*	*116,001,888*	*6,701,813*	*88.4*
		1. Foodstuffs	**17,805,814**	**802,814**	**41.6**	**14,960,313**	**2,781,562**	**45.1**	**11,543,126**	**3,087,107**	**43.5**	**15,318,071**	**3,598,017**	**46.9**
1	2	Hulled rice	42,529	2,294	0.1	228,466	38,218	0.6	247,217	42,386	0.6	97,805	18,828	0.2
3	4	Refined and raw sugar	3,346,201	117,827	6.1	6,015,434	629,977	10.2	5,849,402	628,946	8.9	6,714,371	629,402	8.2
5	6	Frozen meat [a]	593,481	78,404	4.1	438,709	138,758	2.3	225,448	99,427	1.4	264,393	123,481	1.6
		Tinned foods:												
7	8	Meat	67,192	25,691	1.3	203,197	104,633	1.7	97,193	57,329	0.8	99,249	83,761	1.1
9	10	Fruit	4,223	430	0.0	31,722	8,064	0.1	16,724	3,475	0.0	25,393	5,627	0.1
11	12	Milk	662	87	0.0	1,870	1,327	0.0	182	147	0.0	133	378	0.0
13	14	Vegetables	521	71	0.0	2,443	1,952	0.0	774	300	0.0	182	146	0.0
15	16	Fish	2,443	567	0.0	12,270	6,350	0.1	17,788	8,751	0.1	15,295	8,116	0.1
		Stimulants:												
17	18	Cacao	185,684	22,639	1.2	181,128	98,593	1.6	135,846	95,411	1.4	184,979	120,529	1.6
19	20	Coffee	1,154,983	245,793	12.8	1,674,962	1,070,452	17.4	1,593,422	1,788,813	25.3	1,704,677	1,971,887	25.8
21	22	Tea	2	1	0.0	420	420	0.0	210	184	0.0	534	628	0.0
23	24	Maté	67,841	4,972	0.3	53,789	8,942	0.1	47,548	10,385	0.1	36,454	8,631	0.1
25	26	Dried beans	37,402	1,782	0.1	75,966	11,646	0.2	32,224	6,353	0.1	26,568	4,614	0.1
		Fruit:												
27	28	Fresh	1,969,556	40,787	2.1	1,777,725	83,866	1.4	2,054,479	112,884	1.6	2,161,774	132,161	1.7
29	30	Dried	12,436	3,265	0.2	10,469	6,996	0.1	8,914	6,822	0.1	14,899	13,629	0.2
		Livestock:												
31	32	Sheep	29,653	1,233	0.1	24,463	4,154	0.1	4,153	1,326	0.0	5,479	1,290	0.0
33	34	Pigs	211	39	0.0	4,680	981	0.1	3,386	699	0.0	3,553	760	0.0
35	36	Cattle	126,657	5,792	0.3	165,055	24,763	0.4	95,181	28,012	0.4	79,805	22,953	0.3
		Edible oils and fats:												
37	38	Oils	2,049	288	0.0	86,316	45,873	0.7	20,682	9,340	0.1	33,549	13,714	0.2
39	40	Fats	35,493	4,895	0.3	36,406	20,773	0.3	3,388	2,602	0.0	12,664	9,199	0.1
41	42	Butter	8,332	2,823	0.1	9,383	9,658	0.2	1,516	2,584	0.0	15,068	17,717	0.2
43	44	Malt	7,870	463	0.0	22,046	4,095	0.1	23,384	3,574	0.1	22,212	3,787	0.0
45	46	Cheese	1,451	424	0.0	10,220	7,432	0.1	2,871	3,154	0.0	4,765	5,464	0.1
47	48	Salt	15,712	99	0.0	26,801	370	0.0	50,333	515	0.0	22,558	295	0.0
49	50	Leaf tobacco	55,216	16,044	0.8	78,871	59,605	1.0	73,031	62,992	0.9	61,564	62,504	0.8
		Tobacco manufactures:												
51	52	Cigars	211	3,891	0.2	584	6,389	0.1	621	6,284	0.1	611	6,241	0.1
53	54	Cigarettes	31	68	0.0	46	187	0.0	2	2	0.0	1	1	0.0
55	56	Wheat	3,298,191	93,675	4.9	2,185,946	250,622	4.1	117,166	13,466	0.2	2,527,237	243,552	3.2
187	188	Maize	6,619,447	121,344	6.3	1,635,646	125,683	2.0	700,335	70,871	1.0	1,119,759	77,879	1.0
57	58	Wheat flour	102,828	4,465	0.2	44,755	6,449	0.1	113,007	18,212	0.3	57,225	9,222	0.1
59	60	Wines	13,891	674	0.0	19,492	1,738	0.0	5,511	865	0.0	4,118	644	0.0
61	62	Spirits	3,415	1,987	0.1	3,033	2,596	0.0	1,188	996	0.0	1,197	977	0.0

		2. Raw materials	**4,372,271**	**478,094**	**24.9**	**5,878,726**
		A. Agricultural	1,732,057	272,997	14.4	2,761,967
63	64	Unginned cotton	328,629	85,728	4.5	430,191
		Hides:				
65	66	Raw	280,443	67,180	3.5	285,115
67	68	Tanned	801	782	0.0	11,467
69	70	Vegetable fibres [b]	114,968	9,535	0.5	150,053
		Wool:				
71	72	Greasy	176,265	73,447	3.8	178,348
73	74	Washed	18,604	10,459	0.5	37,685
75	76	Chemical and mechanical pulp	—	—		1,454
77	78	Quebracho	232,503	13,702	0.7	216,361
79	80	Oil seeds [c]	144,959	5,670	0.3	74,662
81	82	Tagua	29,708	848	0.0	10,415
		Timber:				
83	84	Rough and partly-worked [d]	385,946	5,513	0.3	1,213,499
85	86	Manufactured [e]	877	23	0.0	16,886
87	88	Posts [e]	10,637	80	0.0	21,503
89	90	Sleepers [e]	7,717	30	0.0	14,228
		B. Minerals	2,640,214	205,097	10.5	3,116,759
91	92	Amiant or asbestos	4	3	0.0	168
93	94	Sulphur	19,653	357	0.0	10,733
95	96	Cement	1,547	25	0.0	40,995
		Copper:				
97	98	Ores	144,975	5,823	0.3	162,826
99	100	Electrolytic (ingots)	138,502	29,022	1.5	185,345
101	102	Electrolytic (billets)	—	—	—	8,814
103	104	Standard or blister (ingots)	194,945	44,878	2.3	141,296
105	106	Refined or recast	—	—	—	73,142
107	108	Bars, sheet, scrap	34,340	11,101	0.6	19,782
		Tin:				
109	110	Ores and concentrates	1,011	404	0.0	132
111	112	Bars and ingots	43,096	31,728	1.6	53,411
		Iron and steel:				
113	114	Pig-iron	—	—	—	44,928
115	116	Bars, shapes and strip	—	—	—	2,016
117	118	Sheet and rolled metal	—	—	—	654
119	120	Iron and steel in various forms	—	—	—	85
121	122	Tinplate	—	—	—	—
		Lead:				
123	124	Ores and concentrates	106,645	6,702	0.3	82,737
125	126	Bars and ingots	222,217	22,645	1.2	230,653
127	128	Fertilizers	1,440,896	32,973	1.7	1,599,484

1,360,064	**23.3**	**5,618,300**	**1,472,395**	**22.9**	**5,633,475**	**1,461,495**	**20.9**
915,567	16.0	2,244,811	778,588	11.9	2,635,910	891,586	12.5
291,858	4.7	394,473	294,154	4.2	559,211	262,478	3.4
178,111	2.9	241,186	121,320	1.7	234,897	118,848	1.6
19,908	0.3	2,793	4,397	0.1	4,379	8,277	0.1
42,977	0.7	103,850	38,867	0.5	108,758	31,725	0.4
174,009	2.8	145,973	169,207	2.4	226,570	290,339	3.8
55,473	0.9	17,131	29,977	0.4	26,271	49,089	0.6
266	0.0	2,623	919	0.0	6,493	2,017	0.0
65,724	1.1	191,004	35,798	0.5	202,547	42,041	0.5
13,460	0.2	116,630	19,561	0.3	78,792	11,438	0.1
743	0.0	6,338	422	0.0	7,999	510	0.0
68,050	1.1	995,058	62,823	0.9	1,141,564	73,318	1.0
4,233	0.1	1,647	409	0.0	1,901	319	0.0
446	0.0	19,208	497	0.0	17,129	319	0.0
309	0.0	6,897	237	0.0	19,399	868	0.0
444,497	7.3	3,373,489	693,807	9.8	3,017,565	569,909	7.5
32	0.0	471	83	0.0	743	208	0.0
531	0.0	49,065	7,747	0.1	26,518	4,318	0.1
1,050	0.0	97,718	2,564	0.0	39,885	945	0.0
17,029	0.3	216,079	32,935	0.5	212,489	25,000	0.3
81,552	1.3	162,992	114,279	1.6	98,778	72,021	0.9
4,853	0.1	—	—	—	—	—	—
56,394	0.9	114,175	82,433	1.2	171,604	128,648	1.7
34,424	0.6	148,055	107,586	1.5	95,251	74,344	1.0
10,703	0.2	11,865	12,133	0.2	6,837	6,103	0.1
31	0.0	631	117	0.0	166	33	0.0
64,164	1.0	63,070	72,331	1.0	65,035	62,482	0.8
3,589	0.1	64,408	5,826	0.1	15,197	2,497	0.0
228	0.0	30,460	3,584	0.1	24,899	2,108	0.0
93	0.0	26,756	5,304	0.1	55,364	13,500	0.2
17	0.0	11	2	0.0	22	3	0.0
—		407	134	0.0	1,504	397	0.0
12,086	0.2	153,078	25,209	0.4	141,029	20,911	0.3
65,250	1.1	246,420	87,098	1.2	269,290	67,184	0.9
54,671	0.9	1,321,091	57,798	0.8	1,235,054	54,716	0.7

TABLE I-B. LATIN AMERICA: SUMMARY OF EXPORTS TO THE REST OF THE WORLD (*continued*)

Tables for individual products (1)	(2)	Product	Average 1934-38 (A)	(B)	(C)	Average 1946-51 (A)	(B)	(C)	1952 (A)	(B)	(C)	1953 (A)	(B)	(C)
		Zinc:												
129	130	Ores and concentrates	260,819	15,888	0.8	416,318	26,328	0.4	623,001	59,890	0.8	497,421	21,714	0.3
131	132	Bars and ingots	31,568	3,648	0.2	43,240	11,472	0.2	43,736	16,754	0.2	60,839	12,777	0.2
		3. Fuels	**35,379,488**	**350,321**	**18.2**	**74,319,763**	**1,063,352**	**17.3**	**97,951,646**	**1,600,896**	**22.6**	**95,017,975**	**1,578,004**	**20.6**
133	134	Coal	159,072	828	0.0	117,440	1,804	0.0	41,420	1,007	0.0	35,741	490	0.0
135	136	Petroleum and derivatives	35,220,416	349,493	18.2	74,202,323	1,061,548	17.3	97,910,206	1,599,889	22.6	94,982,234	1,577,514	20.6
137	138	Crude	31,753,469	298,162	15.5	65,740,326	918,338	14.9	83,040,607	1,343,839	19.0	75,517,995	1,268,380	16.6
139	140	Aviation spirit	310,555	7,295	0.4	283,787	9,690	0.2	182,013	6,928	0.1	124,156	4,673	0.1
141	142	Petrol	415,831	10,995	0.6	645,398	20,457	0.3	1,588,274	55,711	0.8	1,715,888	64,907	0.8
143	144	Kerosene	181,363	3,093	0.2	191,640	4,103	0.1	290,724	7,979	0.1	310,710	9,015	0.1
145	146	Diesel oil	431,207	6,041	0.3	1,862,710	34,862	0.6	2,929,920	68,321	1.0	4,305,526	84,049	1.1
147	148	Fuel oil	1,814,539	15,726	0.8	5,436,501	72,653	1.2	9,671,904	111,862	1.6	12,782,433	139,876	1.8
149	150	Mineral oils and greases	47,100	3,773	0.2	8,455	634	0.0	62,036	1,892	0.0	102,768	3,375	0.0
151	152	Asphalt	266,315	4,403	0.2	17,361	425	0.0	59,261	1,232	0.0	50,450	1,591	0.0
153	154	Other derivatives	37	5	0.0	16,145	386	0.0	85,467	2,125	0.0	72,308	1,648	0.0
		4. Manufactured goods	**3,578**	**1,408**	**0.1**	**51,883**	**92,011**	**1.5**	**46,286**	**91,481**	**1.2**	**32,367**	**64,297**	**0.9**
		Copper:												
155	156	Wire	—	—		6,372	4,700	0.1	12,804	12,803	0.2	6,437	5,989	0.1
157	158	Tubing	—	—		243	186	0.1	158	149	0.0	9	9	0.0
159	160	Other manufactured products	285	38	0.0	651	862	0.1	580	348	0.0	327	136	0.0
		Iron and steel:												
161	162	Wire rod and related products, bars	—	—		213	67	0.0	11	7	0.0	7	5	0.0
163	164	Rails and railway accessories	—	—		1,744	91	0.0	—	—		—	—	
165	166	Metal structures	—	—		784	489	0.0	95	48	0.0	2	0.2	
167	168	Tubing	—	—		5,143	1,080	0.0	3,954	854	0.0	199	68	0.0
		Yarns:												
169	170	Cotton	157	111	0.0	2,088	6,609	0.1	4,358	27,789	0.4	76	200	0.0
171	172	Woollen	20	26	0.0	2,906	13,460	0.2	9,968	30,581	0.4	15,422	44,230	0.6
173	174	Linen	4	5	0.0	119	272	0.0	111	385	0.0	101	419	0.0
175	176	Paper and board	309	53	0.0	1,806	510	0.0	1,090	346	0.0	731	230	0.0
177	178	Pharmaceutical products	298	315	0.0	12,330	8,826	0.1	7,336	7,715	0.1	5,077	5,993	0.1
179	180	Hard fibre sacks [f]	1,964	346	0.0	431	217	0.0	377	218	0.0	436	134	0.0
		Textiles:												
181	182	Cotton	431	418	0.0	16,089	51,091	0.8	4,369	8,450	0.1	2,373	4,688	0.1
183	184	Woollen	28	64	0.0	311	2,252	0.3	36	152	0.0	165	558	0.0
185	186	Rayon	42	32	0.0	603	1,299	0.0	1,039	1,636	0.0	1,005	1,368	0.0

SOURCE: Official foreign trade statistics.
(*1*) Tables of exports by products and countries, in tons.
(*2*) Tables of exports by products and countries, in values.
(*A*) Tonnages.
(*B*) F.o.b. values (thousands of dollars).
(*C*) Percentages.
* The difficulties inherent in the preparation of tonnage statistics, on account of the lack of uniformity in the physical units recorded in national sources, have made it impossible to include these among the totals computed for the present *Study*.

[a] Including beef, mutton, pork, poultry and offal.
[b] Including jute, hemp, flax, henequen and sisal.
[c] Including peanut, copra, palm, cotton, soya bean, sesame and sunflower.
[d] Including exports of posts and sleepers from Central America.
[e] Exports from South America only.
[f] Including jute, henequen, abacá, etc.

Table II-a. Latin America: Summary of imports from the region

Tables for individual products (1)	(2)	Product	Average 1934-38 (A)	(B)	(C)	Average 1946-51 (A)	(B)	(C)	1952 (A)	(B)	(C)	1953 (A)	(B)	(C)
		Grand total	*	**130,032**	**100.0**	*	**644,697**	**100.0**	*	**736,750**	**100.0**	*	**785,520**	**100.0**
		Total products listed	*3,248,420*	*102,327*	*79.3*	*6,050,268*	*522,352*	*85.5*	*8,153,110*	*656,250*	*87.5*	*9,218,634*	*722,877*	*92.1*
		1. Foodstuffs	**1,809,094**	**73,156**	**56.9**	**1,828,415**	**292,252**	**45.4**	**1,104,942**	**242,221**	**32.6**	**2,202,754**	**372,931**	**47.5**
1	2	Hulled rice	49,308 [a]	2,308 [a]	1.8	53,995	12,282	1.9	18,327	3,328	0.5	13,028	2,981	0.4
3	4	Refined and raw sugar	160,011	4,735	3.6	328,870	48,972	7.6	267,246	36,527	5.0	378,264	42,561	5.4
5	6	Frozen meat [b]	1,784	104	0.1	8,804	3,116	0.5	19,569	10,494	1.4	9,340	5,265	0.7
		Tinned foods:												
7	8	Meat	596	170	0.1	7,422	4,855	0.8	1,384	1,772	0.2	1,474	1,732	0.2
9	10	Fruit	404	19	0.0	701	311	0.0	246	133	0.0	378	157	0.0
11	12	Milk	573	89	0.1	387	316	0.0	78	114	0.0	154	189	0.0
13	14	Vegetables	285	32	0.0	1,413	417	0.1	502	302	0.0	201	62	0.0
15	16	Fish	91	18	0.0	595	344	0.1	259	237	0.0	516	235	0.0
		Stimulants:												
17	18	Cacao	8,421	1,177	0.9	14,464	8,488	1.3	15,121	11,015	1.5	18,524	13,580	1.7
19	20	Coffee	27,249	4,588	3.5	49,376	24,629	3.8	33,090	34,005	4.6	41,370	47,029	6.0
21	22	Tea	—	—		402	459	0.1	1,006 [c]	3,030	0.4	567	527	0.1
23	24	Maté	67,707	3,999	3.1	54,181	10,117	1.6	49,006	11,141	1.5	36,620	8,527	1.1
25	26	Dried beans	15,005	828	0.6	15,312	3,092	0.5	6,688	1,266	0.2	4,714	724	0.1
		Fruit:												
27	28	Fresh	207,343	6,567	5.1	216,070	28,595	4.4	280,065	43,916	6.0	232,932	42,864	5.5
29	30	Dried	4,188	672	0.5	5,426	2,720	0.4	3,649	2,461	0.3	5,278	3,336	0.4
		Livestock:												
31	32	Sheep	19,520	786	0.6	22,320	2,229	0.3	4,792	1,953	0.3	6,410	1,709	0.2
33	34	Pigs	184	18	0.0	2,913	725	0.1	2,674	610	0.1	3,481	805	0.1
35	36	Cattle	53,591	2,913	2.2	157,823	19,764	3.1	69,624	23,052	3.1	51,845	19,031	2.4
		Edible oils and fats:												
37	38	Oils	126	33	0.0	8,635	4,392	0.7	4,690	2,679	0.4	11,392	5,251	0.7
39	40	Fats	1,021	241	0.2	8,458	4,716	0.7	4,653	3,912	0.5	13,311	7,606	1.0
41	42	Butter	290	115	0.1	2,170	1,574	0.2	631	758	0.1	1,926	2,076	0.3
43	44	Malt	5,948	422	0.3	18,659	3,673	0.6	19,728	3,760	0.5	22,200	5,106	0.7
45	46	Cheese	590	135	0.1	1,442	1,036	0.2	1,171	1,032	0.1	1,360	1,076	0.1
47	48	Salt	16,777	157	0.1	21,713	564	0.1	21,044	800	0.1	13,023	337	0.1
49	50	Leaf tobacco	7,429	2,991	2.3	9,187	6,991	1.1	4,595	3,810	0.5	5,134	4,475	0.6

TABLE II-A. LATIN AMERICA: SUMMARY OF IMPORTS FROM THE REGION (*continued*)

Tables for individual products (1)	(2)	Products	Average 1934-38 (A)	(B)	(C)	Average 1946-51 (A)	(B)	(C)	1952 (A)	(B)	(C)	1953 (A)	(B)	(C)
		Tobacco manufactures:												
51	52	Cigars	122	60	0.0	393	364	0.1	571	350	0.0	570	362	0.1
53	54	Cigarettes	5	7	0.0	31	141	0.0	11	18	0.0	4	23	0.0
55	56	Wheat	1,083,099	36,257	27.9	747,475	87,499	13.6	160,856	19,821	2.7	1,225,791	141,313	18.0
189	190	Maize	4,105	136	0.1	20,479	1,352	0.2	16,943	1,209	0.2	60,023	6,856	0.9
57	58	Wheat flour	71,672	3,431	2.6	45,125	6,860	1.1	95,639	18,037	2.4	42,145	6,763	0.9
59	60	Wines	1,600	126	0.1	2,858	803	0.1	807	292	0.0	530	200	0.0
61	62	Spirits	50	22	0.0	1,316	826	0.1	277	387	0.0	249	173	0.0
		2. Raw materials	**355,067**	**10.596**	**8.1**	**996,328**	**129,264**	**20.1**	**1,028,840**	**160,212**	**20.5**	**982,185**	**155,632**	**19.6**
		A. Agricultural	317,837	9,270	7.2	874,803	99,857	15.6	736,911	104,667	14.1	729,536	110,100	14.0
63	64	Unginned cotton	2,001	586	0.5	32,440	24,760	3.8	29,080	29,990	4.1	36,809	34,805	4.5
		Hides:												
65	66	Raw	1,063	304	0.2	3,133	1,939	0.3	3,987	2,710	0.4	4,336	3,073	0.4
67	68	Tanned	64	138	0.1	642	3,060	0.5	435	2,084	0.3	486	2,245	0.3
69	70	Vegetable fibres [d]	830	95	0.1	5,134	2,260	0.4	1,324	902	0.1	1,801	1,191	0.2
		Wool:												
71	72	Greasy	231	116	0.1	1,108	1,245	0.2	444	765	0.1	956	1,853	0.2
73	74	Washed	661	412	0.3	2,621	4,058	0.6	1,271	5,816	0.8	1,618	5,842	0.8
75	76	Chemical and mechanical pulp	20	1	0.0	235	19	0.0	—	—	—	—	—	—
77	78	Quebracho	11,809	890	0.7	17,768	3,152	0.5	17,538	4,759	0.6	20,572	4,952	0.6
79	80	Oil seeds [e]	30,255	831	0.6	8,255	1,639	0.3	10,090	2,536	0.3	17,224	3,560	0.5
81	82	Tagua	2,680	98	0.1	3,371	479	0.1	1,028	164	0.0	618	136	0.1
		Timber:												
83	84	Rough and partly-worked [f]	246,656	5,552	4.3	749,579	53,916	8.4	619,119	53,160	7.2	605,258	51,362	6.6
85	86	Manufactured [g]	157	14	0.0	6,955	2,153	0.3	876	151	0.0	2,028	281	0.1
87	88	Posts [g]	9,325	147	0.1	30,982	763	0.1	41,555	1,379	0.2	35,187	667	0.1
89	90	Sleepers [g]	12,085	86	0.1	12,580	414	0.1	10,164	251	0.0	2,643	133	0.0
		B. Minerals	37,320	1,326	1.0	121,525	29,407	4.5	291,929	55,545	6.4	525,649	45,532	5.8
91	92	Amiant or asbestos	5	0.4	0.0	62	13	0.0	1	0.4	0.0	—	—	—
93	94	Sulphur	10,704	288	0.2	5,861	502	0.1	30,440	7,151	1.0	15,119	3,257	0.4
95	96	Cement	6,959	101	0.1	31,926	927	0.1	92,219	2,330	0.3	38,587	1,551	0.2
97	98	Copper (ingots, bars and plate)	478	135	0.1	17,089	9,358	1.5	19,974	25,808	3.5	12,373	11,490	1.5
99	100	Tin (bars and ingots)	109	127	0.1	81	211	0.0	78	188	0.0	118	369	0.0
		Iron and steel:												
101	102	Pig-iron	—	—	—	19,139	1,907	0.3	20,982	2,894	0.4	16,708	2,548	0.3
103	104	Billets	—	—	—	627	42	0.0	2,812	436	0.1	—	—	—
105	106	Bars, shapes and strip	—	—	—	2,598	362	0.1	11,132	1,670	0.2	3,616	504	0.1
107	108	Sheet and rolled metal	—	—	—	7,041	1,598	0.2	14,517	3,245	0.4	54,335	13,522	1.7
109	110	Iron and steel in various forms	—	—	—	131	24	0.0	2	1	0.0	25	4	0.0
111	112	Tinplate	—	—	—	234	41	0.0	58	33	0.0	1,796	568	0.1

113	114	Lead bars and ingots . . .	1,427	131	0.1	14,449
115	116	Lead plate and sheet . . .	—	—	—	20
117	118	Fertilizers	17,495	540	0.4	129,512
119	120	Zinc bars and ingots . . .	53	4	0.0	2,452
121	122	Zinc plate	—	—	—	299
		3. Fuels	**1,081,210**	**16,502**	**12.7**	**3,204,040**
123	124	Coal	60,908	317	0.2	87,543
125	126	Petroleum and derivatives .	1,020,302	16,185	12.4	3,116,497
127	128	Crude	355,865	5,567	4.3	1,355,747
129	130	Aviation spirit	169	11	0.0	14,314
131	132	Petrol	170,020	5,077	3.9	362,902
133	134	Kerosene	41,423	1,342	1.0	38,640
135	136	Diesel oil	32,907	355	0.3	149,544
137	138	Mineral oils and greases .	5,250	389	0.3	1,768
139	140	Paraffin wax	71	9	0.0	20
141	142	Asphalt	3,104	71	0.1	1,547
143	144	Turpentine	211	13	0.0	1,096
145	146	Other derivatives	162	8	0.0	3,488
147	148	Fuel oil	411,120	3,343	2.6	1,187,431
		4. Manufactured goods .	**3,049**	**2,073**	**1.6**	**21,485**
		Copper:				
149	150	Wire	19	5	0.0	949
151	152	Tubing	1	1	0.0	259
153	154	Other manufactured products	12	10	0.0	266
		Iron and steel:				
155	156	Wire rod and related products, bars[h]	—	—	—	276
157	158	Rails and railway accessories	—	—	—	814
159	160	Metal structures	—	—	—	641
163	164	Tubing	—	—	—	4,321
		Yarns:				
165	166	Cotton	224	172	0.1	1,624
167	168	Woollen	67	126	0.1	506
169	170	Linen	26	13	0.0	175
171	172	Rayon	5	6	0.0	434
173	174	Electric motors	74	66	0.1	65

5,139	0.8	4,571	2,453	0.3	3,755	1,742	0.2
6	0.0	—	—	—	—	—	—
8,538	1.3	93,820	8,583	0.1	104,685	9,180	1.2
648	0.1	1,236	705	0.1	604	162	0.0
91	0.0	87	48	0.0	928	635	0.1
80,185	**12.5**	**5,999,274**	**191,024**	**25.9**	**6,024,538**	**176,245**	**22.6**
1,732	0.3	39,305	1,268	0.2	39,221	911	0.1
78,453	12.2	5,959,969	189,756	25.7	5,985,317	175,334	22.5
34,721	5.4	2,557,985	78,096	10.6	2,396,720	67,444	8.7
1,023	0.2	9,214	904	0.1	13,807	1,377	0.2
15,228	2.4	976,082	47,587	6.4	1,086,138	49,470	6.4
1,428	0.2	58,395	2,512	0.3	84,357	3,606	0.5
4,504	0.7	601,678	21,634	2.9	697,622	22,317	2.9
190	0.0	492	92	0.0	6,038	412	0.1
3	0.0	122	20	0.0	—	—	
62	0.0	5,391	230	0.0	10,068	550	0.1
41	0.0	45	17	0.0	45	17	0.0
125	0.0	851	77	0.0	—	—	
21,128	3.3	1,749,714	38,587	5.2	1,690,522	30,141	3.9
50,651	**7.5**	**20,054**	**62,793**	**8.5**	**9,157**	**18,069**	
687	0.1	550	734	0.1	190	164	0.0
281	0.0	136	207	0.0	10	10	0.0
214	0.0	118	124	0.0	2	4	0.0
112	0.0	166	146	0.0	199	168	0.0
58	0.0	609	24	0.0	—	—	
315	0.0	233	45	0.0	147	24	0.0
1,179	0.2	3,041	672	0.1	43	32	0.0
5,029	0.8	6,410	44,091	6.0	481	4,012	0.5
2,222	0.3	154	557	0.1	602	1,005	0.1
238	0.0	17	66	0.0	46	157	0.0
779	0.1	1,231	1,390	0.2	263	284	0.0
90	0.0	20	34	0.0	5	8	0.0

TABLE II–A (*continued*)

Tables for individual products (1)	(2)	Product	Average 1934-38 (A)	(B)	(C)	Average 1946-51 (A)	(B)	(C)	1952 (A)	(B)	(C)	1953 (A)	(B)	(C)
175	176	Paper and board	273	49	0.0	280	173	0.0	79	45	0.0	11	15	0.0
177	178	Pharmaceutical products .	248	309	0.2	1,054	4,576	0.7	3,431	5,241	0.7	3,884	5,622	0.7
179	180	Hard fibre sacks [i]	1,235	270	0.2	452	218	0.0	150	80	0.0	247	150	0.0
		Textiles:												
181	182	Cotton	739	846	0.7	8,719	31,720	4.9	2,563	7,154	1.0	1,889	4,633	0.6
183	184	Woollen	77	113	0.1	274	1,972	0.3	44	255	0.0	22	62	0.0
185	186	Linen	2	6	0.0	17	60	0.0	1	8	0.0	16	11	0.0
187	188	Rayon	47	81	0.1	359	728	0.1	1,101	1,920	0.3	1,100	1,708	0.2

SOURCE: Official foreign trade statistics.
(*1*) Tables of imports by products and countries, in tons.
(*2*) Tables of imports by products and countries, in values.
(*A*) Tonnages.
(*B*) C.i.f. values (thousands of dollars).
(*C*) Percentages.
* The difficulties inherent in the preparation of tonnage statistics, on account of the lack of uniformity in the physical units recorded in national sources, have made it impossible to include these among the totals computed for the present *Study*.

[a] 858 tons imported by Argentina from Peru. In the Peruvian yearbooks exports to Argentina of only 14 tons are registered.
[b] Including beef, mutton, pork, poultry and offal.
[c] Including Argentina's imports of unhulled rice.
[d] Including jute, hemp, flax, henequen and sisal.
[e] Including peanut, copra, palm, cotton, soya bean, sesame and sunflower.
[f] Including Central America's imports of posts and sleepers.
[g] Including South America's imports only.
[h] Including wire, nails, bolts, nuts, screws and rivets.
[i] Including jute, henequen, abacá, etc.

TABLE II-B. LATIN AMERICA: SUMMARY OF IMPORTS FROM THE REST OF THE WORLD

Tables for individual products (1)	(2)	Product	Average 1934-38 (A)	(B)	(C)	Average 1946-51 (A)	(B)	(C)	1952 (A)	(B)	(C)	1953 (A)	(B)	(C)
		Grand total	*	**1,357,670**	**100.0**	*	**5,754,432**	**100.0**	*	**7,560,306**	**100.0**	*	**6,296,938**	**100.0**
		Total products listed	*14,486,986*	*575,472*	*42.5*	*25,875,245*	*2,580,137*	*45.3*	*33,409,730*	*3,315,565*	*43.4*	*32,546,425*	*2,837,771*	*45.4*
		1. Foodstuffs	**2,663,861**	**162,171**	**12.1**	**3,846,721**	**715,552**	**12.4**	**4,764,156**	**892,540**	**11.4**	**5,138,769**	**905,471**	**14.6**
1	2	Hulled rice	320,168	14,406	1.1	303,901	65,479	1.1	246,452	56,601	0.7	223,352	49,299	0.8
3	4	Refined and raw sugar	220,827	8,266	0.6	350,208	52,392	0.9	269,077	36,881	0.5	379,278	42,761	0.7
5	6	Frozen meat [a]	1,868	132	0.0	10,781	5,710	0.1	20,171	11,171	0.1	9,870	5,588	0.1
		Tinned foods:												
7	8	Meat	3,856	1,523	0.1	13,706	12,090	0.2	8,051	10,416	0.1	8,475	9,880	0.2
9	10	Fruit	4,350	656	0.0	35,340	10,376	0.2	30,079	8,825	0.1	29,457	9,112	0.1
11	12	Milk	12,770	3,484	0.3	63,623	37,376	0.6	81,153	54,648	0.7	78,955	48,923	0.8
13	14	Vegetables	3,602	685	0.1	16,042	4,947	0.1	10,034	3,545	0.0	7,583	3,531	0.1
15	16	Fish	12,297	7,925	0.6	12,910	7,022	0.1	18,488	8,093	0.1	15,221	7,763	0.1
		Stimulants:												
17	18	Cacao	10,535	1,548	0.1	15,565	9,334	0.2	16,086	11,780	0.2	18,770	13,797	0.2
19	20	Coffee	28,464	4,805	0.4	50,644	25,079	0.4	34,273	34,712	0.5	42,420	47,591	0.8
21	22	Tea	5,341	3,762	0.3	5,381	6,591	0.1	9,107	10,601	0.1	5,452	4,377	0.1
23	24	Maté	67,707	3,999	0.3	54,181	10,118	0.2	49,012	11,147	0.1	36,622	8,528	0.1
25	26	Dried beans	20,345	1,173	0.1	45,916	9,546	0.2	75,647	12,065	0.2	99,966	18,854	0.3
		Fruit:												
27	28	Fresh	229,654	9,308	0.7	260,965	40,609	0.7	322,007	54,232	0.7	272,974	54,008	0.9
29	30	Dried	21,625	3,515	0.3	24,294	11,772	0.2	21,472	10,092	0.1	18,551	11,846	0.2
		Livestock:												
31	32	Sheep	20,229	951	0.1	22,491	2,603	0.0	4,969	2,203	0.0	7,665	2,204	0.0
33	34	Pigs	278	36	0.0	2,970	760	0.0	2,712	627	0.0	3,493	815	0.0
35	36	Cattle	55,005	3,427	0.3	160,122	22,495	0.4	73,460	27,011	0.4	55,640	22,631	0.4
		Edible oils and fats:												
37	38	Oils	46,772	11,088	0.8	27,894	21,246	0.4	43,731	22,911	0.3	41,790	23,023	0.4
39	40	Fats	31 433	6,215	0.5	83,316	38,418	0.7	124,244	81,851	1.1	121,467	71,041	1.1
41	42	Butter	1,681	946	0.1	5,308	6,041	0.1	5,566	7,202	0.1	4,388	5,300	0.1
43	44	Malt	34,601	3,123	0.2	83,491	16,108	0.3	123,156	23,151	0.3	127,673	25,789	0.4
45	46	Cheese	2,677	1,038	0.1	4,684	4,264	0.1	7,918	7,297	0.1	6,678	5,921	0.1
47	48	Salt	59,729	579	0.0	74,244	1,529	0.0	91,812	2,449	0.0	81,364	1,424	0.0
49	50	Leaf tobacco	10,346	4,506	0.3	14,042	15,262	0.3	8,526	11,231	0.1	8,368	10,308	0.2
		Tobacco manufactures:												
51	52	Cigars	238	198	0.0	439	438	0.0	574	369	0.0	575	385	0.0
53	54	Cigarettes	508	997	0.1	2,807	7,936	0.1	3,202	10,179	0.1	2,983	9,852	0.2
55	56	Wheat	1,141,425	38,685	2.8	1,364,766	140,591	2.4	2,441,595	246,753	3.3	2,479,521	257,417	4.1
189	190	Maize	10,521	362	0.0	50,150	3,867	0.1	41,719	3,644	0.0	433,238	37,109	0.6
57	58	Wheat flour	257,594	15,304	0.1	645,758	93,314	1.6	544,017	78,253	1.0	479,797	65,111	1.0
59	60	Wines	20,498	3,883	0.3	21,878	11,659	0.2	15,643	9,777	0.1	15,211	8,631	0.1
61	62	Spirits	6,917	5,646	0.4	18,904	20,580	0.4	20,203	22,823	0.3	21,972	22,652	0.4

TABLE II-B. LATIN AMERICA: SUMMARY

Tables for individual products (1)	(2)	Product	Average 1934-38 (A)	(B)	(C)
		2. Raw materials	**1,847,847**	**70,622**	**5.1**
		A. Agricultural	1,147,796	51,042	3.8
63	64	Unginned cotton	9,636	2,978	0.2
		Hides:			
65	66	Raw	2,064	875	0.1
67	68	Tanned	1,806	6,455	0.5
69	70	Vegetable fibres [b]	44,146	4,811	0.4
		Wool:			
71	72	Greasy	388	259	0.0
73	74	Washed	1,370	1,122	0.1
75	76	Chemical and mechanical pulp	172,702	8,110	0.6
77	78	Quebracho	14,023	1,119	0.1
79	80	Oil seeds [c]	75,284	2,929	0.2
81	82	Tagua	4,538	142	0.0
		Timber:			
83	84	Rough and partly-worked [a]	752,688	19,530	1.4
85	86	Manufactured [e]	22,342	2,063	0.2
87	88	Posts [e]	18,614	419	0.0
89	90	Sleepers [e]	28,195	230	0.0
		B. Minerals	700,051	19,580	1.3
91	92	Amiant or asbestos . . .	2,597	391	0.0
93	94	Sulphur	48,519	1,403	0.1
95	96	Cement	518,667	4,731	0.3
		Copper:			
97	98	Ingots, bars and sheet	15,502	4,538	0.3
		Tin:			
99	100	Bars and ingots	2,343	2,586	0.2
		Iron and steel:			
101	102	Pig-iron	—	—	—
103	104	Billets	—	—	—
105	106	Bars, shapes and strip .	—	—	—
107	108	Sheet and rolled metal .	—	—	—
109	110	Iron and steel in various forms	—	—	—
111	112	Tinplate	—	—	—
		Lead:			
113	114	Bars and ingots	12,279	1,324	0.1
115	116	Plate and sheet	471	66	0.0
117	118	Fertilizers	85,753	3,062	0.2
		Zinc:			
119	120	Bars and ingots	9,339	896	0.1
121	122	Sheet	4,581	583	0.0

OF IMPORTS FROM THE REST OF THE WORLD *(continued)*

Average 1946-51			1952			1953		
(A)	(B)	(C)	(A)	(B)	(C)	(A)	(B)	(C)
4,155,751	**561,009**	**10.0**	**4,992,470**	**700,756**	**9.0**	**4,427,317**	**541,714**	**8.5**
1,577,779	241,223	4.4	1,441,984	258,168	3.4	1,313,533	210,174	3.3
54,140	51,210	0.9	56,736	55,782	0.7	53,337	49,796	0.8
3,715	2,985	0.1	4,967	3,904	0.1	7,137	5,237	0.1
2,032	15,323	0,3	1,554	9,369	0.1	1,832	12,343	0.2
41,262	14,479	0.3	32,936	15,518	0.2	10,535	4,800	0.1
4,344	6,661	0.1	6,753	13,068	0.2	3,984	8,001	0.1
3,539	5,808	0.1	1,843	7,795	0.1	2,242	7,452	0.1
274,290	50,389	0.9	304,170	60,591	0.8	229,008	33,716	0.5
21,933	4,103	0.1	24,812	6,613	0.1	26,537	6,451	0.1
26,591	5,831	0.1	32,818	6,606	0.1	50,730	11,087	0.2
4,165	575	0.0	1,029	164	0.0	618	136	0.0
1,081,757	78,532	1.4	918,140	76,409	1.0	883,398	69,328	1.1
12,736	3,823	0.1	1,776	489	0.0	3,226	768	0.0
32,305	1,016	0.0	42,349	1,485	0.0	36,864	835	0.0
14,970	488	0.0	12,101	375	0.0	4,085	224	0.0
2,577,972	319,786	5.6	3,550,486	442,588	5.6	3,113,784	331,540	5.2
25,619	6,501	0.1	33,043	8,410	0.1	36,960	9,626	0.2
99,130	4,093	0.1	132,138	15,461	0.2	120,254	8,054	0.1
711,519	36,690	0.6	1,805,256	62,579	0.8	1,370,549	38,898	0.6
47,100	29,748	0.5	53,730	61,231	0.8	47,133	45,840	0.7
3,876	9,738	0.2	2,328	6,232	0.1	1,749	4,373	0.1
99,066	6,428	0.1	73,798	8,985	0.1	112,106	10,290	0.2
104,499	9,525	0.2	235,839	32,093	0.4	85,211	8,989	0.1
587,074	81,127	1.4	464,420	85,333	1.1	378,652	53,153	0.8
342,967	55,732	1.0	151,813	55,953	0.7	261,646	57,301	0.9
14,567	3,229	0.1	6,013	2,170	0.0	4,789	1,529	0,0
160,942	35,630	0.6	187,118	55,015	0.7	162,469	44,437	0.7
32,347	11,897	0.2	15,483	7,538	0.1	28,105	10,490	0.2
2,171	892	0.0	739	428	0.0	295	140	0.0
325,159	20,353	0.4	368,540	28,292	0.4	483,826	31,277	0.5
16,995	6,158	0.1	16,599	10,662	0.1	16,527	5,580	0.1
4,941	2,045	0.0	3,629	2,206	0.0	3,513	1,563	0.0

		3. Fuels	**9,357,121**	**97,404**	**7.0**	**16,020,623**
123	124	Coal	4,819,764	28,751	2.1	2,948,930
125	126	Petroleum and derivatives	4,537,357	68,653	4.9	13,071,693
127	128	Crude	513,905	7,966	0.6	2,330,417
129	130	Aviation spirit	224	16	0.0	89,742
131	132	Petrol	572,084	16,766	1.2	2,334,141
133	134	Kerosene	136,294	5,124	0.4	310,937
135	136	Diesel oil	386,507	3,486	0.3	777,907
137	138	Mineral oils and greases	99,335	8,815	0.6	320,614
139	140	Paraffin wax	38,973	3,384	0.2	54,148
141	142	Asphalt	18,622	523	0.0	64,926
143	144	Mineral turpentine	760	101	0.0	2,546
145	146	Other derivatives	5,155	432	0.0	26,196
147	148	Fuel oil	2,765,498	22,040	1.6	6,760,119
		4. Manufactured goods	**618,157**	**245,275**	**18.3**	**1,852,150**
		Copper:				
149	150	Wire	14,572	4,872	0.4	19,853
151	152	Tubing	1,751	779	0.1	4,043
153	154	Other manufactured products	2,905	3,473	0.3	4,822
		Iron and steel:				
155	156	Wire rod and related products, bars	—	—	—	314,815
157	158	Rails and railway accessories	—	—	—	138,016
159	160	Metal structures	—	—	—	95,861
161	162	Balls and shells for mills	—	—	—	5,630
163	164	Tubing	—	—	—	470,588
		Yarns:				
165	166	Cotton	20,090	21,279	1.6	15,512
167	168	Woollen	2,832	5,984	0.4	5,907
169	170	Linen	1,361	786	0.1	1,209
171	172	Rayon	9,525	10,908	0.8	10,705
173	174	Electric motors	5,773	4,451	0.3	15,637
175	176	Paper and board	409,872	34,740	2.6	593,541
177	178	Pharmaceutical products	10,182	23,091	1.7	33,167
179	180	Hard fibre sacks [f]	48,357	6,227	0.5	63,829
		Textiles:				
181	182	Cotton	76,959	82,214	6.1	40,142
183	184	Woollen	6,682	31,894	2.3	3,940
185	186	Linen	2,081	4,359	0.3	2,021
187	188	Rayon	5,215	10,218	0.8	12,912

SOURCE: Official foreign trade statistics.
(*1*) Tables of imports by products and countries, in tons.
(*2*) Tables of imports by products and countries, in values.
(*A*) Tonnages.
(*B*) C.i.f. values (thousands of dollars).
(*C*) Percentages.
* The difficulties inherent in the preparation of tonnage statistics, on account of the lack of uniformity in the physical units recorded in national sources, have made it impossible to include these among the totals computed for the present *Study*.

439,611	**7.7**	**21,808,980**	**746,598**	**9.9**	**21,366,850**	**662,619**	**10.5**
62,487	1.1	3,002,923	76,978	1.0	2,284,676	43,233	0.7
377,124	6.6	18,806,057	669,620	8.9	19,082,174	619,386	9.8
59,601	1.0	3,954,007	129,800	1.7	4,259,671	127,240	2.0
8,458	0.1	276,167	19,878	0.3	278,645	19,146	0.3
98,036	1.7	3,698,666	178,591	2.4	4,021,534	177,951	2.8
10,944	0.2	541,044	22,067	0.3	650,642	24,345	0.4
22,124	0.4	1,384,803	48,356	0.6	1,646,231	52,677	0.8
46,383	0.8	485,564	81,634	1.1	479,621	70,137	1.1
8,862	0.2	85,735	12,168	0.2	90,601	11,716	0.2
3,469	0.1	82,031	3,600	0.0	72,540	3,654	0.1
256	0.0	2,596	207	0.0	2,943	270	0.0
2,882	0.1	10,936	1,432	0.0	7,468	800	0.0
116,109	2.0	8,284,508	171,887	2.3	7,572,278	131,450	2.1
863,965	**15.2**	**1,844,124**	**975,671**	**13.1**	**1,613,489**	**727,967**	**11.8**
17,900	0.3	13,663	16,670	0.2	10,658	12,184	0.2
4,134	0.1	4,266	5,649	0.1	2,781	3,542	0.1
9,197	0.2	3,118	7,170	0.1	1,666	3,992	0.1
62,380	1.1	256,569	76,098	1.0	174,493	39,864	0.6
16,929	0.3	49,088	9,664	0.1	84,017	14,573	0.2
26,661	0.5	112,452	35,012	0.5	139,881	41,002	0.7
1,286	0.0	9,477	2,332	0.0	21,209	5,582	0.1
101,904	1.8	565,939	150,620	2.0	512,258	129,505	2.1
55,025	1.0	17,596	100,360	1.3	9,500	37,276	0.6
28,827	0.5	2,419	13,806	0.2	3,148	12,971	0.2
2,969	0.1	3,731	14,012	0.2	3,317	11,665	0.2
24,637	0.4	10,006	16,611	0.2	10,948	15,118	0.2
22,797	0.4	22,990	29,824	0.4	12,883	22,431	0.4
131,883	2.3	597,109	185,598	2.5	481,288	110,252	1.8
95,545	1.7	52,506	119,281	1.6	43,058	103,745	1.7
25,509	0.4	75,538	35,280	0.5	58,806	30,236	0.5
136,440	2.4	33,463	97,723	1.3	29,607	82,806	1.3
32,945	0.6	2,212	18,905	0.3	2,429	14,104	0.2
13,892	0.2	1,029	5,645	0.1	858	3,286	0.1
53,105	0.9	10,953	35,411	0.5	10,684	33,833	0.5

[a] Including beef, mutton, pork, poultry and offal.
[b] Including jute, hemp, flax, henequen and sisal.
[c] Including peanut, copra, palm, cotton, soya bean, sesame and sunflower.
[d] Including Central America's imports of posts and sleepers.
[e] Including South America's imports only.
[f] Including jute, henequen, abacá, etc.

Table III. Latin America: Degree of dependence on Inter-Latin-American trade for supplies of specific products

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
I. Foodstuffs								
				Hulled rice				
Bolivia	5	30.6 (c, d)	8*	93.7 (c, d, b)	11	—	9	41.1 (b)
Peru	12	38,9 (a)	10	100.0 (a, b, c)	14	99.8 (b)	—	—
Colombia	11	5.6 (a, b)	3	98.9 (a, b)	0.03	79.3 (a)	0.1	100.0 (a)
Venezuela (1938)	13	—	24	60.7 (a, b, f)	3	32.3 (b, e)	7	15.2 (e)
Cuba	201	—	252	5.2 (a, e, c, b)	215	—	200	2.2 (a, e, c, b)
Panama	3	—	3	96.7 (a, e)	3	100.0 (a, e)	—	—

Supplier countries: (*a*) Ecuador; (*b*) Brazil; (*c*) Chile; (*d*) Argentina; (*e*) Nicaragua; (*f*) Mexico; (*g*) Panama.
* Average 1946/49.

Importer countries	Average 1934-38 (A)	Average 1934-38 (B)	Average 1946-51 (A)	Average 1946-51 (B)	1952 (A)	1952 (B)	1953 (A)	1953 (B)
				Refined sugar				
Argentina	0.2	26.4 (a)	4	75.6 (a, c)	—	—	39	100.0 (b, c)
Bolivia	19	95.0 (a, d, c)	32	98.8 (a, d, c, b)	33	97.6 (a, b, c, d)	52	98.9 (a, b, c)
Uruguay	43	3.2 (a)	33	53.3 (a, c, b)	—	—	7	100.0 (b)
Colombia	10	48.0 (b)	3	98.2 (b)	2	98.2 (b)	14	99.8 (b)
Venezuela	..	..	43	97.8 (b, a)	31	99.8 (b)	44	100.0 (b)
Honduras	—	—	6	89.3 (e, b)	6	91.0 (b, e)	..	..

Supplier countries: (*a*) Peru; (*b*) Cuba; (*c*) Brazil; (*d*) Argentina; (*e*) El Salvador.

Importer countries	Average 1934-38 (A)	Average 1934-38 (B)	Average 1946-51 (A)	Average 1946-51 (B)	1952 (A)	1952 (B)	1953 (A)	1953 (B)
				Raw sugar				
Bolivia	3	99.6 (a)	1	100.0 (a)	—	—	—	—
Chile	121	98.8 (a, b)	163	99.9 (a, b, d)	142	100 (a, b)	146	100.0 (a, b)
Uruguay	6	69.4 (a, c)	43	96.1 (a, c)	54	100.0 (a, b)	72	100.0 (b, c, a)

Supplier countries: (*a*) Peru; (*b*) Cuba; (*c*) Brazil; (*d*) Dominican Republic.

Importer countries	Average 1934-38 (A)	Average 1934-38 (B)	Average 1946-51 (A)	Average 1946-51 (B)	1952 (A)	1952 (B)	1953 (A)	1953 (B)
				Frozen meat				
Bolivia	0.2	100.0 (a)	0.1	100.0 (a)	—	—	—	—
Brazil	0.1	100.0 (a, b)	0.3	100.0 (a)	10	100.0 (b, a)	4	100.0 (b, a)
Peru	0.1	88.3 (c, a)	8	100.0 (a)	10	100.0 (a)	5	100.0 (a, b)

Supplier countries: (*a*) Argentina; (*b*) Uruguay; (*c*) Chile.

TABLE III. LATIN AMERICA: DEGREE OF DEPENDENCE ON INTER-LATIN-AMERICAN TRADE FOR SUPPLIES OF SPECIFIC PRODUCTS (*continued*)

Tinned meat

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
Brazil	1	10.6 (a, b)	0.4	92.0 (a, b)	0.04	81.0 (a, b)	—	—
Peru	0.3	44.2 (b, c)	0.4	41.5 (b)	0.5	45.7 (b)	0.5	31.8 (b)
Colombia	0.2	6.2 (b)	0.3	44.0 (b)	0.1	—	0.3	1.7 (a)
Venezuela (1938)	1	8.0 (b, d)	10	57.2 (b, d, a)	5	1.9 (b, d)	5	1.7 (b)
Panama	0.3	10.4 (a)	0.3	56.1 (a)	0.2	29.2 (a)	0.2	74.0 (a)

Supplier countries: (*a*) Uruguay; (*b*) Argentina; (*c*) Chile; (*d*) Brazil.

Tinned fruit

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
Peru	0.4	73.0 (a)	0.5	40.9 (a)	2	7.1 (a)	2	14.5 (a)

Supplier country: (*a*) Chile.

Tinned vegetables

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
Peru	0.2	46.0 (a)	0.3	15.3 (a, c)	0.5	7.0 (a)	0.4	18.2 (a)
Guatemala	0.05	—	0.2*	20.1 (b, d)	0.2	27.6 (b, d)	0.2	13.3 (b, d)

Supplier countries: (*a*) Chile; (*b*) Mexico; (*c*) Argentina; (*d*) Cuba.
* Average 1947/51.

Cacao

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
Argentina	5	93.7 (a, b)	7	96.9 (a)	6	99.3 (a)	8	100.0 (a)
Chile	0.8	45.2 (c, b, a)	1	93.1 (a, b, c)	1	80.1 (a)	1	98.2 (a, b)
Uruguay	1	93.4 (a, b)	1	81.9 (a, b)	1	75.9 (a)	1	92.9 (a)
Colombia	3	79.4 (a, c)	6	90.0 (b, c, a, d, e)	8	94.9 (b, c, d, e)	8	98.2 (b, c, d, e, a)

Supplier countries: (*a*) Brazil; (*b*) Ecuador; (*c*) Costa Rica; (*d*) Venezuela; (*e*) Panama.

Coffee

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
Argentina	23	95.5 (a)	33	99.7 (a, b)	23	100.0 (a)	30	100.0 (a)
Chile	3	98.1 (a, c, e)	9	99.6 (a, c, b)	4	98.1 (a, c, b)	5	99.1 (a, c, b)
Uruguay	2	96.0 (a)	3	94.5 (a)	3	96.2 (a)	4	100.0 (a)
Cuba	0.04	66.7 (b)	4	80.8 (a, f, d)	4 (g)	(75.0)	4 (g)	(75.0)

Supplier countries: (*a*) Brazil; (*b*) Colombia; (*c*) Ecuador; (*d*) El Salvador; (*e*) Peru; (*f*) Haiti; (*g*) Estimate.

TABLE III. LATIN AMERICA: DEGREE OF DEPENDENCE ON INTER-LATIN-AMERICAN TRADE FOR SUPPLIES OF SPECIFIC PRODUCTS (*continued*)

Maté

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
Argentina	38	100.0 (a, c)	22	100.0 (a, c)	12	100.0 (a, c)	9	100.0 (a, c)
Chile	7	100.0 (a)	9	100.0 (a, b)	16	100.0 (a, b)	8	100.0 (a, b)
Uruguay	22	100.0 (a)	23	100.0 (a, c)	20	100.0 (a)	20	100.0 (a)

Supplier countries: (a) Brazil; (b) Argentina; (c) Paraguay.

Fresh fruit

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
Argentina	173	96.6 (a, d)	141	96.8 (a, d)	157	99.5 (a, d)	124	99.4 (a, d)
Brazil	15	47.3 (b, c)	51	75.5 (b, e)	78	89.0 (b)	71	94.9 (b)
Chile	14	100.0 (e, f)	21	100.0 (e, f)	26	100.0 (e, a, f)	18	100.0 (e, f)
Paraguay	0.1	100.0 (b)	0.2	100.0 (b)	0.2	100.0 (b)	0.1	100.0 (b)
Peru	8	96.5 (e, c)	6	99.0 (e, c)	4	95.7 (e, c)	6	79.9 (e, c)
Uruguay	11	99.3 (a)	11	99.2 (a)	17	100.0 (a)	11	100.0 (a)
Ecuador	0.2	100.0 (c)	0.2	93.6 (c)	0.2	49.1 (c)	0.2	95.9 (c)

Supplier countries: (a) Brazil; (b) Argentina; (c) Chile; (d) Paraguay; (e) Ecuador; (f) Peru.

Dried fruit

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
Argentina	10	27.1 (a)	3	32.3 (a)	0.2	2.9 (a)	1	97.4 (a)
Brazil	5	4.1 (b, a)	12	27.8 (a, b)	11	25.1 (b, a)	10	39.2 (b)
Peru	1	72.6 (a)	1	72.0 (a)	1	41.8 (a)	1	39.5 (a)

Supplier countries: (a) Chile; (b) Argentina.

Edible oils

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
Bolivia	0.2	14.0 (a)	1	96.3 (a)	1	93.6 (a)	1	58.7 (a)
Chile	3	0.2 (a)	6	95.0 (a)	14	25.2 (a)	20	49.6 (a)
Paraguay	0.03	6.1 (a)	0.1	70.9 (a)	0.1	83.5 (a)	1	100.0 (a)
Peru	0.5	—	2	45.8 (a)	1	29.2 (a)	1	—
Venezuela (1938)	1	—	2	19.7 (a)	2	—	2	—

Supplier country: (a) Argentina.

TABLE III. LATIN AMERICA: DEGREE OF DEPENDENCE ON INTER-LATIN-AMERICAN TRADE FOR SUPPLIES OF SPECIFIC PRODUCTS (*continued*)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)

Edible fats

Importer countries	1934-38 (A)	1934-38 (B)	1946-51 (A)	1946-51 (B)	1952 (A)	1952 (B)	1953 (A)	1953 (B)
Bolivia	0.3	85.8 (a, d)	3	68.5 (a, d)	3	63.2 (a, d)	5	61.7 (a, d)
Chile	0.05	97.9 (a)	0.1	95.8 (a)	0.5	99.8 (a)	1	99.0 (a)
Peru	0.3	77.3 (a)	4	27.2 (a)	5	13.6 (a)	9	12.0
Venezuela (1938)	2	—	5	26.5 (a, b)	3	—	1	2.5 (c)

Supplier countries: (*a*) Argentina; (*b*) Uruguay; (*c*) Colombia; (*d*) Brazil.

Butter

Importer countries	1934-38 (A)	1934-38 (B)	1946-51 (A)	1946-51 (B)	1952 (A)	1952 (B)	1953 (A)	1953 (B)
Chile	0.03	100.0 (a)	1	99.7 (a)	0.1	100.0 (a)	1	100.0 (a)
Peru	0.1	64.5 (a, b)	1	59.5 (a, b)	1	20.9 (a, b)	1	76.1 (a)

Supplier countries: (*a*) Argentina; (*b*) Chile.

Malt

Importer countries	1934-38 (A)	1934-38 (B)	1946-51 (A)	1946-51 (B)	1952 (A)	1952 (B)	1953 (A)	1953 (B)
Bolivia	2	66.8 (a)	2	95.4 (a)	2	82.1 (a)	1	99.1 (a)
Brazil	14	5.9 (a, b)	29	28.2 (a, b)	47	18.8 (a)	49	19.0 (a)
Paraguay	0.2	100.0 (b)	1	71.2 (b, a)	1	—	1	—
Peru	2	36.3 (a)	5	66.6 (a)	8	57.7 (a)	11	51.3 (a)
Ecuador	1	53.6 (a)	2	66.6 (a)	2	60.8 (a)	3	58.0 (a)

Supplier countries: (*a*) Chile; (*b*) Argentina.

Leaf tobacco

Importer countries	1934-38 (A)	1934-38 (B)	1946-51 (A)	1946-51 (B)	1952 (A)	1952 (B)	1953 (A)	1953 (B)
Argentina	8	75.1 (a, b, c)	7	72.2 (a, b, c)	0.2	62.8 (b)	0.1	100.0 (b)
Uruguay	1	88.2 (a, c, b)	3	84.5 (a, c, b, d)	3	86.3 (a, b, c, d)	4	85.3 (a, c, b, d)
El Salvador	0.1	80.0 (e)	1	80.7 (e)	1	80.2 (e)	2	82.0 (e)

Supplier countries: (*a*) Brazil; (*b*) Paraguay; (*c*) Cuba; (*d*) Dominican Republic; (*e*) Honduras.

Wheat

Importer countries	1934-38 (A)	1934-38 (B)	1946-51 (A)	1946-51 (B)	1952 (A)	1952 (B)	1953 (A)	1953 (B)
Bolivia	27	93.8 (a, c)	30	44.9 (a)	74	—	72	8.8 (a)
Brazil	916	99.4 (a, b)	705	83.6 (a, b)	1,134	7.4 (a, b)	1,615	69.1 (a)
Paraguay	13	100.0 (a)	35	78.6 (a)	41	69.7 (a, b)	40	69.3 (a, b)
Peru	124	92.3 (a, c)	171	40.8 (a, c)	233	9.0 (a)	254	28.0
Uruguay	10	100.0 (a)	36	75.7 (a, c)	—	—	—	—

Supplier countries: (*a*) Argentina; (*b*) Uruguay; (*c*) Chile.

TABLE III. LATIN AMERICA: DEGREE OF DEPENDENCE ON INTER-LATIN-AMERICAN TRADE FOR SUPPLIES OF SPECIFIC PRODUCTS (*continued*)

Importer countries	*Average 1934-38* (A)	*Average 1934-38* (B)	*Average 1946-51* (A)	*Average 1946-51* (B)	*1952* (A)	*1952* (B)	*1953* (A)	*1953* (B)
				Wheat flour				
Bolivia	6	88.2 (*a, d, c*)	27	31.3 (*a, d, c*)	16	44.9 (*a, d, c*)	11	20.8 (*a, d*)
Brazil	56	85.3 (*a, b*)	219	14.1 (*a, b*)	94	86.4 (*b, a*)	31	77.4 (*b, a*)
Chile	3	100.0 (*a*)	4	31.4 (*a*)	5	11.9 (*a*)	4	29.8 (*a*)
Paraguay	14	88.3 (*a*)	5	99.8 (*a, b*)	5	100.0 (*b, a*)	15	100.0 (*b, a*)
Ecuador	9	28.6 (*a, c*)	22	0.8 (*c*)	25	—	10	—

Supplier countries: (*a*) Argentina; (*b*) Uruguay; (*c*) Chile; (*d*) Brazil.

II. Raw materials

1. *Agricultural*

				Unginned cotton				
Argentina	0.3	34.0 (*b*)	2	99.4 (*a*)	2	100.0 (*a*)	2	100.0 (*a*)
Bolivia	1	15.8 (*a*)	2	65.9 (*d, a*)	1	3.9 (*a*)	1	94.5 (*a*)
Chile	2	59.1 (*a*)	14	56.4 (*a, b, d*)	19	65.7 (*a, b*)	13	42.5 (*a, b, f*)
Uruguay	0.1	98.2 (*c, d*)	5	93.9 (*c, b, d*)	6	85.8 (*c, a, b*)	10	90.1 (*c, b, a, f*)
Colombia	3	—	18	57.3 (*a, b, e, c*)	19	29.1 (*a, e*)	15	84.3 (*a, f, e*)
Ecuador	0.1	25.9 (*a*)	1	68.7 (*a*)	1	27.4 (*a*)	3	36.0 (*d, a*)
Cuba	2	3.1 (*f*)	7	28.5 (*f, b, h*)	7	45.0 (*f, b, h*)	7	45.0 (*f, b, h*)
El Salvador	0.1	11.1 (*g*)	0.1	98.3 (*i*)	1	95.1 (*i, g*)	1	99.7 (*i*)
Guatemala	0.5	32.5 (*g*)	2*	95.9 (*h, b, g*)	—	—	—	—

Supplier countries: (*a*) Peru; (*b*) Brazil; (*c*) Paraguay; (*d*) Argentina; (*e*) Haiti; (*f*) Mexico; (*g*) Nicaragua; (*h*) El Salvador; (*i*) Honduras.

* Average 1947/51.

				Greasy wool				
Brazil	0.3	60.8 (*a, b*)	2	27.8 (*a, b*)	3	10.2 (*a, b*)	1	76.9 (*a*)
Chile	0.1	100.0 (*a*)	1	87.0 (*a, b*)	0.3	29.5 (*a*)	1	69.5 (*a, b*)

Supplier countries: (*a*) Argentina; (*b*) Uruguay.

				Washed wool				
Bolivia	0.3	96.1 (*b, a*)	1	93.6 (*a*)	1	53.4 (*a*)	0.4	33.0 (*a, c*)
Brazil (1934/38)	—	—	0.2	73.3 (*a*)	0.2	23.4 (*a*)	0.02	87.0 (*a*)
Chile	0.3	97.4 (*a*)	0.5	80.6 (*a*)	1	97.7 (*a*)	1	100.0 (*a*)
Colombia *	0.03	54.8 (*a, d*)	1	84.9 (*a, d*)	0.3	50.8 (*c, d, e*)	1	50.4 (*c, e, a*)

Supplier countries: (*a*) Argentina; (*b*) Peru; (*c*) Uruguay; (*d*) Ecuador.

* Includes greasy wool.

TABLE III. LATIN AMERICA: DEGREE OF DEPENDENCE ON INTER-LATIN-AMERICAN TRADE FOR SUPPLIES OF SPECIFIC PRODUCTS (*continued*)

Quebracho

Importer countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	(A)	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*
Bolivia	0.2	90.7 (*a*)	0.4	74.3 (*a*)	0.5	70.1 (*a*)	0.2	37.8 (*a, b*)
Brazil	3	98.7 (*a*)	1	98.6 (*a*)	0.1	100.0 (*a*)	1	100.0 (*a*)
Chile	3	96.5 (*a*)	5	99.9 (*a*)	7	100.0 (*a*)	6	100.0 (*a*)
Peru	1	99.9 (*a*)	2	99.9 (*a*)	4	99.9 (*a*)	4	100.0 (*a*)
Uruguay	2	100.0 (*a*)	2	93.3 (*a, b*)	1	76.4 (*a*)	3	76.3 (*a, b*)
Colombia	1	96.0 (*a*)	1	87.6 (*a*)	2	98.5 (*a*)	2	77.9 (*a*)
Venezuela (1938)	0.3	90.4 (*a*)	2	83.4 (*a*)	4	54.1 (*a*)	4	75.5 (*a*)
Cuba (1934–38 together with other tans)	3	82.2 (*a, b*)	2	83.1 (*a, b*)	2	100.0 (*a, b*)	2	100.0 (*a, b*)
Mexico (vegetable extract tans)	2	19.0 (*a*)	5	41.3 (*a*)	5	— (*a*)	5	26.2 (*a*)

Supplier countries: (*a*) Argentina; (*b*) Paraguay.

Rough and partly-worked timber

(Including logs, and planed and unplaned boards and planks)

Importer countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	(A)	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*
Argentina	419	48.5 (*a, b, c*)	738	83.5 (*a, b, c*)	527	89.5 (*a, b, c*)	477	95.5 (*a, b, c*)
Bolivia	13	15.5 (*c*)	12	10.0 (*c, a*)	6	2.1 (*c*)	5	7.4 (*c*)
Peru	73	10.7 (*c, g, e*)	47	19.7 (*c, e, g*)	43	13.8 (*c, e, g*)	55	1.8 (*c*)
Uruguay	46	70.6 (*a, b*)	93	85.2 (*a, b, c*)	98	93.6 (*a, b, c*)	101	93.6 (*a, b*)
Venezuela (1938) *	22	—	33	22.0 (*d, e, f*)	35	36.9 (*d*)	38	58.0 (*d*)
Panama **	10	1.1 (*e, g*)	13	35.3 (*d, e, f*)	3	37.7 (*e, d*)	4	9.7 (*e, d*)
El Salvador **	2	66.3 (*f, d*)	7	85.2 (*d, e, f*)	19	99.5 (*d, e, f*)	19	99.8 (*d, e, f*)
Cuba **	115	—	108	22.6 (*d, h, g, e*)	133	9.0 (*d, h, g, e*)	120	83.3 (*d, h, g, e*)

Supplier countries: (*a*) Brazil; (*b*) Paraguay; (*c*) Chile; (*d*) Honduras; (*e*) Nicaragua; (*f*) Guatemala; (*g*) Costa Rica; (*h*) Mexico.

* Including wood for veneers.

** Including also: posts, sleepers, piles.

Manufactured timber

(Including plywood and veneer)

Importer countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	(A)	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*
Argentina	20	0.2 (*a*)	11	52.7 (*a, b*)	—	—	0.4	—
Uruguay	2	5.6 (*a, c*)	1	73.6 (*a*)	1	58.2 (*a, b*)	2	97.3 (*a, b*)

Supplier countries: (*a*) Brazil; (*b*) Chile; (*c*) Argentina.

Wooden sleepers

Importer countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	(A)	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*
Bolivia	2	88.8 (*d, a*)	2	100.0 (*a*)	1	100.0 (*a*)	—	—
Peru	22	26.7 (*a*)	6	65.7 (*a,b*	10	80.5 (*a*)	1	1.4 (*a*)
Uruguay	5	100.0 (*d, c*)	7	96.7 (*c, e*)	1	100.0 (*e*)	3	100.0 (*c, e*)

Supplier countries: (*a*) Chile; (*b*) Bolivia; (*c*) Brazil; (*d*) Argentina; (*e*) Paraguay.

TABLE III. LATIN AMERICA: DEGREE OF DEPENDENCE ON INTER-LATIN-AMERICAN TRADE FOR SUPPLIES OF SPECIFIC PRODUCTS (*continued*)

Importer countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	(A)	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*
2. *Ores*								
Copper ingots, bars and sheet								
Argentina	4	5.9 (*a*)	12	57.1 (*a, b*)	15	99.7 (*a, b*)	12	75.9 (*a, b*)
Brazil	8	1.9 (*a*)	23	44.8 (*a, b*)	25	20.0 (*a*)	20	10.8 (*a*)

Supplier countries: (*a*) Chile; (*b*) Peru.

Importer countries	*(A)*	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*
Lead bars and ingots								
Argentina	0.4	3.0 (*a*)	11	54.5 (*a, b*)	2	93.4 (*a, b*)	2	100.0 (*b*)
Brazil	9	1.9 (*c, b*)	16	37.8 (*a, b*)	10	13.0 (*b, a*)	21	1.9 (*a, b*)

Supplier countries: (*a*) Mexico; (*b*) Peru; (*c*) Uruguay.

Importer countries	*(A)*	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*
Fertilizers								
Argentina	4	62.4 (*a*)	36	73.6 (*a*)	34	62.4 (*a*)	15	47.8 (*a*)
Brazil	40	14.9 (*a*)	185	29.5 (*a*)	219	21.5 (*a*)	355	22.2 (*a*)
Peru	14	45.2 (*a*)	26	79.7 (*a*)	26	42.2 (*a*)	27	28.4 (*a*)
Costa Rica	3	0.5 (*a*)	12	30.4 (*a*)	15	6.5 (*a*)	14	7.3 (*a*)
Guatemala	1	0.9 (*a*)	7*	52.5 (*a*)	8	10.7 (*a*)	8	14.1 (*a*)
Honduras	5	13.5 (*a*)	9	36.3 (*a*)	10	10.0 (*a*)	10	15.0 (*a*)
Mexico	10	13.4 (*a*)	25	29.6 (*a*)	27	12.2 (*a*)	26	5.4 (*a*)

Supplier country: (*a*) Chile.
* Average 1947/51.

Importer countries	*(A)*	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*
Zinc bars and ingots								
Argentina	6	0.9 (*b*)	7	27.4 (*b, a, c*)	4	23.7 (*b*)	0.2	—
Brazil	2	—	7	5.1 (*a*)	10	2.1 (*b, a*)	13	1.3 (*a*)

Supplier countries: (*a*) Peru; (*b*) Mexico; (*c*) Chile.

Importer countries	*(A)*	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*
Crude petroleum								
Argentina	449	65.0 (*b, d, h*)	1,864	52.8 (*a, b, d, h*)	3.013	58.2 (*a, b, h, d*)	3,599	51.1 (*a, b, h, d*)
Brazil	20	95.2 (*d, g*)	14	36.0 (*a*)	18	100.0 (*a*)	30	100.0 (*a*)
Uruguay	44	100.0 (*d, b*)	453	81.2 (*a, d, b*)	923	85.1 (*a, d, b, e*)	630	83.8 (*a, d, b, e*)

Supplier countries: (*a*) Venezuela; (*b*) Peru; (*c*) Mexico; (*d*) Ecuador; (*e*) Chile; (*f*) Brazil; (*g*) Argentina; (*h*) Colombia.

Table III. Latin America: Degree of dependence on Inter-Latin-American trade for supplies of specific products (*continued*)

Importer countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	(A)	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*
				Aviation spirit				
Bolivia	0.2	75.4 (*a*)	5	72.1 (*a, b, c*)	4	86.7 (*a*)	7	81.8 (*b, a, c*)
Colombia	—	—	21	16.9 (*a*)	42	—	50	—

Supplier countries: (*a*) Peru; (*b*) Chile; (*c*) Brazil.

Importer countries	*(A)*	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*
				Petrol				
Bolivia	7	92.4 (*a, d f, c*)	16	97.4 (*a, d, c, f*)	7	59.8 (*d, a, f*)	19	92.8 (*a, d, f*)
Brazil	317 (*a, b*)	27.2	1,227	9.4 (*e*)	2,217	42.7 (*e*)	2,231	46.7 (*e*)
Chile	71	74.8 (*a, b*)	214	57.8 (*a*)	269	—	272	—
Paraguay	4	79.4 (*c, j, a*)	9	37.1 (*j, e*)	20	11.3 (*e, c*)	14	11.3 (*e*)
Ecuador	0.2	60.6 (*a*)	3	74.6 (*a*)	10	100.0 (*a*)	18	100.0 (*a*)
Colombia	9	8.5 (*a, h, e*)	121	58.3 (*a*)	193	—	308	0.1 (*e*)
Costa Rica	6	8.9 (*g*)	22	15.7 (*a*)	43	—	53	—
El Salvador	6	54.9 (*a*)	23	27.0 (*a*)	44	7.3 (*c*)	49	—
Honduras	...	...	14	34.7 (*a*)	21	20.6 (*a*)	25	8.3 (*a*)
Nicaragua	3	63.6 (*a*)	17	24.4 (*a*)	26	2.4 (*i*)	32	—

Supplier countries: (*a*) Peru; (*b*) Mexico; (*c*) Argentina; (*d*) Chile; (*e*) Venezuela; (*f*) Brazil; (*g*) Panama; (*h*) Ecuador; (*i*) Costa Rica; (*j*) Uruguay.

Importer countries	*(A)*	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*	*(A)*	*(B)*
				Kerosene				
Bolivia	2	94.5 (*a, e*)	2	99.1 (*a, e*)	0.3	92.4 (*e, a*)	6	95.9 (*a, e*)
Brazil	98	26.7 (*c, a*)	194	5.1 (*b, a*)	353	15.8 (*b, a*)	408	18.2 (*b, a*)
Chile	7	72.8 (*a, c*)	35	51.1 (*a*)	65	—	75	—
El Salvador	3	78.7 (*a*)	4	25.4 (*a*)	9	0.2 (*b*)	13	17.3 (*b, a*)
Nicaragua	2	85.6 (*a*)	4	26.9 (*a*)	7	2.1 (*d*)	9	2.7 (*a*)

Supplier countries: (*a*) Peru; (*b*) Venezuela; (*c*) Mexico; (*d*) Panama; (*e*) Brazil.

TABLE III. LATIN AMERICA: DEGREE OF DEPENDENCE ON INTER-LATIN-AMERICAN TRADE FOR SUPPLIES OF SPECIFIC PRODUCTS (*continued*)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
Diesel oil								
Argentina	322	5.6 (c, a)	100	4.1 (a, d)	171	50.4 (a)	240	41.2 (a)
Brazil (1935/38; including oil)	—	—	415	20.9 (a, b)	870	58.4 (a, b)	1,043	56.7 (a, b)
Chile	34	39.5 (b, a)	106	35.9 (b)	108	—	120	—
Uruguay	1	2.8	7	22.7 (a)	4	99.6	3	100.0 (a)
Colombia	5	10.7 (e, a)	14	62.9 (b)	18	—	23	—
Costa Rica	1	8.6 (d)	25	6.7 (b)	32	—	37	—

Supplier countries: (*a*) Venezuela; (*b*) Peru; (*c*) Mexico; (*d*) Bolivia; Panama.

Importer countries	Average 1934-38 (A)	Average 1934-38 (B)	Average 1946-51 (A)	Average 1946-51 (B)	1952 (A)	1952 (B)	1953 (A)	1953 (B)
Fuel oil								
Argentina	797	6.0 (c, a)	2,381	12.9 (a)	2,974	15.8 (a)	2,080	4.1 (a)
Bolivia	26	55.8 (b, f)	55	76.1 (b, f)	85	47.5 (b, f)	73	39.9 (b, f)
Brazil	522	12.2 (c, e)	1,371	32.1 (a)	2,311	39.8 (a)	2,435	53.5 (a)
Chile	445	25.1 (a, b)	804	13.8 (b, a)	677	—	801	—
Colombia	7	19.0 (a, d)	29	51.5 (b, a)	45	18.4 (b, a)	58	6.5 (a)
Cuba	492	21.4 (c, a)	1,384	18.2 (c, a)	1,410	16.0 (c, a)	1,129	16.0 (c, a)

Supplier countries: (*a*) Venezuela; (*b*) Peru; (*c*) Mexico; (*d*) Panama; (*e*) Uruguay; (*f*) Chile.

SOURCE: Official foreign trade statistics.

(*A*) Total tonnage of imports.

(*B*) Percentage imported from Latin America.

I

EXPORTS

Tables by countries and products
Volumes in tons
F.o.b. values in thousands of dollars

Table I-1. Latin America: Exports of hulled rice

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	25	329	434	1,332	—	—	—	—
Brazil	7,811	17,031	13,353	129,652	6,787	162,268	55	2,787
Chile	—	—	5,042	10,060	—	—	—	3,545
Uruguay	289	289	2,060	6,385	2,593	12,767	4,609	10,000 [a]
Total	8,125	17,649	20,889	147,429	9,380	175,035	4,664	16,332
Colombia	—	—	1,327	1,409	17	7,929	4,048	19,041
Ecuador	11,134 [b]	11,643	31,874	48,774	2,713	57,183	4,142	42,479
Grand total for South America	19,259	29,292	54,090	197,612	12,110	240,147	12,854	77,852
Costa Rica	—	—	237	263	—	—	—	—
Dominican Republic	—	—	626	827	0.5	0.5	1,588	1,588
Guatemala	—	—	90 [c]	126 [c]	—	—	—	—
Haiti	—	—	177	312	—	0.6	—	—
Honduras	—	—	469	894	16	39	—	—
Mexico	—	13,045	2,634	18,018	—	2,001	—	1
Nicaragua	192	192	3,868	5,414	3,870	5,029	2,752	18,364
Grand total for Latin America	19,451	42,529	62,191	228,466	15,996	247,217	17,194	97,805

Source: Official foreign trade statistics.
[a] Estimate.
[b] 9,333 tons exported to Peru. Peruvian yearbooks register imports of only 4,551 tons from Ecuador.
[c] Average 1947-51.

Table I-2. Latin America: Exports of hulled rice

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	18	21	95	286	—	—	—	—
Brazil	464	938	2,140	20,626	1,292	26,073	24	500
Chile	—	—	992	1,994	—	—	—	571
Uruguay	25	25	359	1,109	476	2,502	996	2,500 [a]
Total	507	984	3,586	24,015	1,768	28,575	1,020	3,571
Colombia	—	—	248	263	4	1,290	1,000	3,620
Ecuador	405	411	5,390	9,609	510	11,331	888	7,827
Grand total for South America	912	1,395	9,224	33,887	2,282	41,196	2,908	15,018
Costa Rica	—	—	51	57	—	—	—	—
Dominican Republic	—	—	114	161	0.1	0.1	345	345
Guatemala	—	—	18 [b]	25 [b]	—	—	—	—
Haiti	—	—	29	58	—	0.1	—	—
Honduras	—	—	89	156	2	6	—	—
Mexico	—	890	489	2,883	—	304	—	0.2
Nicaragua	9	9	714	991	658	880	527	3,465
Grand total for Latin America	921	2,294	10,728	38,218	2,942	42,386	3,780	18,828

Source: Official foreign trade statistics.
[a] Estimate.
[b] Average 1947-51.

TABLE I-3. LATIN AMERICA: EXPORTS OF SUGAR

(Including raw, semi-refined and refined sugar)

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	2,477	2,510	540	852	58	256	17	119
Brazil	160	3,068	6,986	54,060	179	179	8,201	53,454
Peru	143,795	305,802	204,808	291,187	212,660	284,824	218,279	408,386
TOTAL	146,432	311,380	212,334	346,099	212,897	285,259	226,497	461,959
Colombia	—	—	1,492	13,389	16	3,305	61	61
Ecuador	43	67	—	650	—	9	—	8,252
GRAND TOTAL FOR SOUTH AMERICA	146,475	311,447	213,826	360,138	212,913	288,573	226,558	470,272
Costa Rica	—	409	175	2,511	—	5,178	—	2,500[a]
Cuba	19,530	2,559,569	116,279	5,130,308	95,056	4,963,209	81,679	5,598,900[b]
Dominican Republic	4	442,084	8,644	438,484	—	547,523	92	553,479
El Salvador	1,340	1,716	4,022	5,546	1,520	1,520	689	689
Haiti	5	30,789	—	25,001	—	32,385	—	30,000[b]
Mexico	—	187	2	52,638	—	8,178	—	56,031
Panama	—	—	657	808	2,239	2,836	2,500[a]	2,500[a]
GRAND TOTAL FOR LATIN AMERICA	167,354	3,346,201	343,605	6,015,434	311,728	5,849,402	311,518	6,714,371

SOURCE: Official foreign trade statistics.
[a] Estimate.
[b] Taken from *International Financial Statistics.*

TABLE I-4. LATIN AMERICA: EXPORTS OF SUGAR

(Including raw, semi-refined and refined sugar)

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	307	312	105	157	26	89	10	69
Brazil	12	143	1,245	7,372	46	46	730	4,627
Peru	3,232	6,617	26,485	35,817	25,052	32,762	17,920	34,604
TOTAL	3,551	7,072	27,835	43,346	25,124	32,897	18,660	39,300
Colombia	—	—	192	1,807	3	531	12	12
Ecuador	2	4	—	72	—	1	—	137
GRAND TOTAL FOR SOUTH AMERICA	3,553	7,076	28,027	45,225	25,127	33,429	18,672	39,449
Costa Rica	—	12	20	276	—	599	—	250[a]
Cuba	523	100,604	13,726	531,172	10,741	537,411	9,737	538,000[b]
Dominican Republic	—	9,360	1,204	45,231	—	52,511	12	42,443
El Salvador	63	77	646	805	254	254	102	102
Haiti	—	687	—	2,548	—	3,276	—	3,000[a]
Mexico	—	11	0.3	4,592	—	1,112	—	5,858
Panama	—	—	105	128	278	354	300[a]	300[a]
GRAND TOTAL FOR LATIN AMERICA	4,139	117,827	43,728	629,977	36,400	628,946	28,823	629,402

SOURCE: Official foreign trade statistics.
[a] Estimate.
[b] Taken from *International Financial Statistics.*

TABLE I-5. LATIN AMERICA: EXPORTS OF CHILLED OR FROZEN MEAT

(Including beef, mutton, pork, poultry and offal)
(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	66	462,620	12,641	360,543	9,636	164,303	6,395	196,079
Brazil	6,433[a]	55,470	183	16,278	—	4,032	24	4,460
Chile	—	9,358	36	4,763	—	585	—	1,500
Uruguay	171	66,024	19	54,470	10,178	56,526	4,285	50,371[b]
TOTAL FOR SOUTH AMERICA	6,670	593,472	12,879	436,054	19,814	225,446	10,704	252,410
Mexico	—	9	—	2,655	—	2	20	11,995
GRAND TOTAL FOR LATIN AMERICA	6,670	593,481	12,879	438,709	19,814	225,448	10,724	264,393

SOURCE: Official foreign trade statistics.
[a] Statistics taken from Brazil's foreign trade yearbooks, registering exports to Uruguay not appearing in Uruguayan sources.
[b] Not including frozen poultry.

TABLE I-6. LATIN AMERICA: EXPORTS OF CHILLED OR FROZEN MEAT

(Including beef, mutton, pork, poultry and offal)
(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	11	63,410	4,756	112,089	4,890	69,155	3,586	94,194
Brazil	566	5,187	73	6,468	—	1,898	20	1,730
Chile	—	1,197	15	1,005	—	196	—	518
Uruguay	20	8,609	6	18,681	5,269	28,176	2,268	22,262 [a]
TOTAL FOR SOUTH AMERICA	597	78,403	4,850	138,243	10,159	99,425	5,874	118,704
Mexico	—	1	—	515	—	2	8	4,780
GRAND TOTAL FOR LATIN AMERICA	597	78,404	4,850	139,758	10,159	99,427	5,882	123,481

SOURCE: Official foreign trade statistics. [a] Not including frozen poultry.

TABLE I-17. LATIN AMERICA: EXPORTS OF CACAO

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Brazil	6,302	113,623	7,708	110,257	6,965	58,242	11,595	108,690
Ecuador	478	19,972	3,508	20,497	5,119	24,235	4,619	22,105
Venezuela	44[a]	20,602 [c]	341	15,072	323	15,105	666	17,145
TOTAL FOR SOUTH AMERICA	6,824	154,197	11,557	145,826	12,407	97,582	16,880	147,940
Costa Rica	1,767	6,034	1,856	4,285	3,000[b]	8,435	2,000[b]	6,757
Dominican Republic	116 [c]	23,619 [c]	611	24,916	—	22,440	—	24,751
Guatemala	—	28	46 [d]	255 [d]	88	333	—	300 [b]
Haiti	—	1,480	36	1,726	—	1,895	—	1,500 [b]
Mexico	—	—	—	1,711	—	1,866	—	659
Nicaragua	84	326	70	174	146	146	72	72
Panama	—	—	146	2,235	—	3,149	—	3,000[b]
GRAND TOTAL FOR LATIN AMERICA	8,791	185,684	14,322	181,128	15,641	135,846	18,952	184,979

SOURCE: Official foreign trade statistics.
[a] 1938.
[b] Estimate.
[c] Average 1935-38.
[d] Average 1947-51.

TABLE I–18. LATIN AMERICA: EXPORTS OF CACAO
(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Brazil	722	13,285	4,307	57,847	4,792	41,244	7,167	68,991
Ecuador	247	3,239	2,230	12,951	3,800	17,516	3,245	15,063
Venezuela	8 [a]	3,124 [a]	230	10,825	231	11,701	483	13,141
TOTAL FOR SOUTH AMERICA	977	19,648	6,767	81,623	8,823	70,461	10,895	97,195
Costa Rica	175	775	784	1,961	1,800 [b]	5,516 [b]	1,246 [b]	4,210 [b]
Dominican Republic	15 [c]	2,035 [c]	117	12,076	—	14,680	—	15,418
Guatemala	—	4	6 [d]	132 [d]	46	203	—	200 [b]
Haiti	—	126	6	891	—	1,156	—	1,000 [b]
Mexico	—	—	—	653	—	1,244	—	460
Nicaragua	8	51	42	85	91	91	46	46
Panama	—	—	57	1,172	—	2,060	—	2,000 [b]
GRAND TOTAL FOR LATIN AMERICA	1,175	22,639	7,779	98,593	10,760	95,411	12,187	120,529

SOURCE: Official foreign trade statistics.
[a] 1938.
[b] Estimate.
[c] Average 1935-38.
[d] Average 1947-51.

TABLE I–19. LATIN AMERICA: EXPORTS OF COFFEE
(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Bolivia	24	75	—	—	—	—	—	—
Brazil	23,752	689,943	45,450	985,619	32,055	949,261	44,102	933,732
Peru	531	2,963	9	1,129	—	2,581	—	4,696
TOTAL	24,307	692,981	45,459	986,748	32,055	951,842	44,102	938,428
Colombia	159	230,961	455	315,577	73	304,511	30	401,350
Ecuador	1,838	11,187	2,094	14,102	—	20,380	—	18,283
Venezuela	—	35,893 [a]	—	27,795	—	30,331	—	44,502
GRAND TOTAL FOR SOUTH AMERICA	26,304	971,022	48,008	1,344,222	32,128	1,307,064	44,132	1,402,563
Costa Rica	33	23,226	98	18,706	—	21,170	—	28,228
Cuba	—	3,756	—	145	—	—	—	—
Dominican Republic	1	10,472	127	12,099	—	26,258	—	22,048
El Salvador	79	18,670	584	63,466	—	66,916	35	65,896
Guatemala	74	47,258	22	52,827	46	60,985	—	56,580
Haiti	10	27,804	1,357	25,194	—	31,298	—	30,000 [b]
Honduras	—	—	641	4,366	509	8,555	—	8,000 [b]
Mexico	—	36,503	39	40,696	—	52,264	81	73,362
Nicaragua	41	15,272	23	13,372	46	18,912	—	18,000 [b]
GRAND TOTAL FOR LATIN AMERICA	26,542	1,154,893	50,900	1,574,962	32,729	1,593,422	44,248	1,704,677

SOURCE: Official foreign trade statistics.
[a] 1938.
[b] Estimate.

Table I–20. Latin America: Exports of coffee

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Bolivia	11	41	—	—	—	—	—	—
Brazil	3,757	148,645	21,135	629,668	33,685	1,038,447	46,950	1,073,318
Peru	81	471	4	867	—	2,832	—	5,333
Total	3,849	149,157	21,139	630,535	33,685	1,041,279	46,950	1,078,651
Colombia	34	50,863	303	246,988	91	379,882	37	492,256
Ecuador	360	1,871	1,089	8,908	—	20,416	—	18,901
Venezuela	—	8,039 [a]	—	19,309	—	36,604	—	50,558
Grand total for South America	4,243	209,930	22,531	905,740	33,776	1,478,181	46,987	1,640,366
Costa Rica	7	5,537	112	13,757	—	24,536	—	32,801
Cuba	—	560	—	58	—	—	—	—
Dominican Republic	0.1	1,522	52	8,312	—	26,411	—	24,601
El Salvador	13	3,295	372	45,992	—	77,597	43	76,599
Guatemala	14	10,345	16	42,233	47	71,563	—	65,746 [b]
Haiti	2	5,024	602	15,075	—	32,701	—	34,860 [b]
Honduras	—	—	213	2,213	419	9,092	—	9,296 [b]
Mexico	—	7,037	35	27,372	—	47,071	70	66,288
Nicaragua	6	2,543	23	9,700	47	21,661	—	21,330
Grand total for Latin America	4,285	245,793	23,957	1,070,452	34,289	1,788,813	51,410	1,971,887

Source: Official foreign trade statistics.
[a] 1938.
[b] Estimate.

Table I–21. Latin America: Exports of tea

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Brazil	0.6	2	323	420	151	210	502	534
Total for Latin America	0.6	2	323	420	151	210	502	534

Source: Official foreign trade statistics.

Table I–22. Latin America: Exports of tea

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Brazil	0.2	1	341	420	124	184	596	628
Total for Latin America	0.2	1	341	420	124	184	596	628

Source: Official foreign trade statistics.

Table I-23. Latin America: Exports of maté

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	89	230	630	803	2,177	2,297	570	716
Brazil	63,748	64,312	48,894	49,105	44,430	44,565	34,602	34,831
Paraguay	3,274	3,299	3,870	3,881	686	686	907	907
Total for Latin America	67,111	67,841	53,394	53,789	47,293	47,548	36,079	36,454

Source: Official foreign trade statistics.

Table I-24. Latin America: Exports of maté

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	14	45	273	360	1,218	1,314	501	665
Brazil	4,235	4,487	7,960	8,014	8,840	8,884	7,707	7,808
Paraguay	436	440	566	568	187	187	158	158
Total for Latin America	4,685	4,972	8,799	8,942	10,245	10,385	8,366	8,631

Source: Official foreign trade statistics.

Table I-25. Latin America: Exports of dried beans

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	82	299	461	11,645	3	5	0.5	2
Brazil	132	388	1,078	26,714	1	501	—	2
Chile	13,781	32,281	10,030	32,538	6,649	30,370	4,023	26,377
Total	13,995	32,968	11,569	70,897	6,653	30,876	4 023	26,381
Ecuador	14	—	104	—	—	—	—	—
Grand total for South America	14,009	32,968	11,673	70,897	6,653	30,876	4,023	26,381
Costa Rica	—	—	1,043	1,054	—	—	—	—
Cuba	—	38	68	606	—	—	—	—
Dominican Republic	—	—	315	1,412	37	79	114	163
El Salvador	5	5	313	318	2	2	0.9	1
Honduras	—	—	1,303	1,430	1,267	1,267	—	—
Mexico	993	4,391	215	249	—	—	—	23
Grand total for Latin America	15,007	37,402	14,930	75,966	7,959	32,224	4,138	26,568

Source: Official foreign trade statistics.

Table I-26. Latin America: Exports of dried beans

(F.o.b. values in thousands of dollars)

Exporter countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	Latin America	*World total*	*Latin America*	*World total*	*Latin America*	*World total*	*Latin America*	*World total*
Argentina	7	18	69	1 775	1	2	0.2	1
Brazil	6	19	133	3,290	0.3	63	—	0.5
Chile	684	1,618	2,035	5,907	1,308	6,133	765	4,587
Total	697	1,655	2,237	10,972	1,309	6,198	765	4,588
Ecuador	1	—	11	—	—	—	—	—
Grand total for South America	697	1,655	2,248	10,972	1,309	6,198	765	4,588
Costa Rica	—	—	136	138	—	—	—	—
Cuba	—	2	18	85	—	—	—	—
Dominican Republic	—	—	45	231	8	17	12	23
El Salvador	0.2	0.2	47	48	0.3	0.3	0.1	0.2
Honduras	—	—	132	146	138	138	—	—
Mexico	32	125	22	26	—	—	—	2
Grand total for Latin America	729	1,782	2,648	11,646	1,456	6,353	777	4,614

Source: Official foreign trade statistics.

Table I-27. Latin America: Exports of fresh fruit

(Tons)

Exporter countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	Latin America	*World total*	*Latin America*	*World total*	*Latin America*	*World total*	*Latin America*	*World total*
Argentina	5,903	22,269	39,144	57,666	70,681	97,373	67,378	87,007
Brazil [a]	164,722	298,128	148,534	195,814	169,222	192,160	131,008	167,092
Chile	2,557	13,547	2,783	12,801	2,506	19,247	2,239	29,147
Paraguay	6,625	6,680	1,642	1,721	696	1,014	4,374	4,778
Peru	193	194	569	569	594	594	203	203
Uruguay	375	629	—	—	—	—	—	—
Total	180,375	341,447	192,672	268,571	243,699	310,388	205,202	288,227
Colombia	3,930	161,797	64	102,865	—	152,689	40	196,230
Ecuador	22,087	54,274	24,451	127,277	20,084	424,846	24,275	405,946
Venezuela	—	3,622 [b]	—	5,032	—	5,000 [c]	—	5,000 [c]
Grand total for South America	206,392	561,140	217,187	503,745	263,783	892,923	229,517	895,403
Costa Rica	8	95,755	6,454	184,435	6,000 [c]	412,473	3,000 [c]	355,754
Cuba	—	169,503	—	66,336	—	27,681 [d]	—	32,800 [d]
Dominican Republic	6 [e]	6,457	53	38,329	—	43,280	—	40,419
Guatemala	—	167,794	1,138 [f]	201,989 [f]	4,313	97,578	—	167,648
Haiti [g]	8	1,208	6	4,245	—	1,154	—	2,000 [f]
Honduras	—	350,924 [b]	—	409,595	—	406,314	—	415,019 [h]
Mexico [g]	—	373,330	188	192,271	38	39,950	9	114,720
Nicaragua	—	57,489 [b]	—	20,525 [c]	—	14,297	—	13,311
Panama	—	185,956 [b]	1,104	156,255	809	118,829	1,000 [c]	124,700
Grand total for Latin America	206,414	1,969,556	226,130	1,777,725	274,943	2,054,479	233,526	2,161,774

Source: Official foreign trade statistics.

[a] Banana volumes were converted at the rate of 15.278 kilogrammes to the bunch.

[b] 1938.

[c] Estimate.

[d] Including only pineapples and bananas.

[e] Average 1935-38.

[f] Preliminary.

[g] Including dried fruit.

[h] Average 1947-51.

TABLE I-28. LATIN AMERICA: EXPORTS OF FRESH FRUIT

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	396	1,552	9,994	13,631	16,556	21,207	19,978	23,791
Brazil	2,734	7,894	10,260	14,713	15,815	18,167	12,274	16,945
Chile	158	813	462	1,579	400	2,322	390	4,053
Paraguay	59	60	102	116	178	233	123	277
Peru	4	4	44	44	42	42	11	11
Uruguay	11	28	—	—	—	—	—	—
TOTAL	3,362	10,351	20,862	30,083	32,991	41,971	32,776	45,077
Colombia	42	4,506	4	6,629	—	9,238	2	11,500
Ecuador	212	497	775	4,948	1,020	21,577	1,429	24,600
Venezuela	—	135 [a]	—	218	—	220 [b]	—	250 [b]
GRAND TOTAL FOR SOUTH AMERICA	3,616	15,489	21,641	41,878	34,011	73,006	34,207	81,427
Costa Rica [c]	0.4	2,215	354	8,624	320 [b]	12,222	180 [b]	10,686
Cuba	—	3,088	—	3,116	—	893 [d]	—	1,067 [d]
Dominican Republic	0.1 [e]	97 [e]	6	1,252	—	1,544	—	1,911
Guatemala [c]	—	3,645	35 [c]	8,679 [c]	156	4,785	—	12,557
Haiti [f]	0.1	234	0.1	2,840	—	490	—	520 [b]
Honduras	—	8,453 [g]	—	7,232	—	12,732	—	12,874
Mexico [f]	—	4,006	4	3,948	9	2,024	2	2,775
Nicaragua [g]	—	800 [g]	—	653	—	354	—	328
Panama	—	2,760 [g]	73	5,644	46	4,834	64 [b]	8,016
GRAND TOTAL FOR LATIN AMERICA	3,617	40,787	22,113	83,866	34,542	112,884	34,453	132,161

SOURCE: Official foreign trade statistics.

[a] In several Central American countries, almost the whole of the values for exported fresh fruit correspond to bananas, and are not adjusted. In Guatemala, the adjusted value of banana exports in 1952 was 11.9 million dollars.

[b] Estimate.

[c] Average 1947-551.

[d] Including only pineapples and bananas.

[e] Average 1935-38.

[f] Including dried fruit.

[g] 1938.

TABLE I-29. LATIN AMERICA: EXPORTS OF DRIED FRUIT

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	390	420	1,630	2,209	1,696	1,742	3,950	4,595
Bolivia	153	2,973	139	263	585	819	53	335
Brazil	3	4,509	6	3,934	10	2,609	158	4,918
Chile	3,946	4,534	3,637	4,063	1,401	3,744	907	5,051
TOTAL FOR LATIN AMERICA	4,492	12,436	5,412	10,469	3,692	8,914	5,068	14,899

SOURCE: Official foreign trade statistics.

NOTE: Haiti and Mexico are included in the "fresh fruit" group

Table I–30. Latin America: Exports of dried fruit

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	52	56	1,325	1,628	2,444	2,473	4,768	5,327
Bolivia	12	485	23	92	162	254	22	134
Brazil	1	1,932	6	3,666	13	3,018	62	6,367
Chile	693	792	1,402	1,610	540	1,077	800	1,801
Total for Latin America	758	3,265	2,756	6,996	3,159	6,822	5,652	13,629

Source: Official foreign trade statistics.

Note: Haiti and Mexico are included in the "fresh fruit" group.

Table I–31. Latin America: Exports of sheep

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	28,048	28,346	18,690	18,698	3,567	3,570	4,085	4,095
Brazil	2	2	2,991 [a]	2,992 [a]	—	—	—	—
Chile	88	102	87	87	89	89	87	87
Uruguay	1,091	1,091	2,672	2,672	494	494	1,297	1,297
Total	29,239	29,541	24,340	24,453	4,150	4,153	5,469	5,479
Colombia	—	25	—	—	—	—	—	—
Grand total for South America	29,239	29,566	24,440	24,453	4,150	4,153	5,469	5,479
Mexico	—	87	—	14	—	—	—	—
Grand total for Latin America	29,239	29,653	24,440	24,463	4,150	4,153	5,469	5,479

Source: Official foreign trade statistics.

[a] 1951.

Table I–32. Latin America: Exports of sheep

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	1,051	1,076	1,521	1,817	779	780	683	687
Brazil	0.2	0.2	1,697 [a]	1,702 [a]	—	—	—	—
Chile	24	28	91	92	114	117	108	108
Uruguay	118	118	540	540	429	429	495	495
Total	1,193	1,222	3,849	4,151	1,322	1,326	1,286	1,290
Colombia	—	2	—	—	—	—	—	—
Grand total for South America	1,193	1,224	3,849	4,151	1,322	1,326	1,286	1,290
Mexico	—	9	—	3	—	—	—	—
Grand total for Latin America	1,193	1,233	3,849	4,154	1,322	1,326	1,286	1,290

Source: Official foreign trade statistics.

[a] 1951.

Table I-35. Latin America: Exports of cattle

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	37,300	41,000	123,484	124,625	49,791	49,816	30,469	30,475
Bolivia	541	715	1,003	1,003	906	906	373	378
Brazil	46	63	129	129	73	73	2	2
Chile	200	203	8	8	—	—	—	—
Uruguay	32,891	32,891	1,221	1,221	1,399	1,399	1,053	1,053
Total	70,978	74,872	125,845	126,986	52,169	52,194	31,897	31,908
Colombia	226	272	1,611	6,092	—	4,380	—	3,068
Venezuela	6,647 [a]	9,907 [a]	699	911	—	—	—	—
Grand total for South America	77,851	85,051	128,155	133,989	52,169	56,574	31,897	34,976
Dominican Republic	—	1,106	22	1,189	62	63	—	2
El Salvador	623	623	4,928	4,928	3,512	3,512	6,472	6,472
Guatemala	2	4	4	4	8	8	—	—
Honduras	—	—	6,779	6,869	7,355	7,462	7,000 [b]	7,000 [b]
Mexico	73	39,521	10	15,206	—	23,504	17	26,919
Nicaragua	352	352	2,870	2,870	3,975	4,058	4,384	4,436
Grand total for Latin America	78,901	126,657	142,768	165,055	67,081	95,181	49,770	79,805

Source: Official foreign trade statistics.
[a] 1938.
[b] Estimate.

Table I-36. Latin America: Exports of cattle

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	1,653	1,705	18,629	18,837	18,047	18,051	11,055	11,056
Bolivia	178	203	142	142	1,231	1,231	807	808
Brazil	2	3	168	168	60	60	4	4
Chile	19	19	3	3	—	—	—	—
Uruguay	1,850	1,850	537	537	797	797	550	550
Total	3,702	3,780	19,479	19,687	20,135	20,139	12,416	12,418
Colombia	18	19	326	1,244	—	1,049	—	734
Venezuela	357 [a]	499 [a]	125	151	—	—	—	—
Grand total for South America	4,077	4,298	19,930	21,082	20,135	21,188	12,416	13,152
Dominican Republic	—	109	23	280	17	18	—	1
El Salvador	16	16	269	269	176	176	747	747
Guatemala	1	1	3	3	13	13	..	..
Honduras	—	—	586	598	850	878	870 [b]	870 [b]
Mexico	2	1,350	16	1,678	—	4,435	21	6,822
Nicaragua	18	18	853	853	1,261	1,304	1 345	1,361
Grand total for Latin America	4,114	5,792	21,680	24,763	22,452	28,012	15,399	22,953

Source: Official foreign trade statistics.
[a] 1938.
[b] Estimate.

Table I–37. Latin America: Exports of edible oils

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	5	318	6,955	76,567	238 [a]	9,392	19,506 [b]	23,775
Brazil	—	—	85	1,661	—	—	—	1
Paraguay	284	345	870	1,480	291	1,112	40	40
Uruguay	—	—	119	4,726	—	9,491	764	9,000 [c]
Total for South America	289	663	8,029	84,434	529	19,995	20,310	32,816
El Salvador	—	—	341	535	545	679	696	696
Mexico	—	1,386	—	1,347	—	8	—	37
Grand total for Latin America	289	2,049	8,370	86,316	1,074	20,682	21,006	33,549

Source: Official foreign trade statistics.

[a] In Argentina's foreign trade, by countries, 96 tons of edible oils are recorded as exported to Chile in 1952. The Chilean *Anuario de Comercio Exterior* registers 3,582 tons imported from Argentina.

[b] Exports to Chile; 10,030 tons were imported by Chile from Argentina, according to Chilean yearbooks.

[c] Estimate.

Table I–38. Latin America: Exports of edible oils

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	2	35	4,049	41,371	157	5,690	8,952	10,432
Brazil	—	—	47	925	—	—	—	1
Paraguay	37	46	377	589	63	266	9	9
Uruguay	—	—	41	2,078	—	3,175	356	3,000 [a]
Total for South America	39	81	4,514	44,963	220	9,131	9,317	13,442
El Salvador	—	—	180	281	174	207	267	267
Mexico	—	207	—	629	—	2	—	5
Grand total for Latin America	39	288	4,694	45,873	394	9,340	9,584	13,714

Source: Official foreign trade statistics.

[a] Estimate.

Table I–39. Latin America: Exports of edible fats

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	606	24,327	4,235	33,289	2,182	2,381	11,281	12,062
Brazil	92	5,823	3	4	—	—	—	—
Chile	142	143	—	—	—	—	—	—
Paraguay	662	1,267	—	—	—	—	—	—
Uruguay	54	3,933	312	2,423	—	974	—	600
Total for South America	1,576	35,493	4,550	35,716	2,182	3,355	11,281	12,662
El Salvador	—	—	65	66	—	—	2	2
Honduras	—	—	253	259	33	33	—	—
Mexico	—	—	360	365	—	—	—	—
Grand total for Latin America	1,576	35,493	5,228	36,406	2,215	3,388	11,283	12,664

Source: Official foreign trade statistics.

Table I-40. Latin America: Exports of edible fats

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	97	3,222	2,765	19,142	2,195	2,239	8,838	9,028
Brazil	13	946	2	3	—	—	—	—
Chile	41	41	—	—	—	—	—	—
Paraguay	71	127	—	—	—	—	—	—
Uruguay	18	559	212	1,328	—	346	—	169
Total for South America	244	4,895	2,979	20,473	2,195	2,585	8,838	9,197
El Salvador	—	—	39	39	—	—	2	2
Honduras	—	—	107	111	17	17	—	—
Mexico	—	—	148	150	—	—	—	—
Grand total for Latin America	244	4,895	3,273	20,773	2,212	2,602	8,840	9,199

Source: Official foreign trade statistics.

Table I-43. Latin America: Exports of malted barley

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World to'al	Latin America	World total
Argentina	—	—	2,369	2,812	—	—	—	—
Chile	6,034	6,408	16,862	19,169	21,868	23,384	22,202	22,202
Total for South America	6,034	6,408	19,231	21,981	21,868	23,384	22,202	22,202
Mexico	—	1,462	—	65	—	—	—	10
Grand total for Latin America	6,034	7,870	19,231	22,046	21,868	23,384	22,202	22,212

Source: Official foreign trade statistics.

Table I-44. Latin America: Exports of malted barley

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	—	—	444	559	—	—	—	—
Chile	352	373	3,009	3,522	3,309	3,574	3,780	3,780
Total for South America	352	373	3,453	4,081	3,309	3,574	3,780	3,780
Mexico	—	90	—	14	—	—	—	7
Grand total for Latin America	352	463	3,453	4,095	3,309	3,574	3,780	3,787

Source: Official foreign trade statistics.

TABLE I-49. LATIN AMERICA: EXPORTS OF LEAF TOBACCO

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	—	203	1.5	1,566	2	69	0.6	36
Brazil	5,721	31,264	5,128	34,532	1,572	30,144	2,328	23,874
Paraguay	1,031	3,646	1,356	4,308	694	4,315	421	4,882
TOTAL	6,752	35,112	6,485	40,406	2,268	34,528	2,750	28,792
Colombia	43	2,030	—	3,675	—	3,222	—	5,110
GRAND TOTAL FOR SOUTH AMERICA	6,795	37,142	6,485	44,081	2,268	37,750	2,750	33,902
Cuba	725	12,399	698	14,614	575	18,041	600 [a]	16,156
Dominican Republic	149 [b]	5,571 [b]	179	18,095	102	15,245	191	9,458
Honduras	—	—	1,829	1,829	1,831	1,831	1,800 [a]	1,800 [a]
Mexico	—	104	3	252	2	164	16	248
GRAND TOTAL FOR LATIN AMERICA	7,669	55,216	9,194	78,871	4,778	73,031	5,357	61,564

SOURCE: Official foreign trade statistics.
[a] Estimate.
[b] Average 1935-38.

TABLE I-50. LATIN AMERICA: EXPORTS OF LEAF TOBACCO

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	—	35	2	601	3	16	1	7
Brazil	785	4,671	3,696	18,853	1,687	18,672	2,104	19,121
Paraguay	139	351	450	1,295	349	1,921	135	1,805
TOTAL	924	5,057	4,148	20,749	2,039	20,609	2,240	20,933
Colombia	4	221	—	1,917	—	1,634	—	2,580
GRAND TOTAL FOR SOUTH AMERICA	928	5,278	4,148	22,666	2,039	22,243	2,240	23,513
Cuba	673	10,470	1,101	30,873	946	35,073	900 [a]	34,649
Dominican Republic	10 [b]	267 [b]	73	5,592	43	5,276	92	3,896
Honduras	—	—	344	344	320	320	320 [a]	320 [a]
Mexico	—	29	1	130	1	80	8	126
GRAND TOTAL FOR LATIN AMERICA	1,611	16,044	5,667	59,605	3,349	62,992	3,560	62,504

SOURCE: Official foreign trade statistics.
[a] Estimate.
[b] Average 1935-38.

TABLE I-55. LATIN AMERICA: EXPORTS OF WHEAT

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	1,052,399	3,218,345	766,130	2,152,413	56,853	62,810	1,423,315	2,527,237
Chile	9,010	23,357	836	4,579	—	—	—	—
Uruguay	32,694	56,489	14,764	28,954	38,806	54,356	—	—
TOTAL	1,094,103	3,298,191	781,730	2,185,946	95,659	117,166	1,423,315	2,527,237
Ecuador	17	17	5	5	—	—	—	—
GRAND TOTAL FOR LATIN AMERICA	1,094,120	3,298,208	781,735	2,185,951	95,659	117,166	1,423,315	2,527,237

SOURCE: Official foreign trade statistics.

Table I-56. Latin America: Exports of wheat

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	31,123	90,333	84,088	247,729	5,479	5,917	152,398	243,552
Chile	206	602	74	444	—	—	—	—
Uruguay	1,599	2,740	1,218	2,449	5,619	7,549	—	—
Total	32,928	93,675	85,380	250,622	11,098	13,466	152,398	243,552
Ecuador	1	—	0.5	—	—	—	—	—
Grand total for Latin America	32,929	93,675	85,380	250,622	11,098	13,466	152,398	243,552

Source: Official foreign trade statistics.

Table I-57. Latin America: Exports of wheat flour

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	59,886	91,596	12,860	20,551	903	1,683	5,139	6,225
Brazil	16	166	6	6	148	148	—	—
Chile	1,347	1,358	—	1	—	—	—	—
Peru	—	10	—	—	—	—	—	—
Uruguay	9,551	9,551	23,702	24,191	93,644	111,176	50,421	51,000 [a]
Total	70,800	102,681	36,568	44,749	94,695	113,007	55,560	57,225
Ecuador	70	72	4	5	—	—	—	—
Grand total for South America	70,870	102,753	36,572	44,754	94,695	113,007	55,560	57,225
Mexico	—	75	0.2	1	—	0.2	—	0.1
Grand total for Latin America	70,870	102,828	36,572	44,755	94,695	113,007	55,560	57,225

Source: Official foreign trade statistics. [a] Estimate.

Table I-58. Latin America: Exports of wheat flour

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	2,433	3,738	1,977	2,855	196	311	1,074	1,222
Brazil	1	12	2	2	49	49	—	—
Chile	54	55	—	0.1	—	—	—	—
Peru	—	0.4	—	—	—	—	—	—
Uruguay	652	652	3,520	3,591	15,310	17,852	7,936	8,000 [a]
Total	3,140	4,457	5,499	6,448	15,555	18,212	9,010	9,222
Ecuador	5	5	1	1	—	—	—	—
Grand total for South America	3,145	4,462	5,500	6,449	15,555	18,212	9,010	9,222
Mexico	—	3	—	0.2	—	0.1	—	—
Grand total for Latin America	3,145	4,465	5,500	6,449	15,555	18,212	9,010	9,222

Source: Official foreign trade statistics. [a] Estimate.

Table I–59. Latin America: Exports of wine

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina [a]	475	1,177	1,681	6,803	19	25	128	211
Chile	770	12,704	2,149	12,663	993	5,486	536	3,907
Peru	9	10	24	25	—	—	—	—
Total for Latin America	1,254	13,891	3,854	19,492	1,012	5,511	664	4,118

Source: Official foreign trade statistics.

[a] Estimate.

Table I–60. Latin America: Exports of wine

F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	23	57	149	603	3	4	20	33
Chile	58	615	574	1,121	209	861	120	611
Peru	2	2	12	14	—	—	—	—
Total for Latin America	83	674	735	1,738	212	865	140	644

Source: Official foreign trade statistics.

Table I–63. Latin America: Exports of unginned cotton

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	49	29,497	1,907	17,674	—	23,412	—	61,444
Brazil	103	194,078	8,936	218,156	2,037	28,130	3,985	139,515
Paraguay	1,382	1,382 [a]	2,768	10,306	2,996	13,967	2,677	14,833
Peru	1,274	74,743	14,515	69,713	26,364	81,943	30,161	86,726
Total	2,808	299,700	28,126	315,849	31,397	147,452	36,823	302,518
Ecuador	—	—	—	96	—	—	—	—
Grand total for South America	2,808	299,700	28,126	315,945	31,397	147,452	36,823	302,518
El Salvador	3	5	1,632	2,677	10	6,525	31	8,599
Haiti	—	5,461	936	2,050	601	1,113	500 [a]	1,000 [a]
Mexico	—	22,753	23	108,051	638	229,853	2,850	234,311
Nicaragua	175	710	251	1,468	9	9,530	—	12,783
Grand total for Latin America	2,986	328,629	30,968	430,191	32,655	394,473	40,204	559,211

Source: Official foreign trade statistics.

[a] Estimate.

TABLE I–64. LATIN AMERICA: EXPORTS OF UNGINNED COTTON

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	13	7,137	1,537	14,530	—	19,872	—	39,729
Brazil	23	51,988	6,343	153,472	2,444	34,585	3,280	10,079
Paraguay	377	377 [a]	1,212	4,727	2,319	10,782	995	4,460
Peru	316	19,585	9,696	54,491	24,079	79,041	21,981	63,531
TOTAL	729	79,087	18,788	227,220	28,842	144,280	26,256	117,799
Ecuador	—	—	—	57	—	—	—	—
GRAND TOTAL FOR SOUTH AMERICA	729	79,087	18,788	227,277	28,842	144,280	26,256	117,799
El Salvador	0.1	0.4	1,124	1,809	5	5,155	24	6,311
Haiti	—	1,386	373	1,097	206	611	200 [a]	600 [a]
Mexico	—	5,051	14	60,366	366	137,270	1,595	129,365
Nicaragua	44	204	128	1,309	3	6,838	—	8,403
GRAND TOTAL FOR LATIN AMERICA	773	85,728	20,427	291,858	29,422	294,154	28,075	262,478

SOURCE: Official foreign trade statistics.

[a] Estimate.

TABLE I–71. LATIN AMERICA: EXPORTS OF GREASY WOOL

(Tons)

Exporter countries	Average 1934-38		Average 1946 51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	534	118,441	1,115	115,049	1,001 [a]	94,388	852	141,079
Brazil	512	4,467	205	2,949	—	—	—	9,977
Chile	13	10,671	31	7,153	—	7,540	—	7,193
Peru [b]	96	4,369	54	4,337	44	4,992	7	1,737
Uruguay	88	38,258	35	48,823	—	39,046	—	66,584
TOTAL	1,243	176,206	1,440	178,311	1,045	145,966	859	226,570
Ecuador	15	59	36	37	7	7	—	—
GRAND TOTAL FOR LATIN AMERICA	1,258	176,265	1,476	178,348	1,052	145,973	859	226,570

SOURCE: Official foreign trade statistics.

[a] Including 573 tons exported to Peru by Argentina, but not registered as imports in the Peruvian yearbook.

[b] Including wool not only from sheep but also from vicuñas, alpacas, guanacos and llamas.

TABLE I–72. LATIN AMERICA: EXPORTS OF GREASY WOOL

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	209	39,459	1,328	89,612	1,154 [a]	90,256	1,028	153,420
Brazil	204	2,018	185	3,072	—	—	—	22,070
Chile	7	4,896	25	9,216	—	14,675	—	9,405
Peru [b]	26	2,087	56	5,171	122	7,520	5	1,950
Uruguay	54	24,972	102	66,894	—	56,749	—	103,494
TOTAL	500	73,432	1,696	173,965	1,276	169,200	1,033	290,339
Ecuador	3	15	44	44	7	7	—	—
GRAND TOTAL FOR LATIN AMERICA	503	73,447	1,740	174,009	1,283	169,207	1,033	290,339

SOURCE: Official foreign trade statistics.

[a] Includes 669,000 dollars exported to Peru by Argentina, but not registered as imports in the Peruvian yearbook.

[b] Including wool not only from sheep but also from vicuñas, alpacas, guanacos, and llamas.

TABLE I–73. LATIN AMERICA: EXPORTS OF WASHED AND SEMI-GREASY WOOL

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	780	12,573	2,119	26,941	649	10,255	642	12,991
Brazil	—	—	—	—	—	—	—	371
Chile	1	63	52	180	31	361	41	57
Peru	50	1,251	2	137	—	30	27	324
Uruguay	113	4,717	48	10,427	105	6,485	290	12,528
TOTAL FOR LATIN AMERICA	944	18,604	2,221	37,685	785	17,131	1,000	26,271

SOURCE: Official foreign trade statistics.

TABLE I–74. LATIN AMERICA: EXPORTS OF WASHED AND SEMI-GREASY WOOL

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	505	6,305	3,382	37,477	2,283	18,105	2,132	23,627
Brazil	—	—	—	—	—	—	—	1,147
Chile	1	50	125	382	41	278	76	106
Peru	11	659	0.5	185	—	68	58	393
Uruguay	100	3,445	86	17,429	189	11,526	544	23,816
TOTAL FOR LATIN AMERICA	617	10,459	3,594	55,473	2,513	29,977	2,810	49,089

SOURCE: Official foreign trade statistics.

Table I-77. Latin America: Exports of quebracho

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1952	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina [a]	10,407	193,707	18,350	180,422	17,974	163,152	18,955	171,625
Paraguay	4,492 [b]	38,796	7,299 [b]	35,939	—	27,852	852 [c]	30,922
Total for Latin America	10,407	232,503	18,350	216,361	17,974	191,004	19,807	202,547

Source: Official foreign trade statistics.
[a] Including urunday extract.
[b] Exports to Argentina, in transit, which are not included in total exports to Latin America.
[c] Excluding 209 tons exported to Argentina, in transit.

Table I-78. Latin America: Exports of quebracho

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina [a]	695	12,006	3,445	60,990	3,382	30,303	4,520	38,776
Paraguay	198 [b]	1,696	884 [b]	4,734	—	5,495	100 [c]	3,265
Total for Latin America	695	13,702	3,445	65,724	3,382	35,798	4,620	42,041

Source: Official foreign trade statistics.
[a] Including urunday extract.
[b] Exports to Argentina, in transit, which are not included in total exports to Latin America.
[c] Excluding 9,000 dollars exported to Argentina, in transit.

Table I-79. Latin America: Exports of oil-seeds[a]

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	5,644	9,019	2,503	3,040	1	2	200	202
Brazil	32	101,439	329	32,167	330	40,463	—	—
Peru	27,000 [b]	27,000 [b]	—	—	—	—	—	—
Uruguay	1,790	5,599	—	18,649	—	25,465	—	20,000
Total for South America	34,466	143,057	2,832	53,856	331	65,930	200	20,202
El Salvador	7	22	1,225	3,407	1,538	2,750	3,100	5,031
Mexico	—	858	26	6,764	144	19,075	29	21,104
Nicaragua	—	1,022	2,314	10,635	10,835	28,875	9,786	32,455
Grand total for Latin America	34,473	144,959	6,397	74,662	12,848	116,630	13,115	78,792

Source: Official foreign trade statistics.
[a] Including peanut, copra, palm, cotton, soya bean, sesame and sunflower.
[b] Estimate.

Table I-80. Latin America: Exports of oil-seeds[a]

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	118	222	426	482	0.2	0.4	22	23
Brazil	2	4,097	82	6,878	116	8,328	—	—
Peru	1,090 [b]	1,090 [b]	—	—	—	—	—	—
Uruguay	80	200	—	1,509	—	1,946	—	1,800 [b]
Total for South America	1,290	5,609	508	8,869	116	10,274	22	1,823
El Salvador	0.4	1	308	783	412	661	583	944
Mexico	—	37	5	1,283	29	3,999	9	5,275
Nicaragua	—	23	531	2,525	2,318	4,627	1,748	3,396
Grand total for Latin America	1,290	5,670	1,352	13,460	2,875	19,561	2,362	11,438

Source: Official foreign trade statistics.
[a] Including peanut, copra, palm, cotton, soya bean, sesame and sunflower.
[b] Estimate.

Table I-83. Latin America: Exports of rough and partly-worked timber

(Including logs, planed and unplaned boards and planks, and beams)

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Bolivia	12	29	4,966	4,979	—	42	—	19
Brazil	149,547	210,501	436,062	613,242	290,072	454,950	316,409	607,903
Chile	19,990	26,107	54,231	66,792	53,127	61,519	69,648	83,240
Paraguay	46,518	50,641	176,392	181,115	135,249	135,249	156,237	156,290
Peru	—	4,568	518	5,227	1,090	7,679	—	1,104
Total	216,067	291,846	672,169	871,355	479,538	659,439	542,294	848,566
Colombia	9	279	387	2,346	941	7,171	486	12,449
Ecuador	18	1,266	55	2,753	—	4,456	—	4,343
Venezuela [a]	—	—	—	2,851	—	—	—	2,108
Grand total for South America	216,094	293,391	672,611	879,305	480,479	671,066	542,780	867,456
Costa Rica [a]	771	1,055	1,190	23,991	1,000 [b]	21,192	700 [b]	17,440
Cuba [a]	34	15,602	4	2,012	—	2,528 [b]	—	3,012 [b]
Dominican Republic [a]	21 [c]	8,823 [c]	1,067	10,998	9	3,794	—	3 352
Guatemala [a]	892	1,709	1,901 [d]	5,875 [d]	1,343	4,389	1,500 [b]	4,414 [b]
Haiti [a]	3	214	136	1,269	—	1,507	—	1,720 [e]
Honduras [a]	—	—	34,500	47,831	79,956	94,469	81,802	97,810
Mexico [a]	—	36,372	1,670	176,283	2,137	115,235	832	71,847
Nicaragua [a]	3,688	28,780	17,962	59,655	23,087	70,710	17 640	62,513
Panama [a]	—	—	373	6,280	527	10,168	500 [b]	12,000 [b]
Grand total for Latin America	221,503	385,946	731,414	1,213,499	588,538	995,058	645,754	1,141,564

Source: Official foreign trade statistics.
[a] Including also posts, sleepers and piles.
[b] Estimate.
[c] Average 1935-38.
[d] Average 1947-51.
[e] 11 months.

TABLE I-84. LATIN AMERICA: EXPORTS OF ROUGH AND PARTLY-WORKED TIMBER

(Including logs, planed and unplaned boards and planks, and beams)

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Bolivia	1	1	263	263	—	8	—	1
Brazil	2,235	3,239	31,458	43,472	24,836	36,480	23,154	45,681
Chile	418	616	4,109	5,005	7,105	7,671	8,015	8,828
Paraguay	201	230	5,497	5,690	4,270	4,275	4,100	4,100
Peru	—	71	65	300	60	393	—	105
TOTAL	2,855	4,157	41,391	54,730	36,271	48,827	35,269	58,715
Colombia	1	9	522	108	8	209	4	208
Ecuador	0.3	103	7	546	—	978	—	1,045
Venezuela [a]	—	—	—	113	—	—	—	62
GRAND TOTAL FOR SOUTH AMERICA	2,856	4,269	41,920	55,497	36,279	50,014	35,273	60,030
Costa Rica [a]	20	26	31	521	18 [b]	265	9	220
Cuba [a]	2	284	1	125	—	172 [b]	—	195 [b]
Dominican Republic [a]	0.3 [c]	166 [c]	33	621	0.2	291	—	230
Guatemala [a]	22	68	101 [d]	443 [d]	54	839	205 [b]	603
Haiti [a]	0.1	3	8	25	—	51	—	50 [e]
Honduras [a]	—	—	1,223	2,065	3,324	4,077	3,487	4,094
Mexico [a]	—	470	99	6,781	100	3,789	41	3,307
Nicaragua [a]	25	227	311	1,534	626	2,788	868	3,942
Panama [a]	—	—	29	438	21	537	39 [b]	647 [b]
GRAND TOTAL FOR LATIN AMERICA	2,926	5,513	43,756	67,050	40,422	62,823	39,922	73,318

SOURCE: Official foreign trade statistics.
[a] Also including posts, sleepers and piles.
[b] Estimate.
[c] Average 1935-38.
[d] Average 1947-51.
[e] 11 months.

TABLE I-85. LATIN AMERICA: EXPORTS OF MANUFACTURED TIMBER

(Including veneer and plywood)

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Brazil	314	877	4,227	14,006	—	1,029	1,348	1,523
Chile	—	—	1,829	2,880	301	618	278	378
TOTAL FOR LATIN AMERICA	314	877	6,056	16,886	301	1,647	1,626	1,901

SOURCE: Official foreign trade statistics.

NOTE: Exports from Central American countries are excluded for lack of sources.

Table I–86. Latin America: Exports of manufactured timber

(Including veneer and plywood)

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Brazil	9	23	1,081	3,390	—	273	182	245
Chile	–	—	608	843	57	136	55	74
Total for Latin America	9	23	1,689	4,233	57	409	237	319

Source: Official foreign trade statistics.

Note: Exports from Central American countries are excluded for lack of sources.

Table I–87. Latin America: Exports of wooden posts

(Including telegraph posts, split poles, rods, cross-pieces, pickets and props)

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Chile	953	1,171	697	955	329	571	760	934
Paraguay	2,321	9,466	19,489	20,548	18,557	18,637	16,195	16,195
Total for Latin America	3,274	10,637	20,168	21,503	18,886	19,208	16,955	17,129

Source: Official foreign trade statistics.

Note: In the case of the Central American countries, this group is included under "Rough and partly-worked timber".

Table I–88. Latin America: Exports of wooden posts

(Including telegraph posts, split-poles, rods, cross-pieces, pickets and props)

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Chile	16	20	18.3	30	27	38	56	61
Paraguay	15	60	374	416	448	459	258	258
Total for Latin America	31	80	392	446	475	497	314	319

Source: Official foreign trade statistics.

Note: In the case of the Central American countries, this group is included under "Rough and partly-worked timber".

Table I–89. Latin America: Exports of wooden sleepers

(Tons)

Exporter countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Bolivia	—	—	515	520	—	—	—	—
Brazil	4,292	4,584	4,429	7,032	—	6,125	3,514	10,298
Chile	2,779	2,935	700	993	22	2	7,737	7,737
Paraguay	44	198	4,290	5,683	750	750	1,364	1,364
Total for Latin America	7,115	7,717	9,934	14,228	772	6,897	12,615	19,399

Source: Official foreign trade statistics.

Note: In the case of the Central American countries, this group is included under "Rough and partly-worked timber".

Table I–90. Latin America: Exports of wooden sleepers

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Bolivia	—	—	16	16	—	—	—	—
Brazil	3	3	132	199	—	221	146	288
Chile	25	26	25	35	1	1	576	576
Paraguay	0.2	1	33	59	15	15	4	4
Total for Latin America	28	30	206	309	16	237	726	868

Source: Official foreign trade statistics.

Note: In the case of the Central American countries, this group is included under "Rough and partly-worked timber".

Table I–93. Latin America: Exports of sulphur

(Tons)

Exporter countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentina	9	31	—	—	—	—	—	—
Bolivia	100	2,861	2,476 [a]	4,193	—	5,585	—	2,497
Chile	8,728	14,867	2,489	3,539	18,794	29,575	16,362	16,363
Peru	1,436	1,796	638	891	4,010	4,710	613	613
Total	10,273	19,555	5,603	8,623	22,804	39,870	16,975	19,473
Ecuador	—	—	—	—	—	111	2,512	2,512
Grand total for South America	10,273	19,555	5,603	8,623	22,804	39,981	19,487	21,985
Mexico	—	98	680	2,110	4,451	9,084	—	4,533
Grand total for Latin America	10,273	19,653	6,283	10,733	27,255	49,065	19,487	26,518

Source: Official foreign trade statistics.

[a] Average 1946-49.

Table I-94. Latin America: Exports of sulphur

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	0.4	2	—	—	—	—	—	—
Bolivia	1	41	46 [a]	80		659		748
Chile	184	291	215	358	4,316	5,827	3,161	3,161
Peru	18	23	18	29	375	433	59	59
Total	203	357	279	467	4,691	6,919	3,405	3,968
Ecuador	—	—	—		—	8	185	185
Grand total for South America	203	357	279	467	4,691	6,927	3,590	4,153
Mexico	—	0.4	37	64	292	820	—	165
Grand total for Latin America	203	357	316	531	4,983	7,747	3,590	4,318

Source: Official foreign trade statistics.

[a] Average 1946-49.

Table I-95. Latin America: Exports of cement

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Chile	961	967	14,517	17,787	42,686	42,686	16,105	16,105
Peru	—	—	847	847	8	8	384	384
Uruguay	—	—	4,026	4,050	—	—	—	—
Total	961	967	19,390	22,684	42,694	42,694	16,489	16,489
Colombia	116	116 [a]	6,511	8,559	6,839	9,826	23,274	23,316
Grand total for South America	1,077	1,083	25,901	31,243	49,533	52,520	39,763	39,805
El Salvador	41	41	79	79	3	3	80	80
Guatemala	97	97	206	206	3,787	3,787	—	—
Mexico	—	326	—	—	—	—	—	—
Nicaragua	—	—	1,441	1,441	—	—	—	—
Panama	—	—	8,026	8,026	41,408	41,408	—	—
Grand total for Latin America	1,215 [b]	1,547	35,653	40,995	94,731	97,718	39,843	39,885

Source: Official foreign trade statistics.

[a] Averages for 1934 and 1936-38.

[b] Totals for exports to Latin America differ from those for imports from the region, because Colombian sources do not register exports to Venezuela, while in the latter country's records, 3,963 tons appear as imports from Colombia.

Table I–96. Latin America: Exports of cement

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Chile	15	16	432	497	898	898	363	363
Peru	—	—	12	12	0.2	0.2	12	12
Uruguay	—	—	120	120	—	—	—	—
Total	15	16	564	629	898	898	375	375
Colombia	3	3 [a]	117	134	185	263	564	566
Grand total for South America	18	19	681	763	1,083	1,161	939	941
El Salvador	0.7	0.7	2	2	0.1	0.1	4	4
Guatemala	1	1	11	11	150	150	—	—
Mexico	—	4	—	—	—	—	—	—
Nicaragua	—	—	39	39	—	—	—	—
Panama	—	—	235	235	1,253	1,253	—	—
Grand total for Latin America	20	25	968	1,050	2,486	2,564	943	945

Source: Official foreign trade statistics.

[a] Averages for 1934 and 1936-38.

Table I–97. Latin America: Exports of copper ores

(Tons)

Expor er countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	—	55	—	—	—	—	—	—
Bolivia	—	7,850	—	11,836	—	10,065	—	9,998
Chile	—	88,578	14	77,346	—	126,267	—	138,974
Peru	—	8,633	—	18,195	—	24,312	—	3,911
Total	—	105,116	14	107,377	—	160,644	—	152,883
Ecuador	—	20	—	1,634 [a]	—	57	—	105
Grand total for South America	—	105,136	14	109,011	—	160,701	—	152,988
Cuba	—	39,839 [b]	—	53,815	—	55,378	—	59,501 [c]
Grand total for Latin America	—	144,975	14	162,826	—	216,079	—	212,489

Source: Official foreign trade statistics.

[a] Average 1946-50.

[b] Average 1935-39.

[c] Estimate.

Table I–98. Latin America: Exports of copper ores
(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	—	4	—	—	—	—	—	—
Bolivia	—	599	—	2,423	—	2,902	—	2,679
Chile	—	2,801	7	6,471	—	17,601	—	13,581
Peru	—	589	—	2,463	—	4,595	—	309
Total	—	3,993	7	11,347	—	25,098	—	16,569
Ecuador	—	1	—	86 [a]	—	19	—	31
Grand total for South America	—	3,994	7	11,433	—	25,117	—	16,600
Cuba	—	1,829 [b]	—	5,596	—	7,818	—	8,400 [c]
Grand total for Latin America	—	5,823	7	17,029	—	32,935	—	25,000

Source: Official foreign trade statistics.
[a] Average 1946-50.
[b] Average 1935-39.
[c] Estimate.

Table I–99. Latin America: Exports of electrolytic copper ingots
(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Chile	547	138,502	10,143	178,341	3,909	132,727	2,207	70,015
Peru [a]	—	—	1,576	3,786	—	20,530	—	20,888
Total for South America	547	138,502	11,719	182,127	3,909	153,257	2,207	90,903
Mexico [b]	—	—	48	3,218	—	9,735	—	7,875
Grand total for Latin America	547	138,502	11,767	185,345	3,909	162,992	2,207	98,778

Source: Official foreign trade statistics.
[a] Electrolytic copper plate.
[b] Including plate.

Table I–100. Latin America: Exports of electrolytic copper ingots
(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Chile	129	29,022	4,177	77,485	2,528	93,697	1,732	54,125
Peru [a]	—	—	788	1,883	—	12,520	—	12,363
Total for South America	129	29,022	4,965	79,368	2,528	106,217	1,732	66,488
Mexico [b]	—	—	54	2,184	—	8,062	—	5,533
Grand total for Latin America	129	29,022	5,019	81,552	2,528	114,279	1,732	72,021

Source: Official foreign trade statistics.
[a] Electrolytic copper plate.
[b] Including plate.

TABLE I–101. LATIN AMERICA: EXPORTS OF ELECTROLYTIC COPPER BILLETS

(Tons)

Exporter countries	Average 1946-51	
	Latin America	World total
Chile	6,864	8,814
TOTAL FOR LATIN AMERICA	6,864	8,814

SOURCE: Official foreign trade statistics.
NOTE: The period 1934-38 and the years 1952 and 1953 witnessed no movement in this trade.

TABLE I–102. LATIN AMERICA: EXPORTS OF ELECTROLYTIC COPPER BILLETS

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1946-51	
	Latin America	World total
Chile	3,775	4,853
TOTAL FOR LATIN AMERICA	3,775	4,853

SOURCE: Official foreign trade statistics.
NOTE: The period 1934-38 and the years 1952 and 1953 witnessed no movement in this trade.

TABLE I–103. LATIN AMERICA: EXPORTS OF STANDARD OR BLISTER COPPER INGOTS

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Chile	—	156,088	854	99,883	—	72,115	—	128,819
Peru	—	—	—	298	—	20	—	0.2
TOTAL FOR SOUTH AMERICA	—	156,088	854	100,181	—	72,135	—	128,819
Mexico	—	38,857	18	41,115	—	42,040	163	42,785
GRAND TOTAL FOR LATIN AMERICA	—	194,945	872	141,296	—	114,175	163	171,604

SOURCE: Official foreign trade statistics.

TABLE I–104. LATIN AMERICA: EXPORTS OF STANDARD OR BLISTER COPPER INGOTS

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Chile	—	28,024	254	40,070	—	54,165	—	101,019
Peru	—	—	—	190	—	19	—	6
TOTAL FOR SOUTH AMERICA	—	28,024	254	40,260	—	54,184	—	101,025
Mexico	—	16,854	6	16,134	—	28,249	30	27,623
GRAND TOTAL FOR LATIN AMERICA	—	44,878	260	56,394	—	82,433	30	128,648

SOURCE: Official foreign trade statistics.

TABLE I-105. LATIN AMERICA: EXPORTS OF REFINED OR RECAST COPPER
(Tons)

Exporter countries	*Average 1946-51*		*1952*		*1953*	
	Latin America	*World total*	*Latin America*	*World total*	*Latin America*	*World total*
Chile	799	73,059	200	148,036	18	95,251
Peru	—	8	—	19	—	—
TOTAL FOR SOUTH AMERICA	799	73,067	200	148,055	18	95,251
Mexico	—	75	—	—	—	—
GRAND TOTAL FOR LATIN AMERICA	799	73,142	200	148,055	18	95,251

SOURCE: Official foreign trade statistics.
NOTE: The period 1934-38 witnessed no movement in this trade.

TABLE I-106. LATIN AMERICA: EXPORTS OF REFINED OR RECAST COPPER
(Tons)

Exporter countries	*Average 1946-51*		*1952*		*1953*	
	Latin America	*World total*	*Latin America*	*World total*	*Latin America*	*World total*
Chile	393	34,327	142	107,577	14	74,344
Peru	—	3	—	9	—	—
TOTAL FOR SOUTH AMERICA	393	34,330	142	107,586	14	74,344
Mexico	—	94				
GRAND TOTAL FOR LATIN AMERICA	393	34,424	142	107,586	14	74,344

SOURCE: Official foreign trade statistics.
NOTE: The period 1934-38 witnessed no movement in this trade.

TABLE I-107. LATIN AMERICA: EXPORTS OF COPPER BARS, SHEET AND SCRAP
(Tons)

Exporter countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	Latin America	*World total*	*Latin America*	*World total*	*Latin America*	*World total*	*Latin America*	*World total*
Argentina	84	1,599	0.2	0.4	—	—	—	—
Chile	—	1	1,746	3,368	6,574	11,083	5,507	6,137
Peru	—	32,740	67	16,033	50	780	700	700
TOTAL	84	34,340	1,813	19,401	6,624	11,863	6,207	6,837
Ecuador	—	—	—	381	—	2	—	—
GRAND TOTAL FOR LATIN AMERICA	84	34,340	1,813	19,782	6,624	11,865	6,207	6,837

SOURCE: Official foreign trade statistics.

TABLE I-108. LATIN AMERICA: EXPORTS OF COPPER AND BARS, SHEET AND SCRAP

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	24	190	0.2	0.6			—	—
Chile	—	0.2	1,234	2,653	6,696	11,713	5,211	5,705
Peru	—	10,911	37	7,830	26	419	398	398
TOTAL	24	11,101	1,271	10,484	6,722	12,132	5,609	6,103
Ecuador	—	—	—	219	—	1	—	—
GRAND TOTAL FOR LATIN AMERICA	24	11,101	1,271	10,703	6,722	12,133	5,609	6,103

SOURCE: Official foreign trade statistics.

TABLE I-111. LATIN AMERICA: EXPORTS OF TIN BARS AND INGOTS

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	88	298	—	—	—	—	—	—
Bolivia	26	42,794	159	53,365	128	63,070	231	65,035
TOTAL FOR SOUTH AMERICA	114	43,092	159	53,365	128	63,070	231	65,035
Mexico	—	4	5	46	—	—	—	—
GRAND TOTAL FOR LATIN AMERICA	114	43,906	164	53,411	128	63,070	231	65,035

SOURCE: Official foreign trade statistics.

TABLE I-112. LATIN AMERICA: EXPORTS OF TIN BARS AND INGOTS

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	83	312	—	—	—	—	—	—
Bolivia	16	31,411	254	64,134	82	72,331	338	62,482
TOTAL FOR SOUTH AMERICA	99	31,723	254	64,134	82	72,331	338	62,482
Mexico	—	5	5	30	—	—	—	—
GRAND TOTAL FOR LATIN AMERICA	99	31,728	259	64,164	82	72,331	338	62,482

SOURCE: Official foreign trade statistics.

TABLE I-113. LATIN AMERICA: EXPORTS OF IRON AND STEEL (PIG-IRON)

(Tons)

Exporter countries	Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	5	5	—	—	—	—
Brazil	22,980	28,667	7,653	7,671	—	—
Chile	1,967	11,882	32,106	56,737	14,723	15,197
TOTAL FOR SOUTH AMERICA	24,952	40,554	39,759	64,408	14,723	15,197
Mexico	206	4,374	—	—	—	—
GRAND TOTAL FOR LATIN AMERICA	25,158	44,928	39,759	64,408	14,723	15,197

SOURCE: Official foreign trade statistics.
NOTE: The period 1934-38 witnessed no movement in this trade.

TABLE I-114. LATIN AMERICA: EXPORTS OF IRON AND STEEL (PIG-IRON)

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	0.5	0.5	—	—	—	—
Brazil	1,942	2,236	1,566	1,675	—	—
Chile	226	1,145	2,528	4,151	2,409	2,497
TOTAL FOR SOUTH AMERICA	2,169	3 382	4,094	5,826	2,409	2,497
Mexico	11	207	—	—		
GRAND TOTAL FOR LATIN AMERICA	2,180	3,589	4,094	5,826	2,409	2,497

SOURCE: Official foreign trade statistics.
NOTE: The period 1934-38 witnessed no movement in this trade.

TABLE I-115. LATIN AMERICA: EXPORTS OF IRON AND STEEL (BARS, SHAPES, STRIP)

(Tons)

Exporter countries	Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total
Brazil	742 [a]	742 [a]	—	—	—	—
Chile	1,063	1,065	20,415	20,415	21,875	21,875
TOTAL FOR SOUTH AMERICA	1,805	1,807	20,415	20,415	21,875	21,875
Mexico	67	209	10,039	10,045	[b] 0.8	3,024 [b]
GRAND TOTAL FOR LATIN AMERICA	1,872	2,016	30,454	30,460	21,876	24,899

SOURCE: Official foreign trade statistics.
NOTE: The period 1934-38 witnessed no movement in this trade.

[a] Excluding 1950.
[b] Including pig-iron, scrap and billets.

TABLE I-116. LATIN AMERICA: EXPORTS OF IRON AND STEEL (BARS, SHAPES, STRIP)

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total
Brazil	99 [a]	99 [a]	—	—	—	—
Chile	97	97	2,187	2,187	2,104	2,104
TOTAL FOR SOUTH AMERICA	196	196	2,187	2,187	2,104	2,104
Mexico	15	32	1,397	1,397	1 [b]	1 [b]
GRAND TOTAL FOR LATIN AMERICA	211	228	3,584	3,584	2,105	2,105

SOURCE: Official foreign trade statistics.
NOTE: The period 1934-38 witnessed no movement in this trade.

[a] Excluding 1950.
[b] Including pig-iron, scrap and billets.

TABLE I-117. LATIN AMERICA: EXPORTS OF IRON AND STEEL (SHEET AND ROLLED METAL)

(Tons)

Exporter countries	Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	5	26	—	—	—	—
Chile	404	628	23,995	26,756	55,364	55,364
TOTAL FOR LATIN AMERICA	409	654	23,995	26,756	55,364	55,364

SOURCE: Official foreign trade statistics.
NOTE: The period 1934-38 witnessed no movement in this trade.

TABLE I-118. LATIN AMERICA: EXPORTS OF IRON AND STEEL (SHEET AND ROLLED METAL)

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	5	11	—	—	—	—
Chile	51	82	4,915	5,304	13,500	13,500
TOTAL FOR LATIN AMERICA	56	93	4,915	5,304	13,500	13,500

SOURCE: Official foreign trade statistics.
NOTE: The period 1934-38 witnessed no movement in this trade.

TABLE I-119. LATIN AMERICA: EXPORTS OF IRON AND SPECIAL STEELS

(Tons)

Exporter countries	Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	5	85	1	11	5	22
TOTAL FOR LATIN AMERICA	5	85	1	11	5	22

SOURCE: Official foreign trade statistics.
NOTE: The period 1934-38 witnessed no movement in this trade.

TABLE I–120. LATIN AMERICA: EXPORTS OF IRON AND SPECIAL STEELS

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentina	3	17	1	2	1	3
TOTAL FOR LATIN AMERICA	3	17	1	2	1	3

SOURCE: Official foreign trade statistics.
NOTE: The period 1934-38 witnessed no movement in this trade.

TABLE I–121. LATIN AMERICA: EXPORTS OF TIN PLATE

(Tons)

Exporter countries	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Chile	407	407	1,504	1,504
TOTAL FOR LATIN AMERICA	407	407	1,504	1,504

SOURCE: Official foreign trade statistics.
NOTE: The periods 1934-38 and 1946-51 witnessed no movement in this trade.

TABLE I–122. LATIN AMERICA: EXPORTS OF TIN PLATE

(F.o.b. values in thousands of dollars)

Exporter countries	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Chile	134	134	397	397
TOTAL FOR LATIN AMERICA	134	134	397	397

SOURCE: Official foreign trade statistics.
NOTE: The periods 1934-38 and 1946-51 witnessed no movement in this trade.

TABLE I–123. LATIN AMERICA: EXPORTS OF LEAD ORES AND CONCENTRATES

(Tons)

Exporter countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentina	—	6,726	—	—	—	—	—	—
Bolivia	3,650	27,151	2,154	34,947	30	37,789	587	32,354
Chile	—	—	—	—	6,574	8,097	6,568	6,603
Peru	6	35,438	—	37,309	—	102,839	—	86,297
TOTAL	3,656	69,315	2,154	72,256	6,604	148,725	7,155	125,254
Ecuador	—	—	—	472	—	192	—	263
GRAND TOTAL FOR SOUTH AMERICA	3,656	69,315	2,154	72,728	6,604	148,917	7,155	125,517
Mexico	—	37,330	—	10,009	—	4,161	—	15,512
GRAND TOTAL FOR LATIN AMERICA	3,656	106,645	2,154	82,737	6,604	153,078	7,155	141,029

SOURCE: Official foreign trade statistics.

Table I-124. Latin America: Exports of lead ores and concentrates

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentina	—	516	—	—	—	—	—	—
Bolivia	257	1,189	353	6,160	7	8,831	128	5,867
Chile	—	—	—	—	1,699	1,968	1,163	1,167
Peru	0.4	1,967	—	5,629	—	14,171	—	11,934
Total	257	3,672	353	11,789	1,706	24,970	1,291	20,259
Ecuador	—	—	—	52	—	59	—	18
Grand total for South America	257	3,672	352	11,841	1,706	25,029	1,291	20,241
Mexico	—	3,030	—	245	—	180	—	634
Grand total for Latin America	257	6,702	353	12,086	1,706	25,209	1,291	20,911

Source: Official foreign trade statistics.

Table I–125. Latin America: Exports of lead bars and ingots

(Tons)

Exporter countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Peru	1,214	11,869	5,947	34,870	1,812	40,737	2,743	60,880
Total for South America	1,214	11,869	5,947	34,870	1,812	40,737	2,743	60,880
El Salvador	—	—	—	285	—	129	—	—
Mexico [a]	2,342	210,348	9,807	195,498	2,702	205,554	2,047	208,410
Grand total for Latin America	3,556	222,217	15,754	230,653	4,514	246,420	4,790	269,290

Source: Official foreign trade statistics.

[a] Furnace-refined and electrolytic.

Table I–126. Latin America: Exports of lead bars and ingots

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Peru	58	663	1,552	9,346	615	13,575	666	14,993
Total for South America	58	663	1,552	9,346	615	13,575	666	14,993
El Salvador	—	—	—	54	—	21	—	—
Mexico [a]	252	21,882	2,865	55,850	863	73,502	533	52,191
Grand total for Latin America	310	22,545	4,417	65,250	1,478	87,098	1,199	67,184

Source: Official foreign trade statistics.

[a] Furnace-refined and electrolytic.

Table I–127. Latin America: Exports of fertilizers
(Tons)

Exporter countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Chile [a]	17,495 [b]	1,434,465 [c]	150,315	1,596,897	104,633	1,320,570	114,872	1,234,033
Total for South America	17,495	1,434,465	150,315	1,596,897	104,633	1,320,570	114,872	1,234,033
Mexico	—	6,231	—	2,587	—	521	21	1,021
Grand total for Latin America	17,495	1,440,896	150,315	1,599,484	104,633	1,321,091	114,893	1,235,054

Source: Official foreign trade statistics.
[a] Nitrate only.
[b] Corresponding to nitrate imports effected by the Latin American countries.
[c] Including iodine.

Table I–128. Latin America: Exports of fertilizers
(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Chile [a]	540 [b]	32,925 [c]	5,183	54,572	4,796	57,775	5,328	54,660
Total for South America	540	32,925	5,183	54,572	4,796	57,775	5,328	54,660
Mexico	—	48	—	99	—	23	2	56
Total for Latin America	540	32,973	5,183	54,671	4,796	57,798	5,330	54,716

Source: Official foreign trade statistics.
[a] Nitrate only.
[b] Corresponding to c.i.f. values of nitrate imports effected by the Latin American countries.
[c] Including iodine.

Table I–133. Latin America: Exports of mineral coal[a]
(Tons)

Exporter countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentina	8,237	47,177	2,695	28,535	14	22	6	21
Chile	50,004	111,902	47,050	47,218	—	70	20	20
Peru	—	—	37,908	41,687	41,328	41,328	35,700	35,700
Total for Latin America	58,241	159,079	87,653	117,440	41,342	41,420	35,726	35,741

Source: Official foreign trade statistics.
[a] Excluding coke.

Table I–134. Latin America: Exports of mineral coal[a]
(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentina	68	391	91	896	0.9	1	0.4	1
Chile	214	437	469	471	—	1	0.4	0.4
Peru	—	—	403	437	1,005	1,005	489	489
Total for Latin America	282	828	1,791	1,804	1,006	1,007	490	490

Source: Official foreign trade statistics.
[a] Excluding coke.

Table I-137. Latin America: Exports of crude petroleum

(Tons)

Exporter countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Bolivia	—	—	10,163	10,163	—	—	750	750
Chile	—	976	25,220	25,267	109,131	109,131	150,248	150,248
Peru	256,476	1,405,561	168,447	292,792	217,982	342,959	188,032	308,516
Total	256,476	1,406,537	203,830	328,222	327,113	452,090	339,030	459,514
Colombia	21,000	2,436,000	47,673	3,315,125	100,404	4,451,216	79,331	4,607,507
Ecuador	68,166	209,709	142,897	148,274	99,068	115,526	143,142	171,626
Venezuela	29,389 [a]	26,610,556 [a]	1,184,913	60,945,271	2,247,019	76,246,282	2,473,020	69,751,535
Grand total for South America	375,031	30,662,802	1,579,313	64,736,892	2,773,604	81,265,114	3,034,523	74,990,182
Mexico	—	1,090,667	49,829	1,003,434	153,739	1,775,493	47,733	527,813
Grand total for Latin America	375,031	31,753,469	1,629,142	65,740,326	2,927,343	83,040,607	3,082,256	75,517,995

Source: Official foreign trade statistics.

[a] 1938.

Table I-138. Latin America: Exports of crude petroleum

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Bolivia	—	—	134	134	—	—	12	12
Chile	—	20	591	592	2,708	2,708	3,849	3,849
Peru	3,450	18,391	2,678	4,705	2,938	4,590	3,174	4,885
Total	3,450	18,411	3,403	5,431	5,646	7,298	7,035	8,746
Colombia	167	20,794	823	50,383	2,183	71,471	1,346	76,295
Ecuador	523	1,665	1,375	1,415	850	990	1,311	1,568
Venezuela	241 [a]	249,679 [a]	18,557	850,476	44,192	1,238,908	48,640	1,175,298
Grand total for South America	4,381	290,549	24,158	907,705	52,871	1,318,667	58,332	1,261,907
Mexico	—	7,613	646	10,633	1,795	25,172	662	6,473
Grand total for Latin America	4,381	298,162	24,804	918,338	54,666	1,343,839	58,994	1,268,380

Source: Official foreign trade statistics.

[a] 1938.

Table I-139. Latin America: Exports of aviation spirit

(Tons)

Exporter countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Peru	132,929 [a]	310,555 [a]	258,632 [b]	283,787 [b]	182,001	182,013	123,736	124,156
Total for Latin America	132,929	310,555	258,632	283,787	182,001	182,013	123,736	124,156

Source: Official foreign trade statistics.

[a] Including petrol.

[b] Including petrol for the years 1946 and 1947.

TABLE I-140. LATIN AMERICA: EXPORTS OF AVIATION SPIRIT

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Peru	3,095 [a]	7,295 [a]	9,118 [b]	9,690 [b]	6,927	6,928	4,644	4,673
TOTAL FOR LATIN AMERICA	3,095	7,295	9,118	9,690	6,927	6,928	4,644	4,673

SOURCE: Official foreign trade statistics.
[a] Including petrol.
[b] Including petrol for the years 1946 and 1947.

TABLE I-141. LATIN AMERICA: EXPORTS OF PETROL

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	3,284	3,286	1,501	1,530	36	38	18	18
Bolivia	—	—	135	135	—	—	—	—
Peru	— [a]	— [a]	62,904 [b]	62,906 [b]	37,956	37,957	22,305	22,305
TOTAL	3,284	3,286	64,540	64,571	37,992	37,995	22,323	22,323
Ecuador	141	527	23	23	25	25	—	—
Venezuela	5 [c]	302 [c]	125,708	523,864	945,028	1,528,775	1,108,352	1,688,149
GRAND TOTAL FOR SOUTH AMERICA	3,430	4,115	190,271	588,458	983,045	1,566,795	1,130,675	1,710,472
Mexico	47,421	411,716	3,180	56,940	21,243	21,479	4,921	5,416
GRAND TOTAL FOR LATIN AMERICA	50,851	415,831	193,451	645,398	1,004,288	1,588,274	1,135,596	1,715,888

SOURCE: Official foreign trade statistics.
[a] Including aviation spirit.
[b] Average for 1948-51.
[c] 1938.

TABLE I-142. LATIN AMERICA: EXPORTS OF PETROL

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	257	258	114	114	14	14	8	8
Bolivia	—	—	1	1	—	—	—	—
Peru	— [a]	— [a]	1,789 [b]	1,789 [b]	611	611	617	617
TOTAL	257	258	1,914	1,914	625	625	625	625
Ecuador	10	21	1	1	1	1	—	—
Venezuela	0,3 [c]	19 [c]	4,351	17,167	34,317	54,393	43,298	64,102
GRAND TOTAL FOR SOUTH AMERICA	267	298	6,266	19,082	34,943	55,019	43,923	64,727
Mexico	1,349	10,697	99	1,375	683	692	164	180
GRAND TOTAL FOR LATIN AMERICA	1,616	10,995	6,365	20,457	35,626	55,711	44,087	64,907

SOURCE: Official foreign trade statistics.
[a] Including aviation spirit.
[b] Average for 1948-51.
[c] 1938.

Table I-143. Latin America: Exports of kerosene
(Tons)

Exporter countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentina	735	871	75	92	16	24	7	12
Peru	34,702	98,982	36,561	43,680	36,955	37,217	36,966	36,970
Total	35,437	99,853	36,636	43,772	36,971	37,241	36,973	36,982
Venezuela	—	—	10,441	40,435	55,072	245,932	73,568	270,356
Grand total for South America	35,437	99,853	47,077	84,207	92,043	283,173	110,541	307,338
Mexico	15,329	81,510	1,157	107,433	2,317	7,551	2,809	3,372
Grand total for Latin America	50,766	181,363	48,234	191,640	94,360	290,724	113,350	310,710

Source: Official foreign trade statistics.

Table I-144. Latin America: Exports of kerosene
(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentina	50	52	3	4	5	6	2	3
Peru	709	1,681	895	987	956	963	1,017	1,017
Total	759	1,733	898	991	961	969	1,019	1,020
Venezuela	—	—	273	1,036	1,516	6,781	2,125	7,907
Grand total for South America	759	1,733	1,171	2,027	2,477	7,750	3,144	8,927
Mexico	266	1,360	37	2,076	108	229	71	88
Grand total for Latin America	1,025	3,093	1,208	4,103	2,585	7,979	3,215	9,015

Source: Official foreign trade statistics.

Table I-145. Latin America: Exports of diesel oil
(Including both gas oil and diesel oil)
(Tons)

Exporter countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentina	2,089	7,104	416	716	197	228	125	158
Chile	60	704	—	—	—	—	—	100
Peru [a]	134	60,775	50,695	51,449	59,725	61,694	52,092	53,556
Total	2,283	68,583	51,111	52,165	59,922	61,922	52,217	53,814
Venezuela	—	23,374 [b]	108,773	1,147,645	532,744	2,541,947	709,306	2,578,673
Grand total for South America	2,283	91,957	159,884	1,199,810	592,666	2,603,869	761,523	2,632,487
Mexico	11,607	339,250	198,577	662,900	71,153	326,051	167,119	1,673,039
Grand total for Latin America	13,890	431,207	358,461	1,862,710	663,819	2,929,920	928,642	4,305,526

Source: Official foreign trade statistics.
[a] Including tractor oil.
[b] 1938.

Table I-146. Latin America: Exports of diesel oil

(Including both gas oil and diesel oil)

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	39	129	23	39	21	23	18	20
Chile	2	15	—	—	—	—	—	10
Peru [a]	2	485	1,200	1,224	1,284	1,326	1,149	1,182
Total	43	629	1,223	1,263	1,305	1,349	1,167	1,212
Venezuela	—	1,464 [b]	2,595	25,003	13,240	62,696	17,867	64,244
Grand total for South America	43	2,093	3,818	26,266	14,545	64,045	19,034	65,456
Mexico	140	3,948	2,239	8,596	925	4,276	1,970	18,593
Grand total for Latin America	183	6,041	6,057	34,862	15,470	68,321	21,004	84,049

Source: Official foreign trade statistics.
[a] Including tractor oil.
[b] 1938.

Table I-147. Latin America: Exports of fuel oil

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	7,584	91,944	1,659	4,915	690	2,135	246	514
Peru [a]	17,129	80,860	238,576	302,237	229,639	299,641	124,934	175,704
Total	24,713	172,804	240,235	307,152	230,329	301,776	125,180	176,218
Venezuela	88,335 [b]	864,265 [b]	878,993	4,999,761	1,402,402	9,263,878	1,555,559	12,503,558
Grand total for South America	113,048	1,037,069	1,119,228	5,306,913	1,632,731	9,565,654	1,680,739	12,679,776
Mexico	172,940	777,470	15,146	129,588	14,536	106,250	9,776	102,657
Grand total for Latin America	285,988	1,814,539	1,134,374	5,436,501	1,647,267	9,671,904	1,690,515	12,782,433

Source: Official foreign trade statistics.
[a] Including diesel oil.
[b] 1938.

Table I-148. Latin America: Exports of fuel oil

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	129	925	58	178	28	85	15	27
Peru [a]	148	595	2,601	3,339	1,902	2,532	1,205	1,750
Total	277	1,520	2,659	3,517	1,930	2,617	1,220	1,777
Venezuela	830 [b]	8,166 [b]	10,763	67,391	15,894	107,310	16,650	136,748
Grand total for South America	1,107	9,686	13,422	70,908	17,824	109,927	17,870	138,525
Mexico	1,420	6,040	200	1,745	203	1,935	128	1,351
Grand total for Latin America	2,527	15,726	13,622	72,653	18,027	111,862	17,998	139,876

Source: Official foreign trade statistics.
[a] Including diesel oil.
[b] 1938.

TABLE I-149. LATIN AMERICA: EXPORTS OF LUBRICATING OILS AND MINERAL GREASES

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	279	336	52	581	49	299	25	269
Peru	876	1,023	2,032	2,053	1,775	1,791	2,305	2,327
TOTAL	1,155	1,359	2,084	2,634	1,824	2,090	2,330	2,596
Venezuela	— [a]	23 [a]	4	5,403	—	59,848	7,468	100,051
GRAND TOTAL FOR SOUTH AMERICA	1,155	1,382	2,088	8,037	1,824	61,938	9,798	102,647
Mexico	3,717	45,718	207	418	18	98	—	121
GRAND TOTAL FOR LATIN AMERICA	4,872	47,100	2,295	8,455	1,842	62,036	9,798	102,768

SOURCE: Official foreign trade statistics.

[a] 1938.

TABLE I-150. LATIN AMERICA: EXPORTS OF LUBRICATING OILS AND MINERAL GREASES

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	44	57	15	161	14	66	6	57
Peru	81	84	319	325	324	327	199	204
TOTAL	125	141	334	486	338	393	205	261
Venezuela	—	1 [a]	0.3	117	—	1,469	241	3,074
GRAND TOTAL FOR SOUTH AMERICA	125	142	334	603	338	1,862	446	3,335
Mexico	309	3,631	9	31	3	30	—	40
GRAND TOTAL FOR LATIN AMERICA	434	3,773	343	634	341	1,892	446	3,375

SOURCE: Official foreign trade statistics.

[a] 1938.

TABLE I-151. LATIN AMERICA: EXPORTS OF ASPHALT

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Peru	—	—	671	673	6	6	—	551
Venezuela	—	—	2,780	8,431	39,389	59,255	25,856	49,899
TOTAL FOR SOUTH AMERICA	—	—	3,451	9,104	39,395	59,261	25,856	50,450
Mexico	4,439	266,315	—	8,257	—	—	—	—
GRAND TOTAL FOR LATIN AMERICA	4,439	266,315	3,451	17,361	39,395	59,261	25,856	50,450

SOURCE: Official foreign trade statistics.

TABLE I-152. LATIN AMERICA: EXPORTS OF ASPHALT
(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Peru	—	—	24	24	0.3	0.3	—	4
Venezuela	—	—	60	185	746	1,232	1,014	1,587
TOTAL FOR SOUTH AMERICA	—	—	84	209	746	1,232	1,014	1,591
Mexico	80	4,403	—	216	—	—	—	—
GRAND TOTAL FOR LATIN AMERICA	80	4,403	84	425	746	1,232	1,014	1,591

SOURCE: Official foreign trade statistics.

TABLE I-153. LATIN AMERICA: EXPORTS OF OTHER PETROLEUM DERIVATIVES
(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	10	37	4	6	1	3	—	2
Peru	—	—	1,480	1,697	—	—	—	—
TOTAL	10	37	1,484	1,703	1	3	—	2
Venezuela	—	—	—	14,442	5,595	85,464	—	72,306
GRAND TOTAL FOR LATIN AMERICA	10	37	1,484	16,145	5,596	85,467	—	72,308

SOURCE: Official foreign trade statistics.

TABLE I-154. LATIN AMERICA: EXPORTS OF OTHER PETROLEUM DERIVATIVES
(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	1	5	3	4	1	1	—	1
Peru	—	—	58	70	—	—	—	—
TOTAL	1	5	61	74	1	1	—	1
Venezuela	—	—	—	312	138	2,124	—	1,647
GRAND TOTAL FOR LATIN AMERICA	1	5	61	386	139	2,125	—	1,648

SOURCE: Official foreign trade statistics.

TABLE I-169. LATIN AMERICA: EXPORTS OF COTTON YARN

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	112	114	5	6	—	—	12	12
Brazil	40	41	1,354	1,579	3,629 [a]	3,629	—	—
Peru	—	—	234	235	586	586	28	28
TOTAL FOR SOUTH AMERICA	152	155	1,593	1,820	4,215	4,215	40	40
El Salvador	2 [b]	2 [b]	3	3	2	2	2	2
Mexico	—	—	65	265	88	141	33	34
GRAND TOTAL FOR LATIN AMERICA	154	157	1,661	2,088	4,305	4,358	75	76

SOURCE: Official foreign trade statistics.

[a] Average for 1935-38.

[b] Brazilian exports to Argentina. The latter's foreign trade yearbooks register imports of 5,231 tons of yarn from Brazil.

TABLE I-170. LATIN AMERICA: EXPORTS OF COTTON YARN

(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	67	68	8	12	—	—	80	80
Brazil	41	42	4,934	5,383	24,069	24,069	—	—
Peru	—	—	818	824	3,520	3,521	58	58
TOTAL FOR SOUTH AMERICA	108	110	5,868	6,219	27,589	27,590	138	138
El Salvador	1 [a]	1 [a]	5	5	4	4	6	6
Mexico	—	—	122	385	118	195	54	56
GRAND TOTAL FOR LATIN AMERICA	109	111	5,995	6,609	27,711	27,789	198	200

SOURCE: Official foreign trade statistics.

[a] Average for 1935-38.

TABLE I-171. LATIN AMERICA: EXPORTS OF WOOLLEN YARN

(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	18	20	170	1,115	867 [a]	1,447	375	1,055
Brazil	—	—	3	7	—	—	—	—
Peru	—	—	8	9	4	11	10	14
Uruguay	—	—	307	1,758	109	8,502	228	13,280
TOTAL FOR SOUTH AMERICA	18	20	488	2,889	980	9,960	613	1,069
Mexico	—	—	14	17	8	8	4	4
GRAND TOTAL FOR LATIN AMERICA	18	20	502	2,906	988	9,968	617	15,422

SOURCE: Official foreign trade statistics.

[a] Including 832 tons exported to Chile, but not registered in Chile's foreign trade yearbooks as imports from Argentina.

TABLE I-172. LATIN AMERICA: EXPORTS OF WOOLLEN YARN
(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	24	26	921	5,540	5,754 [a]	8,351	3,009	6,605
Brazil	—	—	9	27	—	—	—	—
Peru	—	—	40	44	18	37	45	63
Uruguay	—	—	1,543	7,758	287	22,146	682	37,539
TOTAL FOR SOUTH AMERICA	24	26	2,513	13,369	6,059	30,534	3,736	44,207
Mexico	—	—	77	91	46	47	22	23
GRAND TOTAL FOR LATIN AMERICA	24	26	2,590	13,460	6,105	30,581	3,758	44,230

SOURCE: Official foreign trade statistics.
[a] Including exports to Chile to a value of 5.606 billion dollars, not registered in Chile's foreign trade yearbooks as imports from Argentina.

TABLE I-181. LATIN AMERICA: EXPORTS OF COTTON TEXTILES
(Tons)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	29	34	15	85	1	1	3	3
Brazil	341	380	3,736	7,231	124	153	2	4
Peru	3	3	70	81	59	75	18	19
Uruguay	1	3	0.5	1	—	—	—	—
TOTAL	374	420	3,821	7,398	184	229	23	26
Colombia	—	—	240	329	53	54	156	156
GRAND TOTAL FOR SOUTH AMERICA	374	420	4,061	7,727	237	283	179	182
El Salvador	5	5	247	249	99	100	70	70
Mexico	3	6	3,301	8,113	1,907	3,986	1,590	2,121
GRAND TOTAL FOR LATIN AMERICA	382	431	7,609	16,089	2,243	4,369	1,839	2,373

SOURCE: Official foreign trade statistics.

TABLE I-182. LATIN AMERICA: EXPORTS OF COTTON TEXTILES
(F.o.b. values in thousands of dollars)

Exporter countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	32	36	71	194	4	6	19	19
Brazil	329	366	18,627	27,829	882	938	16	21
Peru	2	2	156	176	136	157	39	40
Uruguay	1	5	1	3	—	—	—	—
TOTAL	364	409	18,855	28,202	1,022	1,101	74	80
Colombia	—	—	700	871	166	167	718	719
GRAND TOTAL FOR SOUTH AMERICA	364	409	19,555	29,073	1,188	1,268	792	799
El Salvador	5	5	449	454	166	166	116	116
Mexico	2	4	9,106	21,564	4,079	7,016	2,978	3,773
GRAND TOTAL FOR LATIN AMERICA	371	418	29,110	51,091	5,433	8,450	3,886	4,688

SOURCE: Official foreign trade statistics.

TABLE I–183. LATIN AMERICA: EXPORTS OF WOOLLEN TEXTILES

(Tons)

Exporter countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	Latin America	*World total*	*Latin America*	*World total*	*Latin America*	*World total*	*Latin America*	*World total*
Argentina	14	14	95	269	25	35	3	158
Brazil	—	—	6	14	—	—	—	—
TOTAL FOR SOUTH AMERICA	14	14	101	283	25	35	3	158
Mexico	2	14	18	28	1	1	7	7
GRAND TOTAL FOR LATIN AMERICA	16	28	119	311	26	36	10	165

SOURCE: Official foreign trade statistics.

TABLE I–184. LATIN AMERICA: EXPORTS OF WOOLLEN TEXTILES

(F.o.b. values in thousands of dollars)

Exporter countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	Latin America	*World total*	*Latin America*	*World total*	*Latin America*	*World total*	*Latin America*	*World total*
Argentina	35	36	873	1,909	101	143	17	534
Brazil	—	—	67	122	—	—	—	—
TOTAL FOR SOUTH AMERICA	35	36	940	2,031	101	143	17	534
Mexico	4	28	153	221	7	9	23	24
GRAND TOTAL FOR LATIN AMERICA	39	64	1,093	2,252	108	152	40	558

SOURCE: Official foreign trade statistics.

II
IMPORTS

Tables by countries and products
Volumes in tons
C.i.f. values in thousands of dollars

Table II-1. Latin America: Imports of hulled rice

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	39,356 [a]	49,144 [a]	—	—	—	—	—	—
Bolivia	1,681	5,493	7,775	8,300	—	10,672	3,500 [b]	8,507
Brazil	—	—	—	—	—	—	3,373 [b]	3,373 [b]
Chile	2,812	15,110	—	—	—	—	—	—
Paraguay	134	177	—	—	—	—	527 [b]	524 [b]
Peru	4,551	11,700	10,137	10,138	14,301	14,324	—	14
Uruguay	33	82	—	—	—	—	—	—
Total	48,567	81,706	17,912	18,438	14,301	24,996	7,397	12,418
Colombia	603	10,762	2,816	2,846	23	29	96	96
Ecuador	4	4	—	—	—	—	—	3,986
Venezuela	—	13,249 [c]	14,505	23,893	809	2,502	1,008	6,645
Grand total for South America	49,174	106,721	35,233	45,177	15,133	27,527	8,501	23,145
Costa Rica	8	603	637	737	—	6	—	—
Cuba	—	200,694	13,135	252 474	—	214,980	4,500 [b]	200,000
Dominican Republic	—	7,811	671	866	—	507	0,4	2
Guatemala	10	96	479 [d]	580 [d]	4	25	—	—
Haiti	—	1,474	80	182	18	191	26 [b]	200 [b]
Honduras	100 [b]	100 [b]	182	182	—	2	—	—
Mexico	—	188	570	591	—	41	1	5
Panama	16	3,481	3,008	3,112	3,172	3,173	—	—
Grand total for Latin America	49,308	320,168	53,995	303,901	18,327	246,452	13,028	223,352

Source: Official foreign trade statistics.
[a] Including unhulled rice.
[b] Estimate.
[c] 1938.
[d] Average for 1947-51.

Table II-2. Latin America: Imports of hulled rice

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	1,805 [a]	2,256 [a]	—	—	—	—	—	—
Bolivia	110	321	1,690	1,727	—	2,263	971 [b]	2,360
Brazil	—	—	—	—	—	—	725 [b]	725 [b]
Chile	136	858	—	—	—	—	—	—
Paraguay	7	10	—	—	—	—	113 [b]	113 [b]
Peru	214	556	1,746	1,746	2,383	2,392	—	5
Uruguay	2	6	—	—	—	—	—	—
Total	2,273	4,007	3,436	3,473	2,383	4,655	1,809	3,203
Colombia	30	553	634	643	3	5	16	16
Ecuador	0.3	—	—	—	—	—	—	1,152
Venezuela	—	759 [c]	3,884	5,665	206	606	172	1,430
Grand total for South America	2,303	5,319	7,954	9,781	2,592	5,266	1,997	5,801
Costa Rica	0.5	44	100	115	—	2	—	—
Cuba	—	8,452	3,090	54,352	—	50,432	978 [b]	43,452
Dominican Republic	—	323	176	215	—	110	0.1	1
Guatemala	0.6	6	82 [d]	88 [d]	4	8	—	—
Haiti	—	81	20	42	4	45	6 [b]	43 [b]
Honduras	4 [b]	4 [b]	21	21	—	1	—	—
Mexico	—	12	155	158	—	9	0.2	2
Panama	1	165	684	707	728	728	—	—
Grand total for Latin America	2,308	14,406	12,282	65,479	3,328	56,601	2,981	49,299

Source: Official foreign trade statistics.
[a] Including unhulled rice.
[b] Estimate.
[c] 1938.
[d] Average for 1947-51.

TABLE II-3. LATIN AMERICA: IMPORTS OF SUGAR

(Including raw, semi-refined and refined sugar)

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	183	975	3,755	4,752	—	—	39,063	39,063
Bolivia	20,534	21,491	32,660	33,050	32,303	33,085	51,033	51,586
Chile	120,354	122,709	163,209	163,658	141,910	142,182	145,771	145,997
Paraguay	2,812	7,212	460	920	—	—	—	—
Peru	5	377	1	3	—	13	—	—
Uruguay	5,304	48,514	58,570	75,544	54,132	54,132	78,371	78,371
TOTAL	149,192	201,278	258,655	277,927	228,345	229,412	314,238	315,017
Colombia	5,038	10,485	2,481	2,556	1,524	1,552	13,602	13,636
Ecuador	5,710	6,289	1,411	1,411	—	—	—	2
Venezuela	—	—	41,614	42,563	30,584	30,631	44,416	44,476
GRAND TOTAL FOR SOUTH AMERICA	159,940	218,052	304,161	324,457	32,108	261,595	372,256	373,131
Cuba	—	28	—	16	—	—	—	—
El Salvador	6	291	550	587	1	70	8	116
Haiti	—	—	—	—	907	915	—	—
Honduras	—	—	5,260	5,887	5,885	6,470	6,000 [a]	6,000 [a]
Mexico	—	2,238	18,202	18,546	—	18	—	31
Panama	65	218	697	715	—	9	—	—
GRAND TOTAL FOR LATIN AMERICA	160,011	220,827	328,870	350,208	267,246	269,077	378,264	379,278

SOURCE: Official foreign trade statistics. [a] Estimate.

TABLE II-4. LATIN AMERICA: IMPORTS OF SUGAR

(Including raw, semi-refined and refined sugar)

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	7	33	748	922	—	—	4,617	4,617
Bolivia	943	1,023	6,250	6,326	5,687	5,830	6,530	6,633
Chile	3,010	3,087	22,022	22,094	19,819	19,865	16,869	16,906
Paraguay	128	333	31	63	—	—	—	—
Peru	1	18	—	0,6	—	4	—	—
Uruguay	235	3,007	9,236	11,949	6,182	6,182	7,974	7,975
TOTAL	4,324	7,501	38,287	41,355	31,688	31,881	35,990	36,131
Colombia	181	400	625	634	163	167	1,009	1,013
Ecuador	225	246	217	217	—	—	—	1
Venezuela	—	—	5,826	5,995	3,551	3,566	4,558	4,578
GRAND TOTAL FOR SOUTH AMERICA	4,730	8,147	44,955	48,201	35,402	35,614	41,557	41,723
Cuba	—	3	—	3	—	—	—	—
El Salvador	1	36	86	98	0.2	25	4	30
Haiti	—	—	—	—	129	131	—	—
Honduras	—	—	1,157	1,275	996	1,101	1,000 [a]	1,000 [a]
Mexico	—	68	2,606	2,643	—	5	—	8
Panama	4	12	168	172	—	5	—	—
GRAND TOTAL FOR LATIN AMERICA	4,735	8,266	48,972	52,392	36,527	36,881	42,561	42,761

SOURCE: Official foreign trade statistics. [a] Estimate.

TABLE II-5. LATIN AMERICA: IMPORTS OF CHILLED OR FROZEN MEAT

(Including beef, mutton, pork, poultry and offal)

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Bolivia	220	220	61	61	6	6	3	3
Brazil	96	96	307	307	9,508	9,509	3,548	3,548
Chile	1,370	1,376	16	16	140	140	175	175
Peru	98 [a]	111 [a]	8,112	8,112	9,715	9,716	5,429 [a]	5,436 [a]
TOTAL	1,784	1,803	8,496	8,496	19,369	19,371	9,155	9,162
Venezuela	—	10	111	1,959	—	349	—	62
GRAND TOTAL FOR SOUTH AMERICA	1,784	1,813	8,607	10,455	19,369	19,720	9,155	9,224
Dominican Republic	—	0.6	—	6	—	28	—	25
Mexico	—	54	—	54	—	187	—	411
Panama	—	—	197 [b]	266 [b]	200 [c]	236 [c]	185 [c]	210 [c]
GRAND TOTAL FOR LATIN AMERICA	1,784	1,868	8,804	10,781	19,569	20,171	9,340	9,870

SOURCE: Official foreign trade statistics.
[a] Including dried meat.
[b] Average for 1946-48.
[c] Estimate.

TABLE II-6. LATIN AMERICA: IMPORTS OF CHILLED OR FROZEN MEAT

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Bolivia	30	30	22	22	9	9	6	6
Brazil	16	16	250	250	5,781	5,781	2,096	2,096
Chile	45	45	4	4	103	103	121	121
Peru	13 [a]	20 [a]	2,603	2,603	4,417	4,417	2,866 [a]	2,880 [a]
TOTAL	104	111	2,879	2,879	10,310	10,310	5,089	5,103
Venezuela	—	10	86	2,546	—	456	—	78
GRAND TOTAL FOR SOUTH AMERICA	104	121	2,965	5,425	10,310	10,766	5,089	5,181
Dominican Republic	—	0.4	—	12	—	51	—	38
Mexico	—	11	—	43	—	137	—	176
Panama	—	—	151 [b]	230 [b]	184 [c]	217 [c]	176 [c]	193 [c]
GRAND TOTAL FOR LATIN AMERICA	104	132	3,116	5,710	10,494	11,171	5,265	5,588

SOURCE: Official foreign trade statistics.
[a] Including dried meat.
[b] Average for 1946-48.
[c] Estimate.

TABLE II-17. LATIN AMERICA: IMPORTS OF CACAO

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	4,613	4,925	6,388	6,593	5,706	5,746	8,192	8,192
Chile	351	776	944	1,014	790	986	1,015	1,034
Paraguay	21	23	36	41	26	26	11	11
Peru	196	251	214	230	121	128	25	31
Uruguay	552	591	741	905	498	656	916	986
TOTAL	5,733	6,566	8,323	8,783	7,141	7,542	10,159	10,254
Colombia	2,422	3,052	5,421	6,025	7,767	8,183	8,216	8,366
GRAND TOTAL FOR SOUTH AMERICA	8,155	9,618	13,744	14,808	14,908	15,725	18,375	18,620
Cuba	3	7	40	65	—	—	—	—
El Salvador	82	83	94	94	213	213	149	149
Honduras	..	..	—	6	—	21	—	—
Mexico	181	827	586	592	—	127	—	1
GRAND TOTAL FOR LATIN AMERICA	8,421	10,535	14,464	15,565	15,121	16,086	18,524	18,770

SOURCE: Official foreign trade statistics.

TABLE II-18. LATIN AMERICA: IMPORTS OF CACAO

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	669	716	3,838	3,990	4,029	4,066	5,978	5,978
Chile	55	128	566	640	617	788	762	778
Paraguay	6	7	23	27	45	45	9	9
Peru	24	53	64	77	71	78	43	48
Uruguay	72	76	389	505	403	547	678	734
TOTAL	826	980	4,880	5,239	5,165	5,524	7,470	7,547
Colombia	314	409	3,418	3,889	5,722	6,014	6,023	6,162
GRAND TOTAL FOR SOUTH AMERICA	1,140	1,388	8,298	9,128	10,887	11,538	13,493	13,709
Cuba	1	2	11	21	—	—	—	—
El Salvador	8	8	33	33	128	128	87	87
Honduras	—	—	—	3	—	11	—	—
Mexico	28	149	146	149	—	103	—	1
GRAND TOTAL FOR LATIN AMERICA	1,177	1,548	8,488	9,334	11,015	11,780	13,580	13,797

SOURCE: Official foreign trade statistics.

TABLE II–19. LATIN AMERICA: IMPORTS OF COFFEE
(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	21,751	22,766	32,518	32,605	23,475	23,475	29,627	29,627
Bolivia	10	10	31	34	15	15	12	12
Chile	3,163	3,224	8,838	8,877	3,776	3,848	5,134	5,182
Paraguay	172	177	381	384	117	117	82	82
Peru	—	—	320	321	11	16	—	—
Uruguay	2,121	2,210	3,304	3,497	2,522	2,622	3,515	3,516
TOTAL FOR SOUTH AMERICA	27,217	28,387	45,392	45,718	29,916	30,093	38,370	38,419
Cuba	26	39	3,363	4,162	3,000 [a]	4,000 [a]	3,000 [a]	4,000 [a]
El Salvador	5	6	182	182	—	—	—	—
Mexico	—	26	0.2	133	—	0.5	0.1	0.7
Panama	1	6	439	449	174	179	—	—
GRAND TOTAL FOR LATIN AMERICA	27,249	28,464	49,376	50,644	33,090	34,273	41,370	42,420

SOURCE: Official foreign trade statistics.

[a] Estimate.

TABLE II–20. LATIN AMERICA: IMPORTS OF COFFEE
(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	3,733	3,905	16,339	16,383	25,029	25,029	35,540	35,540
Bolivia	2	2	21	22	36	36	34	34
Chile	490	501	3,875	3,894	3,823	3,906	5,487	5,545
Paraguay	26	27	231	235	225	226	76	76
Peru	—	—	169	169	3	4	—	—
Uruguay	328	344	1,635	1,792	2,677	2,787	3,892	3,895
TOTAL FOR SOUTH AMERICA	4,579	4,779	22,270	22,495	31,793	31,988	45,029	45,090
Cuba	8	12	2,042	2,205	2,000 [a]	2,500 [a]	2,000 [a]	2,500 [a]
El Salvador	1	1	54	54	—	—	—	—
Mexico	—	11	0.2	52	—	1	0.4	1
Panama	0.4	2	263	273	212	223	—	—
GRAND TOTAL FOR LATIN AMERICA	4,588	4,805	24,629	25,079	34,005	34,712	47.029	47,591

SOURCE: Official foreign trade statistics.

[a] Estimate.

TABLE II-21. LATIN AMERICA: IMPORTS OF TEA
(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	—	1,931	314	1,926	916	2,176	27	279
Bolivia	—	111	—	275	9	181	—	156
Brazil	—	98	—	60	—	33	—	—
Chile	—	2,232	40	1,954	81	6,065	540	3,985
Paraguay	—	9	—	7	—	3	—	—
Peru	—	646	—	423	—	187	—	164
Uruguay	—	181 [a]	27	277	—	353	—	221
TOTAL	—	5,208	381	4,915	1,006	8,995	567	5,372
Colombia	—	32	2	41	—	14	—	29
Ecuador	—	21	2	14	—	19	—	23
GRAND TOTAL FOR SOUTH AMERICA	—	5,261	385	4,970	1,006	9,028	567	5,424
Costa Rica	—	12	—	15	—	18	—	—
Cuba	—	17	16	38				
Guatemala	—	9	—	10	—	9	—	—
Mexico	—	42	1.2	326	—	34	0.4	28
Panama	—	—	—	22	—	18	—	—
GRAND TOTAL FOR LATIN AMERICA	—	5,341	402	5,381	1,006	9,107	567	5,452

SOURCE: Official foreign trade statistics.

[a] Average for 1934 and 1936-38.

TABLE II-22. LATIN AMERICA: IMPORTS OF TEA
(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	—	1,718	363	2,719	2,965	4,351	65	369
Bolivia	—	278	—	392	11	318	—	206
Brazil	—	160	—	119	—	64	—	—
Chile	—	1,029	59	1,736	54	4,909	461	3,163
Paraguay	—	8	—	9	—	7	..	..
Peru	—	291	—	445	—	250	—	208
Uruguay	— [a]	159	30	408	—	488	—	315
TOTAL	—	3,643	452	5,828	3,030	10,387	526	4,261
Colombia	—	32	2	59	—	37	—	59
Ecuador	—	14	1	20	—	20	—	2
GRAND TOTAL FOR SOUTH AMERICA	—	3,689	455	5,907	3,030	10,444	526	4,322
Costa Rica	—	10	—	22	—	28	—	—
Cuba	—	17	3	40				
Guatemala	—	9	—	15	—	13	—	—
Mexico	—	37	0.8	567	—	67	0.7	55
Panama	—	—	—	40	—	49	—	—
GRAND TOTAL FOR LATIN AMERICA	—	3,762	459	6,591	3,030	10,601	527	4,377

SOURCE: Official foreign trade statistics.

[a] Estimated average for 1934 and 1936-38.

Table II–23. Latin America: Imports of maté

(Tons)

Importer countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentina	38,313	38,313	22,494	22,494	12,446	12,446	9,067	9,067
Bolivia	57	57	80	80	129	129	69	69
Chile	7,305	7,305	8,876	8,876	16,275	16,281	7,603	7,604
Uruguay	22,032	22,032	22,731	22,731	20,156	20,156	19,879	19,879
Total	67,707	67,707	54,181	54,181	49,006	49,012	36,618	36,619
Ecuador	—	—	—	—	—	—	2	3
Grand total for Latin America	67,707	67,707	54,181	54,181	49,006	49,012	36,620	36,622

Source: Official foreign trade statistics.

Table II–24. Latin America: Imports of maté

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentina	2,145	2,145	3,677	3,677	2,621	2,621	2,151	2,151
Bolivia	8	8	26	26	59	59	58	58
Chile	506	506	2,041	2,041	3,934	3,937	1,891	1,891
Uruguay	1,340	1,340	4,373	4,374	4,527	4,530	4,426	4,427
Total	3,999	3,999	10,117	10,118	11,141	11,147	8,526	8,527
Ecuador	0.4	—	0.4	—	—	—	1	1
Grand total for Latin America	3,999	3,999	10,117	10,118	11,141	11,147	8,527	8,528

Source: Official foreign trade statistics.

Table II–25. Latin America: Imports of dried beans

(Tons)

Importer countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentina	1,817	1,942	42	71	—	—	—	—
Brazil	—	31						
Paraguay	168	175	33	34	38	38	—	—
Peru	794	976	173	180	—	2	—	—
Uruguay	283 [a]	301 [a]	883	986	—	—	—	114
Total	3,063	3,425	1,131	1,271	38	40	—	114
Colombia	86	116	415	1,840	98	107	493	502
Ecuador	—	—	—	—	72	84	646	657
Venezuela [b]	—	—	2,391	6,600	2,111	12,383	123	8,649
Grand total for South America	3,148	3,541	3,937	9,711	2,319	12,614	1,262	9,922
Cuba	11,510	16,320	9,620	32,736	5,774 [c]	51,975	2,399 [c]	36,000
Dominican Republic	19 [d]	40 [d]	20	52	3	216	7	148
El Salvador	328	330	1,527	1,527	4,366	4,366	3,442	3,442
Honduras	—	—	—	6	—	8	—	—
Mexico	—	114	208	1,884	—	58,443	3	46,454
Grand total for Latin America	15,005	20,345	15,312	45,916	6,688	75,647	4,714	95,966

Source: Official foreign trade statistics.
[a] Average for 1934 and 1936-38.
[b] Including chick-peas, peas, lentils, broad beans.
[c] Estimate.
[d] Average for 1936-38.

TABLE II-26. LATIN AMERICA: IMPORTS OF DRIED BEANS

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	113	120	5	15	—	—	—	—
Brazil	—	3						
Paraguay	13	14	10	11	33	33	—	—
Peru	37	48	40	42	—	1	—	—
Uruguay	17 [a]	19 [a]	122	153	—	—	—	30
TOTAL	180	204	177	221	33	34	—	30
Colombia	6	8	95	349	14	18	82	86
Ecuador	—	—	—	—	20	25	184	188
Venezuela [b]	—	—	486	1,255	661	2,513	35	1,854
GRAND TOTAL FOR SOUTH AMERICA	186	212	758	1,825	728	2,590	301	2,158
Cuba	628	937	2,120	7,301	1,133 [c]	10,199	471 [c]	7,134
Dominican Republic	3 [d]	5 [d]	6	13	1	42	3	23
El Salvador	11	11	174	174	537	537	420	420
Honduras	—	—	—	1	—	2	—	—
Mexico	—	8	34	232	—	8,894	0.4	8,404
GRAND TOTAL FOR LATIN AMERICA	828	1,173	3,092	9,546	1,266	12,065	724	18,139

SOURCE: Official foreign trade statistics.

[a] Estimated average for 1934 and 1936-38.

[b] Including chick-peas, peas, lentils, broad beans.

[c] Estimate.

[d] Average for 1936-38.

TABLE II-27. LATIN AMERICA: IMPORTS OF FRESH FRUIT

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	167,096	173,027	136,788	141,288	156,395	157,181	123,283	124,050
Bolivia	47	51	405	408	207	207	112	112
Brazil	7,079	14,951	38,540	51,065	69,567	78,198	66,951	70,553
Chile	14,152	14,156	21,000	21,000	26,308	26,309	18,201	18,201
Paraguay	119	119	221	221	165	165	73	73
Peru	7,284	7,552	6,292	6,358	4,004	4,185	4,998	6,258
Uruguay	11,033	11,109	11,051	11,141	17,407	17,409	11,064	11,064
TOTAL	206,810	220,965	214,297	231,481	274,053	283,654	224,682	230,311
Colombia	—	218	160	726	687	746	808	913
Ecuador	205	205 [a]	234	250	107	218	212	221
Venezuela	67 [b]	760 [b]	915	11,100	1,047	16,488	650	15,492
GRAND TOTAL FOR SOUTH AMERICA	207,082	222,148	215,606	243,557	275,894	301,106	226,352	246,937
Costa Rica	—	184	23	371	33	534	—	500 [c]
Cuba	54	3,705	36	10,509	—	10,000 [c]	—	10,000 [c]
Dominican Republic	1 [d]	226 [d]	2	692	—	914	—	545
El Salvador [e]	77	314	50	453	3,641	4,348	6,228	6,875
Guatemala	4	145	—	433 [f]	45	518	—	500 [c]
Honduras [c]	—	—	176	479	317	792	350 [c]	700 [e]
Mexico	—	1,565	3	3,105	—	2,365	—	5,543 [c]
Nicaragua [e]	4	103	3	252	5	92	2	174
Panama [e]	121 [g]	1,264 [g]	171	1,114	130	1,338	—	1,200 [c]
GRAND TOTAL FOR LATIN AMERICA	207,343	229,654	216,070	260,965	280,065	322,007	232,932	272,974

SOURCE: Official foreign trade statistics.

[a] Total imports were estimated as equal to those from Latin America.

[b] 1938.

[c] Estimate.

[d] Average for 1936-38.

[e] Including dried fruit.

[f] Average for 1947-51.

[g] Average for 1935-38.

TABLE II-28. LATIN AMERICA: IMPORTS OF FRESH FRUIT

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentina	4,772	5,322	14,171	15,167	18,534	18,663	15,050	15,178
Bolivia	6	6	86	87	68	68	33	33
Brazil	896	2,197	11,540	16,074	21,427	23,339	24,395	26,041
Chile	344	344	1,275	1,275	1,449	1,449	1,365	1,365
Paraguay	5	5	76	76	110	110	30	30
Peru	188	209	298	305	293	348	315	394
Uruguay	331 [a]	333 [a]	712	737	1,377	1,378	1,029	1,029
TOTAL	6,542	8,416	28,158	33,721	43,258	45,355	42,217	44,070
Colombia	—	53	33	211	98	162	186	293
Ecuador	7	7 [b]	54	56	33	44	42	45
Venezuela	2 [c]	92 [c]	272	3,028	361	4,953	230	4,750
GRAND TOTAL FOR SOUTH AMERICA	6,551	8,568	28,517	37,016	43,750	50,514	42,675	49,158
Costa Rica	—	28	5	110	14	165	—	150 [a]
Cuba	5	373	6	2,094	—	2,000 [a]	—	2,000 [a]
Dominican Republic	0.3 [d]	32 [d]	1	154	—	258	—	189
El Salvador [e]	1	38	4	151	107	367	181	443
Guatemala	0.4	22	—	96 [f]	2	98	—	100 [a]
Honduras [e]	—	—	14	111	7	154	7 [a]	150 [a]
Mexico	—	114	0.3	497	—	311	—	1,456 [e]
Nicaragua [e]	0.3	17	0.8	90	2	25	1	62
Panama [e]	9 [g]	116 [g]	47	290	34	340	—	300 [a]
GRAND TOTAL FOR LATIN AMERICA	6,567	9,308	28,595	40,609	43,916	54,232	42,864	54,008

SOURCE: Official foreign trade statistics.

[a] Estimate.

[b] Total imports were estimated as equal to those from Latin America.

[c] 1938.

[d] Average for 1936-38.

[e] Including dried fruit.

[f] Average for 1947-51.

[g] Average for 1935-38.

TABLE II-29. LATIN AMERICA: IMPORTS OF DRIED FRUIT

(Tons)

Importer countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentina	2,774	10,221	1,016	3,149	6	208	610	626
Bolivia	40	104	101	182	44	163	19	22
Brazil	212	5,141	3,419	12,298	2,884	11,479	3,830	9,763
Paraguay	36	54	33	42	23	42	—	—
Peru	460	634	491	682	498	1,191	487	1,233
Uruguay	503	1,606	268	1,531	24	1,131	281	1,622
TOTAL	4,025	17,760	5,328	17,884	3,479	14,214	5,227	13,266
Colombia	—	272	—	490	12	336	2	622
Ecuador	135	135 [a]	76 [b]	160 [b]	150	243	49	219
Venezuela	—	455 [c]	13	1,567	—	1,706	—	1,684
GRAND TOTAL FOR SOUTH AMERICA	4,160	18,622	5,417	20,101	3,641	16,499	5,278	15,791
Costa Rica	—	53	—	112	—	159	—	160 [d]
Cuba	28	1,569	6	2,431	—	2,500 [d]	—	2,500 [d]
Guatemala	—	80	3 [b]	169 [b]	1	79		100 [d]
Mexico	—	1,301	—	1,481	7	2,235	—	[e]
GRAND TOTAL FOR LATIN AMERICA	4,188	21,625	5,426	24,294	3,649	21,472	5,278	18,551

SOURCE: Official foreign trade statistics.

[a] Total imports were estimated as equal to those from Latin America.

[b] Average for 1947-51.

[c] 1938.

[d] Estimate.

[e] Dried fruit was included under "Fresh fruit" in the case of El Salvador, Honduras, Nicaragua and Panama.

TABLE 30. LATIN AMERICA: IMPORTS OF DRIED FRUIT

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentina	447	1,649	468	1,602	0.3	113	371	392
Bolivia	10	19	56	94	61	99	22	23
Brazil	44	990	1,836	6,142	2,130	5,640	2,641	7,771
Paraguay	3	7	15	18	28	48	..	..
Peru	51	87	166	251	179	501	126	494
Uruguay	97 [a]	308 [a]	137	704	13	536	164	781
TOTAL	652	3,060	2,678	8,811	2,411	6,937	3,324	9,461
Colombia	—	57	—	201	1	144	0.4	295
Ecuador	15	15 [b]	31 [c]	58 [c]	46	73	12	67
Venezuela	—	106 [d]	7	828	—	973	—	973
GRAND TOTAL FOR SOUTH AMERICA	667	178	2,716	9,898	2,458	8,127	3,336	10,796
Costa Rica	—	12	—	58	—	78	—	100 [a]
Cuba	5	309	2	971	—	900 [a]	—	900 [a]
Guatemala	—	22	2 [c]	89 [c]	1	43	—	50 [a]
Mexico	—	242	—	756	2	944	—	[e]
GRAND TOTAL FOR LATIN AMERICA	672	3,515	2,720	11,772	2,461	10,092	3,336	11,846

SOURCE: Official foreign trade statistics.

[a] Estimate.

[b] Total imports were estimated as equal to those from Latin America.

[c] Average for 1947-51.

[d] 1938.

[e] Dried fruit was included under "Fresh fruit" in the case of El Salvador, Honduras, Nicaragua and Panama.

TABLE II-31. LATIN AMERICA: IMPORTS OF SHEEP

(Tons)

Importer countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentina	37	60	18	27	—	2	—	1
Bolivia	90	90	99	99	36	38	9	10
Brazil	127	129	3,546	3.603	2,048	2,048	2,517	2,517
Chile [a]	19,207	19,775	18,451	18,475	2,624	2,666	3,884	3,933
Peru	—	—	52	52	84	84	—	—
Uruguay	59	64	154	160	—	—	—	4
TOTAL FOR SOUTH AMERICA	19,520	20,118	22 320	22,416	4,792	4,838	6,410	6,465
Cuba	—	—	—	3	—	—	—	—
Mexico	—	111	—	72	—	131	—	1,200
GRAND TOTAL FOR LATIN AMERICA	19,520	20,229	22,320	22,491	4,792	4,969	6,410	7,665

SOURCE: Official foreign trade statistics.

[a] To obtain the figures in tons, conversion was effected at the rate of 42 kilogrammes gross weight per head of sheep.

TABLE II-32. LATIN AMERICA: IMPORTS OF SHEEP

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	31	68	11	86	—	32	—	26
Bolivia	46	46	18	18	24	37	7	8
Brazil	36	40	842	921	1,022	1,022	1,127	1,127
Chile [a]	647	699	1,235	1,341	747	823	575	623
Peru	—	—	61	70	160	160	—	—
Uruguay	26 [a]	52 [a]	62	124	—	—	—	139
TOTAL FOR SOUTH AMERICA	786	905	2,229	2,560	1,953	2,074	1,709	1,923
Cuba	—	—	—	2				
Mexico	—	46	—	41	—	129	—	281
GRAND TOTAL FOR LATIN AMERICA	786	951	2,229	2,603	1,953	2,203	1,709	2,204

SOURCE: Official foreign trade statistics.

[a] Estimate.

TABLE II-35. LATIN AMERICA: IMPORTS OF CATTLE

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	296	405	42	220	—	168	—	87
Bolivia	1,932	1,965	8,790	8,812	4,375	4,375	4,653	4,653
Brazil	8,144	8,205	7,946	8,169	7,569	7,761	3,668	3,841
Chile	11,244	11,286	71,440	71,470	37,376	37,405	32,814	32,836
Paraguay	24,500	24,500	50,000	50,000	500	500	—	—
Peru	—	—	4,083	4,250	9,500	10,500	296	342
TOTAL	46,116	46,361	142,301	142,921	59,320	60,709	41,431	41,759
Colombia	4,682	4,699	772	841	10	261	14	932
Ecuador	9	12	9	59	—	7	—	—
GRAND TOTAL FOR SOUTH AMERICA	50,807	51,072	143,082	143,821	59,330	60,977	41,445	42,691
Costa Rica	299	978	979	1,130	96	789	100 [a]	800 [a]
Cuba	—	37	14	512	—	500 [a]	—	600 [a]
El Salvador	1,717	1,720	4,307	4,342	4,266	4,266	4,211	4,222
Guatemala	635	639	6,465 [b]	6,484 [b]	5,803	5,804	5 984	5,984
Haiti	76	88	1	4	2	6	—	8 [a]
Honduras	—	—	34	230	127	338	100 [a]	300 [a]
Mexico	6	420	156	790	—	607	—	983
Nicaragua	—	—	1	3	—	—	4.6	5
Panama	51	51	2,784	2,806	0.6	173	—	47
GRAND TOTAL FOR LATIN AMERICA	53,591	55,005	157,823	160,122	69,624	73,460	51,845	55,640

SOURCE: Official foreign trade statistics.

[a] Estimate.

[b] Average for 1947-51.

TABLE II-36. LATIN AMERICA: IMPORTS OF CATTLE

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	231	371	19	633	—	466	—	318
Bolivia	760	776	2,880	2,883	3,441	3,441	3,261	3,261
Brazil	347	423	2,047	2,668	2,847	3,725	2,191	2,411
Chile	494	534	11,247	11,339	13,742	13,824	12,353	12,467
Paraguay	416	416	1,216	1,219	37	37	—	—
Peru	—	—	665	818	2,055	2,482	259	304
TOTAL	2,248	2,520	18,074	19,560	22,122	23,975	18,064	18,761
Colombia	438	449	192	504	6	957	20	1,420
Ecuador	0.2	2	1	75	—	7	—	—
GRAND TOTAL FOR SOUTH AMERICA	2,686	2,971	18,267	20,139	22,128	24,939	18,084	20,181
Costa Rica	98	193	152	219	33	200	21 [a]	202 [a]
Cuba	—	19	6	87	—	91 [a]	—	106 [a]
El Salvador	72	75	453	456	551	554	585	627
Guatemala	30	34	359 [b]	388 [b]	291	291	301	301
Haiti	10	14	0.5	4	2	10	—	2 [a]
Honduras	—	—	6	69	47	118	35 [a]	107 [a]
Mexico	2	106	75	669	—	731	—	1,075
Nicaragua	—	—	1	5	—	—	4.5	9
Panama	15	15	445	459	0.2	77	—	21
GRAND TOTAL FOR LATIN AMERICA	2,913	3,427	19,764	22,495	23,052	27,011	19,031	22,631

SOURCE: Official foreign trade statistics.
[a] Estimate.
[b] Average for 1947-51.

TABLE II-37. LATIN AMERICA: IMPORTS OF EDIBLE OILS

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	53	18,279	8	129	—	—	—	—
Bolivia	24	171	1,090	1,132	918	981	616	1,049
Brazil	5	4,534	20	4,814	—	4,461	—	5,391
Chile	4	2,554	5,382	5,668	3,582	14,217	10,030	20,226
Paraguay	2	33	83	117	106	127	641	641 [a]
Peru	—	521	689	1,503	34	1,165	—	652
TOTAL	88	26,092	7,272	13,363	4,640	20,951	11,287	27,959
Colombia	—	265	39	242	—	383	—	3,114
Ecuador	—	219	8	193	—	411	—	199
Venezuela	—	1,282 [b]	474	2,407	—	1,673	—	2,110
GRAND TOTAL FOR SOUTH AMERICA	88	27,858	7,793	16,205	4,640	23,418	11,287	33,382
Costa Rica	—	863	24	149	—	583	—	600 [a]
Cuba	—	14,884	13	8,281	—	2,746 [c]	—	3,000 [a]
Dominican Republic	—	926	—	76	—	692	—	1,241
El Salvador	26	95	13	47	25	93	32	64
Guatemala	—	142	31 [d]	162 [d]	14	201	—	200 [a]
Haiti	—	58	32	400	3	802	—	806 [e]
Mexico	—	1,839	551	2,102	—	14,339	—	1,883
Nicaragua	—	41	4	34	7	354	73	114
Panama	12 [a]	66 [a]	174	438	1	503	—	500 [a]
GRAND TOTAL FOR LATIN AMERICA	126	46,772	8,635	27,894	4,690	43,731	11,392	41,790

SOURCE: Official foreign trade statistics.
[a] Estimate.
[b] 1938
[c] Olive oil only.
[d] Average for 1947-51.
[e] 11 months.

Table II-38. Latin America: Imports of edible oils

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	14	4,104	3	155	—	—	—	—
Bolivia	7	53	684	715	1,050	1,090	857	1,054
Brazil	2	1,958	63	7,386	—	5,819	—	5,646
Chile	0.6	503	2,407	2,558	1,426	5,615	4,090	8,617
Paraguay	1	13	20	61	168	185	214	214 [a]
Peru	—	131	483	887	10	785	—	367
Total	25	6,762	3,660	11,762	2,654	13,494	5,161	15,898
Colombia	—	73	15	163	—	204	—	1,164
Ecuador	—	66	3	154	—	241	—	133
Venezuela	—	459 [b]	345	1,892	—	1,031	—	1,154
Grand total for South America	25	7,360	4,023	13,971	2,654	14,970	5,161	18,349
Costa Rica	—	123	16	95	—	247	—	255 [a]
Cuba	—	2,811	7	5,400	..	2,057 [c]	—	2,247 [a]
Dominican Republic	—	193	—	75	—	374	—	509
El Salvador	5	26	4	37	12	66	14	36
Guatemala	—	50	18 [d]	120 [d]	7	107	—	107 [a]
Haiti	—	20	18	213	1	348	—	348 [a]
Mexico	—	473	176	1,001	—	4,394	—	837
Nicaragua	—	15	3	26	4	109	76	97
Panama	3	17	127	308	1	239	—	238 [a]
Grand total for Latin America	33	11,088	4,392	21,246	2,679	22,911	5,251	23,023

Source: Official foreign trade statistics.
[a] Estimate.
[b] 1938.
[c] Olive oil only.
[d] Average for 1947-51.
[e] 11 months.

Table II-39. Latin America: Imports of edible fats

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	—	135	3	31	—	—	—	—
Bolivia	296	345	1,968	2,872	2,111	3,339	3,232	5,237
Brazil	4	38	—	—	999	999	7,541	12,166
Chile	47	48	69	72	456	457	1,116	1,127
Paraguay	—	—	23	23	289	289	—	—
Peru	211	273	1,194	4,390	684	5,032	1,101	9,180
Total	558	839	3,257	7,388	4,539	10,116	12,990	27,710
Colombia	3	386	38	2,489	—	3,827	—	226
Ecuador	239	1,212	777	1,245	18	1,368	—	6,230
Venezuela	12 [a]	1,707 [a]	1,404	5,291	—	3,271	17	668
Grand total for South America	812	4,144	5,476	16,413	4,557	18,582	13,007	34,834
Costa Rica	—	848	23	1,915	—	3,669	—	3,500 [b]
Cuba	128	15,581	88	46,007	—	77,709	—	56,000
Dominican Republic	—	951	3	287	—	234	—	168
El Salvador	42	76	113	454	38	1,944	293	2,912
Guatemala	1	671	53 [c]	1,953 [c]	—	3,889	—	3,800 [b]
Haiti	—	551	8	1,322	3	4,188	—	4,000 [b]
Honduras	..	..	—	2	—	44	—	40 [b]
Mexico	—	8,226	2,626	12,988	55	10,524	—	12,877
Nicaragua	28	71	19	143	—	215	11	336
Panama	10	314	39	1,832	—	3,246	—	3,000 [b]
Grand total for Latin America	1,021	31,433	8,458	83,316	4,653	124,244	13,311	121,467

Source: Official foreign trade statistics.
[a] 1938
[b] Estimate.
[c] Average for 1947-51.

Table II-40. Latin America: Imports of edible fats

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	—	26	1	16	—	—	—	—
Bolivia	77	87	1,156	1,552	2,559	3,038	2,180	2,762
Brazil	1	8	—	—	687	687	4,229	7,292
Chile	8	8	24	26	248	249	615	618
Paraguay	—	—	6	6	90	90	—	—
Peru	38	48	456	1,671	283	2,338	415	2,761
Total	124	177	1,643	3,271	3,867	6,402	7,439	13,433
Colombia	2	83	19	1,234	—	1,497	—	95
Ecuador	58	183	341	666	6	439	—	1,679
Venezuela	12 [a]	367 [a]	1,339	3,118	—	1,035	7	212
Grand total for South America	196	810	3,342	8,289	3,873	9,373	7,446	15,419
Costa Rica	—	171	16	877	—	1,187	1	1,000 [b]
Cuba	20	3,620	73	21,060	—	63,062	—	45,444
Dominican Republic	—	208	2	152	—	79	—	54
El Salvador	12	17	49	186	18	708	143	932
Guatemala	0.2	144	40 [c]	779 [c]	—	1,322	—	1,200 [b]
Haiti	—	125	3	582	1	1,706	—	1,700 [b]
Honduras	..	..	—	2	—	22	—	20 [b]
Mexico	—	1,001	1,119	5,429	20	3,197	—	4,130
Nicaragua	11	21	14	72	—	83	17	142
Panama	2	98	58	990	—	1,112	—	1,000 [b]
Grand total for Latin America	241	6,215	4,716	38,418	3,912	81,851	7,606	71,041

Source: Official foreign trade statistics.
[a] 1938.
[b] Estimate.
[c] Average for 1947-51.

Table II-43. Latin America: Imports of malted barley

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	—	506	—	—	—	—	—	—
Bolivia	1,460	2,186	1,733	1,817	1,777	2,164	1,152	1,163
Brazil	837	14,903	8,142	28,876	8,879	47,132	9,312	49,024
Paraguay	221	221	613	861	—	1,336	—	1,000 [a]
Peru	752	2,070	3,331	4,999	4,374	7,585	5,843	11,388
Total	3,270	19,076	13,819	36,553	15,030	58,217	16,307	62,575
Ecuador	275	513	1,127	1,693	1,494	2,457	1,485	2,562
Venezuela	—	3,615 [b]	288	12,182	204	20,080	408	22,949
Grand total for South America	3,545	23,204	15,234	50,428	16,728	80,754	18,200	88,086
Costa Rica	—	27	5	343	—	329	—	300 [a]
Cuba	2,388	7,507	2,403	16,961	3,000 [a]	23,401	4,000 [a]	20,000 [a]
El Salvador	10	331	—	1,003	—	2,863	—	3,522
Guatemala	5	252	—	1,632 [c]	—	1,652	—	1,600 [a]
Mexico	—	3,280	—	11,413	—	14,157	—	14,165
Panama	—	—	17	1,810	—	—	—	—
Grand total for Latin America	5,948	34,601	18,659	83,491	19,728	123,156	22,200	127,673

Source: Official foreign trade statistics.
[a] Estimate.
[b] 1938.
[c] Average for 1947-51.

Table II-44. Latin America: Imports of malted barley

(C.i.f. values in thousands of tons)

Importer countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentina	—	43	—	—	—	—	—	—
Bolivia	115	184	327	343	351	416	239	241
Brazil	52	1,254	1,659	5,978	1,814	10,085	2,945	11,973
Paraguay	17	17	134	207	—	346	—	300 [a]
Peru	47	160	670	960	803	1,313	1,089	2,026
Total	231	1,658	2,790	7,488	2,968	12,160	4,273	14,540
Ecuador	19	40	219	318	247	421	245	429
Venezuela	—	353 [b]	68	2,531	45	4,091	88	4,584
Grand total for South America	250	2,051	3,077	10,337	3,260	16,672	4,606	19,553
Costa Rica	—	5	1	68	—	62	—	65 [a]
Cuba	171	684	591	2,803	500 [a]	3,624	500 [a]	3,200 [a]
El Salvador	1	39	—	173	—	515	—	638
Guatemala	0.4	26	—	285 [c]	—	246	—	250 [a]
Mexico	—	318	—	2,090	—	2,032	—	2,083
Panama	—	—	4	352	—	—	—	—
Grand total for Latin America	422	3,123	3,673	16,108	3,760	23,151	5,106	25,789

Source: Official foreign trade statistics.
[a] Estimate.
[b] 1938.
[c] Average for 1947-51.

Table II-49. Latin America: Imports of leaf tobacco

(Tons)

Importer countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentina	6,048	8,056	4,880	6,759	108	172	99	99
Bolivia	—	—	3	220	2	187	3	182
Brazil	—	467	0.5	172	—	123	—	97
Chile	43	59	350	442	188	347	191	318
Paraguay	81	88	23	40	7	32	—	—
Peru	54	79	144	270	232	291	177	242
Uruguay	1,115	1,264	2,856	3,378	2,937	3,405	3,409	3,997
Total	7,341	10,013	8,257	11,281	3,474	4,557	3,879	4,935
Colombia	—	54	—	210	—	2	—	3
Venezuela	—	9 [a]	1	101	—	388	—	393
Grand total for South America	7,341	10,076	8,258	11,592	3,474	4,947	3,879	5,331
Costa Rica	—	4	—	77	—	39	—	—
El Salvador	88	110	927	1,148	1,119	1,396	1,256	1,531
Guatemala	—	29	1	213	0.3	343	—	—
Haiti	—	11	—	81	—	81	—	—
Honduras	..	..	2	34	0.6	86	—	—
Mexico	—	84	0.3	864	1	1,634	0.3	1,506
Panama	—	32	—	33 [b]	—	—	—	—
Grand total for Latin America	7,429	10,346	9,188	14,042	4,595	8,526	5,134	8,368

Source: Official foreign trade statistics.
[a] 1938.
[b] Average for 1946-48.

TABLE II-50. LATIN AMERICA: IMPORTS OF LEAF TOBACCO

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	2,673	3,335	3,594	6,436	149	276	141	141
Bolivia	—	—	5	282	6	238	5	247
Brazil	—	467	4	661	—	902	—	71
Chile	39	55	506	658	271	554	320	538
Paraguay	14	21	20	36	30	40	—	—
Peru	35	79	195	370	190	319	252	368
Uruguay	223	266	2,458	3,479	2,856	3,814	3,164	4,353
TOTAL	2,984	4,223	6,782	11,922	3,502	6,143	3,882	5,718
Colombia	—	109	—	508	—	9	—	32
Venezuela	—	16 [a]	4	253	—	806	—	821
GRAND TOTAL FOR SOUTH AMERICA	2,984	4,348	6,786	12,683	3,502	6,958	3,882	6,571
Costa Rica	—	21	—	34	—	109	—	—
El Salvador	7	22	201	539	298	799	592	1,095
Guatemala	—	31	2	370	0.7	630	—	—
Haiti	—	5	—	113	—	156	—	—
Honduras	—	—	1	62	0.1	180	—	—
Mexico	—	57	1	1,424	9	2,399	0.5	2,642
Panama	—	22	—	37 [b]	—	—	—	—
GRAND TOTAL FOR LATIN AMERICA	2,991	4,506	6,991	15,262	3,810	11,231	4,475	10,308

SOURCE: Official foreign trade statistics.

[a] 1938.

[b] Average for 1946-48.

TABLE II-55. LATIN AMERICA: IMPORTS OF WHEAT

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	—	—	—	—	—	208,001	—	—
Bolivia	25,701	27,400	13,521	30,098	32	73,725	6,291	71,570
Brazil	910,739	915,881	589,053	704,921	84,024	1,134,290	1,116,557	1,615,250
Chile	6,881	8,500	15,264	25,554	25,727	231,717	—	89,644
Paraguay	13,195	13,195	27,457	34,913	28,536	40,922	27,738	40,000 [a]
Peru	114,455	124,037	69,887	171,488	20,936	232,953	71,040	253,986
Uruguay	10,461	10,462	27,584	36,427	—	—	—	—
TOTAL	1,081,432	1,099,475	742,766	1,003,401	159,255	1,921,608	1,221,626	2,070,450
Colombia	322	14,115	4,394	33,654	999	33,964	4,131	22,994
Ecuador	—	76	—	5,599	—	24,817	—	43,080
Venezuela	—	—	—	227	—	—	—	—
GRAND TOTAL FOR SOUTH AMERICA	1,081,754	1,113,666	747,160	1,042,881	160,254	1,980,389	1,225,757	2,136,524
Costa Rica	—	—	—	3,302	—	3,346	—	5,151
Cuba	468	1,388	—	2,329	—	2,497	—	80,259
Dominican Republic	—	1,296 [b]	—	1,149	—	2,685	—	1,414
El Salvador	877	6,037	315	1,889	89	2,553	34	2,562
Guatemala	—	43	—	770 [c]	—	3,390	—	4,085
Honduras	..	..	—	4,609	—	7,783	—	7,524
Mexico	—	18,995	—	307,837	513	438,952	—	242,002
GRAND TOTAL FOR LATIN AMERICA	1,083,099	1,141,425	747,475	1,364,766	160,856	2,441,595	1,225,791	2,479,521

SOURCE: Official foreign trade statistics.

[a] Estimate.

[b] Average for 1936-38.

[c] Average for 1947-51.

TABLE II-56. LATIN AMERICA: IMPORTS OF WHEAT

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	—	—	—	—	—	10,142	—	—
Bolivia	1,034	1,117	1,185	2,781	2	5,846	563	7,229
Brazil	30,586	30,835	69,970	80,914	11,708	131,189	132,426	177,654
Chile	204	259	1,207	2,110	3,693	28,106	—	9,524
Paraguay	384	384	3,012	3,610	2,520	4,950	1,646	3,440 [a]
Peru	3,537	3,917	8,164	15,790	1,724	20,623	6,161	21,832
Uruguay	450	450	3,125	4,111	—	—	—	—
TOTAL	36,195	36,962	86,663	109,316	19,647	200,856	140,796	219,679
Colombia	14	659	810	3,873	121	4,226	512	2,671
Ecuador	—	4	—	947	—	2,353	—	4,177
Venezuela	—	—	—	21	—	—	—	—
GRAND TOTAL FOR SOUTH AMERICA	36,209	37,625	87,473	114,157	19,768	207,435	141,308	226,527
Costa Rica	—	—	—	322	—	380	—	529
Cuba	16	57	—	226	—	286	—	9,193
Dominican Republic	—	64 [b]	—	112	—	123	—	135
El Salvador	32	259	26	196	12	273	5	268
Guatemala	—	1	—	70 [c]	—	275	—	331
Honduras	..	..	—	427	—	858	—	746
Mexico	—	679	—	25,081	41	37,123	—	19,688
GRAND TOTAL FOR LATIN AMERICA	36,257	38,685	87,499	140,591	19,821	246,753	141,313	257,417

SOURCE: Official foreign trade statistics.
[a] Estimate.
[b] Average for 1936-38.
[c] Average for 1947-51.

TABLE II-57. LATIN AMERICA: IMPORTS OF WHEAT FLOUR

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Bolivia	5,420	6,144	8,516	27,175	7,376	16,414	2,333	11,210
Brazil	47,634	55,844	30,920	218,522	81,483	94,334	23,739	30,664
Chile	3,103	3,103	1,266	4,027	544	4,584	1,120	3,761
Paraguay	12,276	13,897	5,434	5,443	4,737	4,737	14,906	14,906
Peru	198	1,751	29	5,580	43	6,208	30	3,974
TOTAL	68,631	80,739	46,165	260,747	94,183	126,277	42,128	64,515
Colombia	198	580	2	11,274	—	11,309	14	17,839
Ecuador	2,707	9,452	169	21,783	—	25,450	—	10,193
Venezuela	—	29,330 [a]	8	96,829	1,415	123,512	—	133,444
GRAND TOTAL FOR SOUTH AMERICA	71,536	120,101	46,344	390,633	95,598	286,548	42,142	225,991
Costa Rica	4	8,604		15,397	—	19,778	—	20,544
Cuba	64	89,941	6	143,556	—	116,801	—	82,569
Dominican Republic	—	4,635	3	13,447	19	18,679	—	17,535
El Salvador	4	2,705	2	8,728	—	15,259	—	15,558
Guatemala	15	9,946	—	18,751 [b]	—	22,122	—	23,448
Haiti	—	10,748	—	20,750	—	32,725	—	30,000 [c]
Honduras	..	..	3	3,719	3	5,935	—	5,840
Mexico	—	59	0.5	11,617	—	3,072	—	85
Nicaragua	11	3,879	27	7,254	19	9,012	3	10,628
Panama	38	6,976	6	11,906	—	14,086	—	14,591
GRAND TOTAL FOR LATIN AMERICA	71,672	257,594	46,391	645,758	95,639	544,017	42,145	446,789

SOURCE: Official foreign trade statistics.
[a] 1938.
[b] Average for 1947-51.
[c] Estimate.

Table II–58. Latin America: Imports of wheat flour

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Bolivia	385	431	1,273	3,379	1,894	2,865	864	1,908
Brazil	2,098	2,607	4,858	34,678	15,117	17,150	4,421	5,468
Chile	152	152	173	544	76	583	182	520
Paraguay	630	689	689	693	773	773	1,291	1,291
Peru	8	109	3	569	4	741	3	535
Total	3,273	3,988	6,996	39,863	17,864	22,112	6,761	9,722
Colombia	15	43	0.3	1,767	—	1,804	2	2,672
Ecuador	135	539	28	3,039	—	3,602	—	1,445
Venezuela	—	1,960 [a]	1	13,754	165	17,014	—	19,249
Grand total for South America	3,423	6,530	7,025	58,423	18,029	44,532	6,763	33,088
Costa Rica	0.5	579		2,264	—	2,672	—	2,693
Cuba	3	5,648	1	19,120	—	13,865	—	9,855
Dominican Republic	—	278	0.6	1,878	3	2,510	—	2,385
El Salvador	0.4	160	0.3	1,235	—	2,368	—	2,337
Guatemala	1	616	—	2,635 [b]	—	2,650	—	2,814
Haiti	—	707	—	3,124	—	5,253	—	4,000 [c]
Honduras	..	..	0.5	501	1	766	—	679
Mexico	—	7	0.1	1,362	—	422	—	12
Nicaragua	1	245	5	1,075	4	1,300	0.5	1,489
Panama	2	534	0.7	1,697	—	1,915	—	1,650
Grand total for Latin America	3,431	15,304	7,033	93,314	18,037	78,253	6,763	61,002 [c]

Source: Official foreign trade statistics.
[a] 1938.
[b] Average for 1947-51.
[c] Estimate.

Table II–59. Latin America: Imports of wine

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	—	2,932 [a]	95 [a]	862 [a]	14 [a]	49 [a]	3 [a]	45 [a]
Bolivia	12	22	12	15	5	20	7	20
Brazil	42	6,967	280	10,169	131	4,873	26	2,838
Chile	—	62	—	178	—	174	—	82
Paraguay	627	655	555	630	126	575	—	500 [a]
Peru	17	42	28	52	25	81	61	231
Uruguay	196 [a]	1,841 [a]	154	623	—	361	—	211
Total	894	12,521	1,124	12,529	301	6,133	97	3,927
Colombia	44	557	100	1,064	7	943	6	1,824
Ecuador	586	764	861	1,009	434	689	319	737
Venezuela	37 [b]	1,744 [b]	196	3,052	15	4,007	11	4,763
Grand total for South America	1,561	15,686	2,281	17,654	757	11,772	433	10,751
Costa Rica	—	156	105	261	1	15	66 [a]	100 [a]
Cuba	—	1,584	224	1,242	—	1,200 [a]	—	1,200 [a]
Dominican Republic	—	81 [c]	6	70	—	121	0.6	112
El Salvador	2	151	23	322	3	401	0.3	437
Guatemala	—	87	15	132	—	66	—	80
Haiti	—	184	12	103	0.4	155	—	150
Honduras	—	—	9	205	4	394		300
Mexico	—	2,546	87	1,665	—	1,334	—	1,394
Nicaragua	0.2	22	6	33	1	30	2	37
Panama	37	101	90	191	41	155	29	150
Grand total for Latin America	1,600	20,498	2,858	21,878	807	15,643	530	15,211

Source: Official foreign trade statistics.
[a] Estimate.
[b] 1938.
[c] Average for 1936-38.

Table II-60. Latin America: Imports of wine

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	—	555	47	526	12	42	2	41
Bolivia	5	11	8	11	5	19	5	29
Brazil	7	1,319	139	6,206	103	4,164	60	2,610
Chile	—	38	—	56	—	93	—	48
Paraguay	24	29	107	125	53	154	—	120 [a]
Peru	10	38	19	56	17	78	16	115
Uruguay	37	348	23	276	—	176	—	144
Total	83	2,338	343	7,075	190	4,726	83	3,107
Colombia	9	176	38	492	2	464	2	864
Ecuador	26	64	186	226	80	149	66	175
Venezuela	3 [b]	450 [b]	65	1,541	3	2,410	47	2,380
Grand total for South America	121	3,028	632	9,334	275	7,749	198	6,406
Costa Rica	—	30	21	92	0.2	5	—	50
Cuba	—	209	42	828	—	800	—	800 [a]
Dominican Republic	—	36 [c]	4	65	—	115	0.6	89
El Salvador	0.3	36	11	149	1	174	0.2	184
Guatemala	—	30	7	70	—	61	—	60 [a]
Haiti	—	59	6	81	0.5	128	—	100 [a]
Honduras	—	—	4	136	2	138	—	130 [a]
Mexico	—	386	34	744	—	487	—	552
Nicaragua	0.1	15	5	32	1	26	1	30
Panama	5	54	37	128	12	94	—	110 [a]
Grand total for Latin America	126	3,883	803	11,659	292	9,777	200	8,631

Source: Official foreign trade statistics.
[a] Estimate.
[b] 1938.
[c] Average for 1936-38.

Table II-63. Latin America: Imports of unginned cotton

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	101	297	1,868	1,879	1,586	1,586	2,510	2,510
Bolivia	163	1,033	1,254	1,902	49	1,244	1,059	1,121
Chile	1,347	2,281	8,089	14,332	12,438	18,938	5,446	12,824
Uruguay	109	111	5,016	5,342	5,107	5,955	8,785	9,747
Total	1,720	3,722	16,227	23,455	19,180	27,723	17,800	26,202
Colombia	17	3,242	10,367	18,086	5,500	18,885	13,020	15,453
Ecuador	37	143	707	1,029	392	1,430	967	2,687
Venezuela	—	17 [a]	1,081	2,018	50	607	94	534
Grand total for South America	1,774	7,124	28,382	44,588	25,122	48,610	31,881	44,876
Costa Rica	—	138	157	203	—	6	—	—
Cuba	47	1,503	1,990	6,978	3,000 [b]	6,660	3,000 [b]	6,000 [b]
Dominican Republic	—	23 [b]	—	74 [b]	79 [b]	316 [b]	44 [b]	316 [b]
El Salvador	15	135	119	121	838	881	884	887
Guatemala	165	507	1,625 [c]	1,695 [c]	—	17	—	1,000
Honduras	—	—	42	44	41	43	—	—
Mexico	—	206	75	312	—	168	—	258
Panama	—	—	50	125	—	—	—	—
Grand total for Latin America	2,001	9,636	32,440	54,140	29,080	56,736	36,809	53,337

Source: Official foreign trade statistics.
[a] 1938.
[b] Estimate.
[c] Average for 1947-51.

TABLE II–64. LATIN AMERICA: IMPORTS OF UNGINNED COTTON

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	46	134	1,943	1,954	3,699	3,699	6,409	6,409
Bolivia	78	530	954	1,583	51	1,324	1,136	1,221
Chile	361	612	6,891	20,966	13,122	19,914	5,609	13,139
Uruguay	22	22	3,740	4,062	5,219	6,056	6,767	7,635
TOTAL	507	1,298	13,528	28,565	22,091	30,993	19,921	28,404
Colombia	5	921	7,271	13,476	4,898	17,510	10,429	12,516
Ecuador	16	43	505	746	335	1,338	844	2,202
Venezuela	—	3 [a]	846	1,771	23	298	37	149
GRAND TOTAL FOR SOUTH AMERICA	528	2,265	22,150	44,558	27,347	50,139	31,231	43,271
Costa Rica	—	0.1	99	135	—	2	—	—
Cuba	7	399	1,258	4,832	2,400 [b]	4,895	2,400 [b]	4,800 [b]
Dominican Republic	—	12	—	70	81	323	42	302
El Salvador	3	38	14	16	128	133	132	137
Guatemala	48	163	1,146 [c]	1,202 [c]	—	11	1,000 [b]	1,000 [b]
Honduras	..	..	18	20	34	35	—	—
Mexico	—	101	62	344	—	244	—	286
Panama	—	—	13	33	—	—	—	—
GRAND TOTAL FOR LATIN AMERICA	586	2,978	24,760	51,210	29,990	55,782	34,805	49,796

SOURCE: Official foreign trade statistics.
[a] 1938.
[b] Estimate.
[c] Average for 1947-51.

TABLE II–69. LATIN AMERICA: IMPORTS OF VEGETABLE FIBRES

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	417	13,000	4,169	20,568	884	7,603	1,623	3,266
Brazil	84	25,213	345	14,565	222	19,128	—	1,340
Chile	207	2,560	153	1,847	107	3,692	60	2,957
Paraguay	—	—	14	16	—	—	—	—
Uruguay	—	748	288	2,418	111	1,104	114	227
TOTAL	708	41,521	4,969	39,414	1,324	31,527	1,797	7,790
Venezuela	—	2 [a]	20	424	—	453	4	507
GRAND TOTAL FOR SOUTH AMERICA	708	41,523	4,989	39,838	1,324	31,980	1,801	8,297
Cuba	122	1,319	145	1,141	—	800 [b]	—	1,200 [b]
Mexico	—	1,304	—	283	—	156	—	1,038
GRAND TOTAL FOR LATIN AMERICA	830	44,146	5,134	41,262	1,324	32,936	1,801	10,535

SOURCE: Official foreign trade statistics.
[a] 1938.
[b] Estimate.

TABLE II-70. LATIN AMERICA: IMPORTS OF VEGETABLE FIBRES
(C.i.f. values in thousands of dollars)

Importer countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	Latin America	*World total*	*Latin America*	*World total*	*Latin America*	*World total*	*Latin America*	*World total*
Argentina	29	937	1,783	6,411	590	4,613	1,132	2,901
Brazil	15	3,153	204	5,982	178	9,919	—	595
Chile	30	258	62	677	64	154	32	109
Paraguay	—	—	9	10	—	—	—	—
Uruguay	—	69	99	681	70	314	24	250
TOTAL	74	4,417	2,157	13,761	902	15,000	1,188	3,850
Venezuela	—	1 [a]	21	217	—	177	3	199
GRAND TOTAL FOR SOUTH AMERICA	74	4,418	2,178	13,978	902	15,177	1,191	4,054
Cuba	21	168	82	439	—	308 [b]	—	472 [b]
Mexico	—	225	—	62	—	33	—	274
GRAND TOTAL FOR LATIN AMERICA	95	4,811	2,260	14,479	902	15,518	1,191	4,800

SOURCE: Official foreign trade statistics.
[a] 1938.
[b] Estimate.

TABLE II-71. LATIN AMERICA: IMPORTS OF GREASY WOOL
(Tons)

Importer countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	Latin America	*World total*	*Latin America*	*World total*	*Latin America*	*World total*	*Latin America*	*World total*
Brazil	166	273	531	1,910	349	3,421	459	597
Chile	65	65	460	528	94	319	410	590
TOTAL FOR SOUTH AMERICA	231	338	991	2,438	443	3,740	869	1,187
Cuba	—	43	3	67	—	—	—	—
El Salvador	—	6	2	4	—	2	—	4
Guatemala	—	—	7	8	1	6	—	—
Mexico	—	1	105	1,827	—	3,005	87	2,793
GRAND TOTAL FOR LATIN AMERICA	231	388	1,108	4,344	444	6,753	956	3,984

SOURCE: Official foreign trade statistics.

TABLE II-72. LATIN AMERICA: IMPORTS OF GREASY WOOL
(C.i.f. values in thousands of dollars)

Importer countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	Latin America	*World total*	*Latin America*	*World total*	*Latin America*	*World total*	*Latin America*	*World total*
Brazil	86	213	668	3,239	491	7,215	510	915
Chile	30	30	463	610	270	982	1,169	1,737
TOTAL FOR SOUTH AMERICA	116	243	1,131	3,849	761	8,197	1,679	2,652
Cuba	—	11	11	70	—	—	—	—
El Salvador	—	4	3	9	—	7	—	11
Guatemala	—	—	11	12	4	19	—	—
Mexico	—	1	89	2,721	—	4,845	174	5,338
GRAND TOTAL FOR LATIN AMERICA	116	259	1,245	6,661	765	13,068	1,853	8,001

SOURCE: Official foreign trade statistics.

TABLE II–73. LATIN AMERICA: IMPORTS OF WASHED AND SEMI-GREASY WOOL

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	—	40	4	14	13	13	6	6
Bolivia	245	255	698	746	333	624	123	373
Brazil	0.4	5	178	243	36	154	20	23
Chile	266	273	391	485	635	650	954	954
Paraguay	8	8	137	139	101	101	118	118
Peru	—	2	22	22	—	—	—	—
TOTAL	519	583	1,430	1,649	1,118	1,542	1,221	1,474
Colombia [a]	17 [b]	31 [b]	833	981	153	301	374	742
Ecuador [a]	3	11	43	51	—	—	23	26
GRAND TOTAL FOR SOUTH AMERICA	539	625	2,306	2,681	1,271	1,843	1,618	2,242
Mexico	122	745	315	858	—	—	—	—
GRAND TOTAL FOR LATIN AMERICA	661	1,370	2,621	3,539	1,271	1,843	1,618	2,242

SOURCE: Official foreign trade statistics.
[a] Including greasy wool.
[b] Excluding 1935.

TABLE II–74. LATIN AMERICA: IMPORTS OF WASHED AND SEMI-GREASY WOOL

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	—	42	5	27	49	49	27	27
Bolivia	155	196	1,236	1,364	1,835	2,883	379	1,038
Brazil	0.1	8	364	681	83	603	33	48
Chile	139	150	644	949	3,095	3,183	4,030	4,030
Paraguay	3	3	208	213	506	506	590 [a]	590 [a]
Peru	—	3	25	25	—	—	—	—
TOTAL	297	402	2,482	3,259	5,568	7,224	5,059	5,733
Colombia [b]	9 [c]	17 [c]	1,238	1,549	248	571	732	1,658
Ecuador [b]	2	6	50	65	—	—	51	61
GRAND TOTAL FOR SOUTH AMERICA	303	425	3,770	4,873	5,816	7,795	5,842	7,452
Mexico	104	697	288	935	—	—	—	—
GRAND TOTAL FOR LATIN AMERICA	412	1,122	4,058	5,808	5,816	7,795	5,842	7,452

SOURCE: Official foreign trade statistics.
[a] Estimate.
[b] Including greasy wool.
[c] Excluding 1935.

TABLE II-77. LATIN AMERICA: IMPORTS OF QUEBRACHO

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Bolivia	147	162	304	409	377	538	94	249
Brazil	2,494	2,527	1,243	1,261	147	147	656	656
Chile	2,633	2,728	5,235	5,241	7,220	7,220	5,858	5,858
Peru	1,370	1,371	2,465	2,473	3,881	3,885	3,618	3,618
Uruguay	1,749	1,749	1,944	2,083	482	631	2,382	3,122
TOTAL	8,393	8,537	11,191	11,467	12,107	12,421	12,608	13,503
Colombia [a]	701	730	870	993	1,567	1,591	1,489	1,912
Ecuador	—	—	5	5	—	19	10	47
Venezuela	291 [b]	322 [b]	2,038	2,445	2,256	4,171	3,132	4,148
GRAND TOTAL FOR SOUTH AMERICA	9,385	9,589	14,104	14,910	15,930	18,202	17,239	19,610
Cuba	2,056 [a]	2,500 [a]	1,454	1,749	1,500 [d]	1,500 [d]	1,860 [d]	1,860 [d]
Guatemala [a]	0.7	2	66 [c]	81 [c]	108	146	200 [d]	200 [d]
Mexico [a]	367	1,932	2,144	5,193	—	4,964	1,273	4,867
GRAND TOTAL FOR LATIN AMERICA	11,809	14,023	17,768	21,933	17,538	24,812	20,572	26,537

SOURCE: Official foreign trade statistics.
[a] Including other tans.
[b] 1938.
[c] Average 1947-51.
[d] Estimate.

TABLE II-78. LATIN AMERICA: IMPORTS OF QUEBRACHO

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Bolivia	13	14	54	84	143	161	40	97
Brazil	186	199	209	212	410	410	173	173
Chile	164	180	833	834	1,869	1,869	1,499	1,499
Peru	94	94	456	459	839	840	693	693
Uruguay	138 [a]	138 [a]	335	383	126	162	572	749
TOTAL	595	625	1,887	1,972	3,387	3,442	2,977	3,211
Colombia [b]	62	67	192	230	446	454	424	542
Ecuador	—	—	1	1	—	15	2	21
Venezuela	37 [c]	45 [c]	419	609	610	1,277	842	1,123
GRAND TOTAL FOR SOUTH AMERICA	694	737	2,499	2,812	4,443	5,188	4,245	4,897
Cuba	169 [b]	221 [b]	234	295	286 [a]	286 [a]	327 [a]	327 [a]
Guatemala [b]	0.1	0.4	13 [d]	17 [d]	30	42	59 [a]	59 [a]
Mexico [b]	27	161	406	979	—	1,097	321	1,168
GRAND TOTAL FOR LATIN AMERICA	890	1,119	3,152	4,103	4,759	6,613	4,952	6,451

SOURCE: Official foreign trade statistics.
[a] Estimate.
[b] Including other tans.
[c] 1938.
[d] Average 1947-51.

Table II-79. Latin America: Imports of oil-seeds

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Chile	30,252	36,457	4,492	4,611	230	230	157	226
Paraguay	—	—	95	99	—	2	—	—
Total	30,252	36,457	4,587	4,710	230	232	157	226
Venezuela	—	—	2,099	13,002	9,031	25,167	15,017	41,546
Grand total for South America	30,252	36,457	6,686	17,712	9,261	25,399	15,174	41,772
Costa Rica	3	62	1,114	1,324	371	396	400 [a]	400 [a]
Cuba	—	47	14	21	—	—	—	—
El Salvador	—	7	99	101	279	281	413	422
Honduras	—	—	—	3	3	3	—	—
Mexico	—	38,711	—	6,149	—	5,444	37	6,936
Panama	—	—	312	1,281	176	1,295	1,200	1,200
Grand total for Latin America	30,255	75,284	8,255	26,591	10,090	32,818	17,224	50,730

Source: Official foreign trade statistics.

[a] Estimate.

Table II-80. Latin America: Imports of oil-seeds

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Chile	831	1,122	645	678	79	79	64	83
Paraguay	—	—	10	11	—	0.1		
Total	831	1,122	655	689	79	79	64	83
Venezuela	—	—	636	3,306	2,362	4,892	3,202	9,282
Grand total for South America	831	1,122	1,291	3,995	2,441	4,971	3,266	9,365
Costa Rica	0.2	12	267	334	35	48	50 [a]	50 [a]
Cuba	—	4	5	11	—	—	—	—
El Salvador	—	1	12	13	42	44	36	40
Honduras	—	—	—	1	1	1	—	—
Mexico	—	1,790	—	1,167	—	1,308	8	1,432
Panama	—	—	64	310	17	234	200 [a]	200 [a]
Grand total for Latin America	831	2,929	1,639	5,831	2,536	6,606	3,560	11,087

Source: Official foreign trade statistics.

[a] Estimate.

Table II–83. Latin America: Imports of rough and partly-worked timber

(Including logs, planed and unplaned boards and planks, and beams)

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	203,193	419,041	616,117	737,925	471,148	526,506	455,732	477,036
Bolivia [a]	2,081	13,468	1,155	11,695	116	5,618	331	4,501
Brazil	8	547	306	521	—	340	—	14
Peru	7,762	72,517	9,320	47,417	5,904	42,725	967	55,066
Uruguay	32,250	45,680	78,828	92,567	92,056	98,339	94,530	100,944
Total	245,294	551,253	705,726	890,125	569,224	673,528	551,560	637,561
Colombia	57 [b]	3,516 [b]	123	1,892	51	4,039	70	3,196
Venezuela [c]	20 [d]	21,857 [d]	7,299 [e]	33,203	12,914	34,963	22,069	38,059
Grand total for South America	245,371	576,626	713,148	925,220	582,189	712,530	573,699	678,816
Costa Rica [f]	—	1,550	1,379	2,629	4,507	5,735	1,987 [g]	2,130
Cuba [f]	—	114,623	24,327	107,712	12,000 [g]	133,215	10,000 [g]	120,000 [g]
Dominican Republic [f]	—	1,342 [h]	—	303	—	203	14	541
El Salvador [f]	1,175	1,773	6,025	7,070	19,112	19,204	19,031	19,061
Guatemala [f]	—	656	188 [i]	315 [i]	53	79	112 [g]	126 [g]
Haiti [f]	—	4,135	—	2,411	16	5,814	28 [g]	5,160 [j]
Mexico [f]	—	42,034	—	23,315	185	38,560	—	53,564
Panama [f]	110	9,949	4,512	12,782	1,057	2,800	387 [g]	4,000 [g]
Grand total for Latin America	246,656	752,688	749,579	1,081,757	619,119	918,140	605,258	883,398

Source: Official foreign trade statistics.
[a] Including veneers.
[b] Excluding 1935.
[c] Including sheets for plywood, and staves for barrels and tuns.
[d] 1938.
[e] Excluding 1950.
[f] Including posts, sleepers and piles.
[g] Estimate.
[h] Average for 1936-38.
[i] Average for 1947-51.
[j] 11 months.

Table II–84. Latin America: Imports of rough and partly-worked timber

(Including logs, planed and unplaned boards and planks, and beams)

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	4,594	12,796	46,217	57,744	43,830	51,423	41,727	44,030
Bolivia [a]	76	329	166	831	24	484	56	420
Brazil	1	59	3	80	—	179	—	6
Peru	126	1,263	453	2,569	358	3,010	73	3,220
Uruguay	729 [b]	1,032 [b]	5,092	6,355	6,767	7,344	6,947	7,417
Total	5,526	15,479	51,931	67,579	50,979	62,440	48,803	55,093
Colombia	2 [c]	106 [c]	8	177	6	500	9	421
Venezuela [d]	1 [e]	862 [e]	308 [f]	2,113	637	2,603	1,083	2,502
Grand total for South America	5,529	16,447	52,247	69,869	51,622	65,543	49,895	58,016
Costa Rica [g]	—	48	98	207	270	395	174 [b]	200
Cuba [g]	—	1,651	1,119	5,734	598 [b]	6,641	498 [f]	5,948 [b]
Dominican Republic [g]	—	41 [h]	—	27	—	64	5	138
El Salvador [g]	21	48	200	259	571	589	755	771
Guatemala [g]	—	37	11 [i]	27 [i]	4	8	11	12
Haiti [g]	—	121	—	222	0.6	568	3 [b]	523 [j]
Mexico [g]	—	877	—	1,188	13	2,358	—	3,503
Panama [g]	2	260	241	999	82	243	21 [b]	217 [h]
Grand total for Latin America	5,552	19,530	53,916	78,532	53,160	76,409	51,362	69,328

Source: Official foreign trade statistics.
[a] Including veneers.
[b] Estimate.
[c] Excluding 1935.
[d] Including sheets for plywood, and staves for barrels and tuns.
[e] 1938.
[f] Excluding 1950.
[g] Including posts, sleepers and piles.
[h] Average for 1936-38.
[i] Average for 1947-51.
[j] 11 months.

TABLE II-85. LATIN AMERICA: IMPORTS OF MANUFACTURED TIMBER

(Veneers and plywoods)

(Tons)

Importer countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	Latin America	*World total*	*Latin America*	*World total*	*Latin America*	*World total*	*Latin America*	*World total*
Argentina	51	20,430	5,886	11,172	—	65	—	410
Uruguay	106	1,903	1,052	1,429	876	1,504	1,941	1,995
TOTAL	157	22,333	6,938	12,601	876	1,569	1,941	2,405
Colombia	—	9	17	135	—	207	87	821
GRAND TOTAL FOR LATIN AMERICA	157	22,342	6,955	12,736	876	1,776	2,028	3,226

SOURCE: Official foreign trade statistics.

TABLE II-86. LATIN AMERICA: IMPORTS OF MANUFACTURED TIMBER

(Veneers and plywoods)

(C.i.f. values in thousands of dollars)

Importer countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	Latin America	*World total*	*Latin America*	*World total*	*Latin America*	*World total*	*Latin America*	*World total*
Argentina	4	1,877	1,965	3,407	—	24	—	129
Uruguay	10 [a]	175 [a]	180	355	151	381	252	288
TOTAL	14	2,052	2,145	3,762	151	405	252	417
Colombia	—	11	8	61	—	84	29	351
GRAND TOTAL FOR LATIN AMERICA	14	2,063	2,153	3,823	151	489	281	768

SOURCE: Official foreign trade statistics.

[a] Values estimated on the basis of Argentine import prices.

TABLE II-87. LATIN AMERICA: IMPORTS OF WOODEN POSTS[a]

(Tons)

Importer countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	Latin America	*World total*	*Latin America*	*World total*	*Latin America*	*World total*	*Latin America*	*World total*
Argentina	777	5,175	10,487	11,209	6,782	6,782	3,091	3,091
Peru	62	246	44	558	8	797	3	1,639
Uruguay	8,486	13,193	20,451	20,538	34,765	34,770	32,093	32,134
TOTAL FOR LATIN AMERICA	9,325	18,614	30,982	32,305	41,555	42,349	35,187	36,864

SOURCE: Official foreign trade statistics.

[a] In the case of the Central American countries, imports of wooden posts are included under "Rough and partly-worked timber".

Table II-88. Latin America: Imports of wooden posts[a]

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	4	207	353	519	491	491	127	127
Peru	0.4	5	4	43	0.5	101	0.3	140
Uruguay	143	207	406	454	887	893	540	568
Total for Latin America	147	419	763	1,016	1,379	1,485	667	835

Source: Official foreign trade statistics.

[a] In the case of the Central American countries, imports of wooden posts are included under "Rough and partly-worked timber".

Table II-89. Latin America: Imports of wooden sleepers[a]

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Bolivia	1,677	1,888	1,918	1,918	1,043	1,043	—	—
Peru	5,805	21,704	4,149	6,315	7,999	9,936	20	1,460
Uruguay	4,603	4,603	6,513	6,737	1,122	1,122	2,623	2,625
Total for Latin America	12,085	28,195	12,580	14,970	10,164	12,101	2,643	4,085

Source: Official foreign trade statistics.

[a] In the case of the Central American countries, imports of wooden sleepers are included under "Rough and partly-worked timber."

Table II-90. Latin America: Imports of wooden sleepers[a]

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Bolivia	34	41	70	70	41	41	—	—
Peru	19	156	99	163	150	274	2	93
Uruguay	33 [b]	33 [b]	245	255	60	60	131	131
Total for Latin America	86	230	414	488	251	375	133	224

Source: Official foreign trade statistics.

[a] In the case of the Central American countries, imports of wooden sleepers are included under "Rough and partly-worked timber".

[b] Values estimated on the basis of Peruvian prices.

TABLE II–93. LATIN AMERICA: IMPORTS OF SULPHUR

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	3,502	21,530	1,734	27,188	21,047	23,782	14,618	39,973
Brazil	6,285	13,705	3,334	45,787	9,303	83,707	495	53,687
Paraguay	218	252	212	5,707	69	4,140	—	4,500 [a]
Peru	91	168	26	554	—	2,714	—	2,809
Uruguay	608	2,988	—	4,380	—	3,831	—	2,608
TOTAL	10,704	38,643	5,306	83,616	30,419	118,174	15,113	103,577
Colombia	—	181	—	1,294	—	289	—	687
Ecuador	—	—	—	—	—	6	—	6
Venezuela	—	—	—	182	—	309	—	1,259
GRAND TOTAL FOR SOUTH AMERICA	10,704	38,824	5,306	85,092	30,419	118,778	15,113	105,529
Cuba	—	88	555	7,123	—	7,000 [a]	—	7,000 [a]
El Salvador	—	30	—	78	21	193	5	123
Guatemala	—	93	—	115	—	93	—	100 [a]
Mexico	—	9,484	—	6,722	—	6,074	1	7,502
GRAND TOTAL FOR LATIN AMERICA	10,704	48,519	5,861	99,130	30,440	132,138	15,119	120,254

SOURCE: Official foreign trade statistics.

[a] Estimate.

TABLE II–94. LATIN AMERICA: IMPORTS OF SULPHUR

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	92	648	140	973	5,251	5,426	3,224	4,536
Brazil	167	412	314	2,226	1,872	8,585	32	1,984
Paraguay	8	10	11	151	24	327	—	359 [a]
Peru	3	6	2	34	—	201	—	180
Uruguay	18 [a]	90 [a]	—	151	—	201	—	118
TOTAL	288	1,166	467	3,535	7,147	14,740	3,256	7,177
Colombia	—	12	—	80	—	38	—	81
Ecuador	—	—	—	—	—	92	—	67
Venezuela	—	—	—	16	—	32	—	83
GRAND TOTAL FOR SOUTH AMERICA	288	1,178	467	3,631	7,147	14,902	3,256	7,408
Cuba	—	6	35	165	—	162 [a]	—	162 [a]
El Salvador	—	3	—	9	4	30	1	16
Guatemala	—	5	—	8	—	10	—	9 [a]
Mexico	—	211	—	280	—	357	0.5	459
GRAND TOTAL FOR LATIN AMERICA	288	1,403	502	4,093	7,151	15,461	3,257	8,054

SOURCE: Official foreign trade statistics.

[a] Estimate.

TABLE II-95. LATIN AMERICA: IMPORTS OF CEMENT

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	91	58,911	9,736	253,562	17,054	539,112	2,309	2,309
Bolivia	342	4,722	516	787	4,112	6,416	92	3,551
Brazil	1,114	90,601	2,010	426,187	—	820,228	4,433	996,772
Chile	14	6,938	88	2,725	20	3,340	123	2,083
Paraguay	313	4,146	2,022	8,627	28	4,140	—	5,000 [a]
Peru	17	35,863	3,488	11,263	21,953	53,719	14,567	90,557
Uruguay	416	11,212	2,147	5,282	7,576	72,675	3,400	26,312
TOTAL	2,307	212,393	20,009	708,433	50,743	1,499,630	24,924	1,126,584
Colombia	240 [b]	45,025 [b]	1,938	45,565	—	2,158	—	2,619
Ecuador	250	12,984	309	7,409	—	1,438	1	775
Venezuela	3,963 [c]	138,044 [c]	6,981	385,069	599	80,896	—	29,653
GRAND TOTAL FOR SOUTH AMERICA	6,760	408,446	29,237	438,043	51,342	1,584,122	24,925	1,154,631
Costa Rica	—	19,688	736	26,029	8,355	39,791 [a]	6,000	40,000 [a]
Cuba	—	6,922	155	97,059	—	90,000 [a]	—	90,000 [a]
Dominican Republic	19	22,209	25	27,546	—	3,203	—	1,863
El Salvador	100	12,676	1,513	30,691	3,833	40,077	662	31,896
Haiti	34	6,487	—	16,681	3,811	23,589	3,000 [a]	20,000 [a]
Honduras	—	—	260	13,106	4,878	20,457	4,000 [a]	20,000 [a]
Mexico	—	12,531	—	40,262	—	3,897	—	2,159
Panama	46	29,708	—	22,102	—	30	—	5,000 [a]
GRAND TOTAL FOR LATIN AMERICA	6,959	518,667	31,926	711,519	92,219	1,805,256	38,587	1,370,549

SOURCE: Official foreign trade statistics.
[a] Estimate.
[b] Average for 1934 and 1936-38.
[c] 1938.

TABLE II-96. LATIN AMERICA: IMPORTS OF CEMENT

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	0.4	583	296	5,718	829	17,586	121	121
Bolivia	7	46	24	164	104	186	3	101
Brazil	19	937	78	14,413	—	32,557	499	29,592
Chile	1	95	4	126	5	182	30	157
Paraguay	5	63	59	221	6	327	—	100 [a]
Peru	0.2	161	106	258	581	1,307	450	1,968
Uruguay	4 [a]	111 [a]	71	150	234	2,562	106	609
TOTAL	36	1,996	638	21,050	1,759	54,707	1,209	32,648
Colombia	6 [b]	405 [b]	65	1,406	—	124	—	175
Ecuador	3	90	7	165	—	55	0.4	47
Venezuela	53 [c]	1,385 [c]	138	7,680	16	1,711	—	806
GRAND TOTAL FOR SOUTH AMERICA	98	3,876	848	30,301	1,775	56,597	1,209	33,576
Costa Rica	—	171	20	727	242	1,281	180 [a]	1,200 [a]
Cuba	—	78	3	2,110	—	2,000 [a]	—	2,000 [a]
Dominican Republic	0.2	130	0.6	508	—	98	—	72
El Salvador	2	127	49	966	113	1,311	22	869
Haiti	0.4	71	—	482	110	735	80 [a]	500 [a]
Honduras	—	—	6	273	90	428	60 [a]	400 [a]
Mexico	—	146	—	886	—	128	—	81
Panama	0.4	132	—	447	—	2	—	100 [a]
GRAND TOTAL FOR LATIN AMERICA	101	4,731	927	36,690	2,330	62,579	1,551	38,898

SOURCE: Official foreign trade statistics.
[a] Estimate.
[b] Average for 1934 and 1936-38.
[c] 1938.

TABLE II-97. LATIN AMERICA: IMPORTS OF COPPER INGOTS, BARS AND SHEET

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	259	4,400	6,615	11,592	14,893	14,931	9,484	12,498
Bolivia	3	15	19	32	26	29	14	16
Brazil [a]	159	8,374	10,129	22,611	4,969	24,884	2,158	19,933
Chile	—	241	—	174	—	81	—	74
Peru	—	99	10	197	19	285	23	269
Uruguay	57	277	198	1,241	—	704	31	1,090
TOTAL	478	13,406	16,971	35,847	19,907	40,914	11,710	33,880
Colombia	—	310	59	590	33	708	62	721
Ecuador	—	20	—	37	—	0.4	—	6
Venezuela [b]	—	605 [c]	59	8,690	34	11,407	601	11,836
GRAND TOTAL FOR SOUTH AMERICA	478	14,341	17,089	45,164	19,974	53,029	12,373	46,443
Cuba	—	218	—	514	—	500 [d]	—	460 [d]
El Salvador	—	1	—	3	0.3	3	—	3
Haiti [b]	—	—	—	—	0.1	187	—	200 [d]
Mexico [e]	—	942	—	1,413	—	11	—	27
Panama	—	—	0.1	6	—	—	—	—
GRAND TOTAL FOR LATIN AMERICA	478	15,502	17,089	47,100	19,974	53,730	12,373	47,133

SOURCE: Official foreign trade statistics.

NOTE: Data are unavailable on the tonnages of the Dominican imports whose value is noted in table II-98.

[a] Including cast copper, brass and other copper alloys.

[b] Including total copper imports (ingots, bars, and sheet; wire and cables; pipes and tubing and other manufactures).

[c] 1938.

[d] Estimate.

[e] Electrolytic and blister, unspecified.

TABLE II-98. LATIN AMERICA: IMPORTS OF COPPER INGOTS, BARS AND SHEET

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	79	1,198	4,080	6,535	15,356	15,416	9,083	11,351
Bolivia	1	6	11	17	31	36	14	15
Brazil [a]	45	2,312	5,047	12,086	10,273	27,782	1,743	16,275
Chile	—	81	—	121	—	83	—	86
Peru	—	33	9	165	20	342	23	284
Uruguay	9	81	56	737	—	780	25	838
TOTAL	134	3,711	9,203	19,661	25,680	44,439	10,888	28,849
Colombia	—	100	26	493	30	741	55	698
Ecuador	—	8	—	33	—	0.7	—	1
Venezuela [b]	—	310 [c]	122	8,186	95	14,250	545	14,554
GRAND TOTAL FOR SOUTH AMERICA	134	4,129	9,351	28,373	25,805	59,431	11,488	44,102
Cuba	—	74	—	348	—	361 [d]	—	371 [d]
Dominican Republic [b]	0.5	68	6	361	1.5	1,127	2	1,010
El Salvador [b]	—	1	—	2	0.1	3	—	5
Haiti [b]	—	42	0.5	162	1	300	—	326 [d]
Mexico [e]	—	224	—	497	—	9	—	26
Panama	—	—	0.1	5	—	—	—	—
GRAND TOTAL FOR LATIN AMERICA	135	4,538	9,358	29,748	25,808	61,231	11,490	45,840

SOURCE: Official foreign trade statistics.

[a] Including cast copper, brass and other copper alloys.

[b] Including total copper imports (ingots, bars and sheet; wire and cables; pipes and tubing, and other manufactures).

[c] 1938.

[d] Estimate.

[e] Electrolytic and blister, unspecified.

TABLE II-99. LATIN AMERICA: IMPORTS OF TIN BARS AND INGOTS

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	—	837	80	1,557	—	71	115	319
Brazil	103	804	—	1,433	—	1,240	—	455
Chile [a]	6	176	—	258	—	240	—	419
Peru	—	51	—	37	—	49	2	39
Uruguay	—	192	—	106	—	50	—	—
TOTAL	109	2,060	80	3,391	—	1,650	117	1,232
Colombia	—	77 [b]	—	130	—	164	—	191
Venezuela	—	61 [c]	1	59	1	67	1	96
GRAND TOTAL FOR SOUTH AMERICA	109	2,198	81	3,580	1	1,881	118	1,519
Cuba	—	74	—	69	—	70 [d]	—	100 [d]
El Salvador	—	7	—	10	—	7	—	13
Haiti	—	—	—	—	77 [e]	77 [e]	—	—
Mexico	—	64	—	217	—	293	—	117
GRAND TOTAL FOR LATIN AMERICA	109	2,343	81	3,876	78	2,328	118	1,749

SOURCE: Official foreign trade statistics.
[a] Including sheet.
[b] Average for 1934 and 1936-38.
[c] 1938.
[d] Estimate.
[e] Estimated on the basis of Bolivian export statistics.

TABLE II-100. LATIN AMERICA: IMPORTS OF TIN BARS AND INGOTS

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	—	940	210	4,269	—	212	366	716
Brazil	120	926	—	3,669	—	3,580	—	1,516
Chile [a]	7	195	—	577	—	692	—	1,159
Peru	—	67	—	57	—	125	2	101
Uruguay	—	221	—	213	—	138	—	—
TOTAL	127	2,349	210	8,785	—	4,747	368	3,492
Colombia	—	58 [b]	—	182	—	274	—	245
Venezuela	—	47 [c]	1	123	1	123	1	156
GRAND TOTAL FOR SOUTH AMERICA	127	2,454	211	9,090	1	5,144	369	3,893
Cuba	—	69	—	131	—	135 [d]	—	192 [d]
El Salvador	—	7	—	17	—	17	—	30
Haiti	—	—	—	—	187 [d]	187 [d]	—	—
Mexico	—	56	—	500	—	749	—	258
GRAND TOTAL FOR LATIN AMERICA	127	2,586	211	9,738	188	6,232	369	4,373

SOURCE: Official foreign trade statistics.
[a] Including sheet.
[b] Average for 1934 and 1936-38.
[c] 1938.
[d] Estimate.

TABLE II-101. LATIN AMERICA: IMPORTS OF IRON AND STEEL (PIG-IRON)
(Tons)

Importer countries	Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	18,465	81,268	20,686	58,488	16,299	93,828
Brazil	—	719	—	—	—	260
Chile	—	1,556	—	1,756	—	1,053
Peru	28	1,088	69	566	158	901
Uruguay	391	11,363	108	10,261	175	12,635
TOTAL	18,884	95,994	20,863	71,071	16,632	108,677
Colombia	33	1,292	—	434	—	1,045
Venezuela	—	254	—	145	—	499
GRAND TOTAL FOR SOUTH AMERICA	18,917	97,540	20,863	71,650	16,632	110,221
Cuba	—	459				
El Salvador	222	378	119	397	76	330
Mexico	—	689	—	1,751	—	1,525
GRAND TOTAL FOR LATIN AMERICA	19,139	99,066	20,982	73,798	16,708	112,106

SOURCE: Official foreign trade statistics.
NOTE: The years 1934-38 witnessed no movement in this trade.

TABLE II-102. LATIN AMERICA: IMPORTS OF IRON AND STEEL (PIG-IRON)
(C.i.f. values in thousands of dollars)

Importer countries	Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	1,848	4,837	2,841	6,859	2,461	8,256
Brazil	—	109	—	—	—	108
Chile	—	207	—	492	—	217
Peru	9	84	15	66	40	101
Uruguay	44	954	36	1,344	46	1,261
TOTAL	1,901	6,191	2,892	8,761	2,547	9,943
Colombia	2	113	—	46	—	122
Venezuela	—	21	—	35	—	72
GRAND TOTAL FOR SOUTH AMERICA	1,903	6,325	2,892	8,842	2,547	10,137
Cuba	—	49				
El Salvador	4	23	2	44	1	55
Mexico	—	31	—	99	—	98
GRAND TOTAL FOR LATIN AMERICA	1,907	6,428	2,894	8,985	2,548	10,290

SOURCE: Official foreign trade statistics.
NOTE: The years 1934-38 witnessed no movement in this trade.

TABLE II–103. LATIN AMERICA: IMPORTS OF IRON AND STEEL (BILLETS)
(Tons)

Importer countries	Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	627	87,839	2,812	193,641	—	79,868
Chile	—	2,067	—	79	—	—
Peru	—	—	—	91		
TOTAL FOR SOUTH AMERICA	627	89,906	2,812	193,811	—	79,868
Mexico	—	12,395	—	42,028	—	5,343
Panama	—	2,198	—	—		
GRAND TOTAL FOR LATIN AMERICA	627	104,499	2,812	235,839	—	85,211

SOURCE: Official foreign trade statistics.
NOTE: The years 1934-38 witnessed no movement in this trade.

TABLE II–104. LATIN AMERICA: IMPORTS OF IRON AND STEEL (BILLETS)
(C.i.f. values in thousands of dollars)

Importer countries	Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	42	7,407	436	28,125	—	8,590
Chile	—	219	—	17	—	—
Peru	—	—	—	6		
TOTAL FOR SOUTH AMERICA	42	7,626	436	28,148	—	8,590
Mexico	—	1,653	—	3,945	—	399
GRAND TOTAL FOR LATIN AMERICA	42	9,525	436	32,093	—	8,989

SOURCE: Official foreign trade statistics.
NOTE: The years 1934-38 witnessed no movement in this trade.

TABLE II–105. LATIN AMERICA: IMPORTS OF IRON AND STEEL (BARS, SHAPES AND STRIPS)
(Tons)

Importer countries	Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total
Argentina [a]	1,090	231,589	22	110,007	569	22,834
Bolivia [a]	35	4,629	42	5,693	67	3,727
Brazil	—	51,363	—	48,240	—	15,531
Chile	—	27,121	—	18,004	—	21,083
Paraguay	225	1,980	2	1,920		2,000 [b]
Peru	1,092 [c]	23,722 [c]	9,190	31,181	—	54,778
Uruguay	—	33,379	—	27,571	291	18,843
TOTAL	2,442	374,183	9,256	242,616	927	138,796
Colombia	—	30,903	—	22,376	511	52,372
Ecuador	103	5,095	1,864	7,682	2,178	7,229
Venezuela [a]	2	90,938	—	97,071	—	139,354
TOTAL FOR SOUTH AMERICA	2,547	501,119	11,120	369,745	3,616	337,751
Costa Rica	—	3,484	12	5,064		5,000 [b]
Cuba	49	40,637	—	28,653		30,000 [b]
El Salvador	—	1,111	—	1,265	—	1,174
Mexico	—	40,923	—	59,693	—	4,727
Panama [a]	2	200	—	—		
GRAND TOTAL FOR LATIN AMERICA	2,598	587,074	11,132	464,420	3,616	378,652

SOURCE: Official foreign trade statistics.
NOTE: The years 1934-38 witnessed no movement in this trade.

[a] Including sheet.
[b] Estimate.
[c] Including sheet in 1946.

TABEL II-106. LATIN AMERICA: IMPORTS OF IRON AND STEEL (BARS, SHAPES AND STRIP)

(C.i.f. values in thousands of dollars)

Importer countries	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentine [a]	194	36,519	15	23,765	162	4,934
Bolivia [a]	9	866	6	1,437	14	905
Brazil	—	8,948	—	14,004	—	5,404
Chile	—	3,761	—	3,112	—	3,600
Paraguay	48	419	0.3	793		800 [b]
Peru	98 [c]	3,011 [c]	1,395	4,681	—	6,286
Uruguay	—	3,807	—	4,672	39	2,440
TOTAL	349	57,331	1,496	52,464	215	24,369
Colombia	—	3,730	—	3,654	51	6,330
Ecuador	9	640	251	1,110	238	814
Venezuela [a]	1	10,097	—	13,464	—	15,333
TOTAL FOR SOUTH AMERICA	359	71,798	1,667	70,692	504	46,846
Costa Rica	—	450	3	838		800 [b]
Cuba	3	4,226		3,784		4,000 [b]
El Salvador	—	144	—	313	—	170
Mexico	—	4,473	—	9,706	—	1,337
Panama [a]	0.4	36	—	—		—
GRAND TOTAL FOR LATIN AMERICA	362	81,127	1,670	85,333	504	53,153

SOURCE: Official foreign trade statistics.
NOTE: The years 1934-38 witnessed no movement in this trade.

[a] Including sheet.
[b] Estimate.
[c] Including sheet in 1946.

TABLE II-107. LATIN AMERICA: IMPORTS OF IRON AND STEEL (SHEET AND ROLLED METAL)

(Tons)

Importer countries	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentina	6,729	177,126	12,976	28,312	52,917	83,480
Bolivia [a]						
Brazil	17	39,809	—	11,930	—	28,841
Chile	—	15,786	—	9,995	—	8,475
Paraguay [a]						
Peru	187	7,927	837	14,293	30	10,403
Uruguay	3	14,732	—	6,108	6	11,107
TOTAL	6,936	255,380	13,831	70,638	52,953	142,306
Colombia	—	13,426	157	29,071	665	50,992
Ecuador	74	1,798	247	2,172	685	2,929
Venezuela	—	23,203	—	16,165	—	21,480
TOTAL FOR SOUTH AMERICA	7,010	293,807	14,217	118,046	54,303	217,707
Costa Rica	—	2,201	279	2,815		2,500 [b]
Cuba	6	11,992		10,000 [b]		10,000 [b]
El Salvador	9	5,759	18	6,684	32	7,080
Mexico	16	29,208	3	24,268	—	24,359
Panama [a]						
GRAND TOTAL FOR LATIN AMERICA	7,041	342,967	14,517	151,813	54.335	261,646

SOURCE: Official foreign trade statistics.
NOTE: The years 1934-38 witnessed no movement in this trade.

[a] Including bars, shapes and strip.
[b] Estimate.

TABLE II–108. LATIN AMERICA: IMPORTS OF IRON AND STEEL (SHEET AND ROLLED METAL)

(C.i.f. values in thousands of dollars)

Importer countries	Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	1,532	28,608	2,980	28,148	13,231	18,617
Bolivia [a]						
Brazil	9	7,656	—	5,223	—	10,046
Chile	—	2,685	—	1,987	—	1,786
Paraguay [a]						
Peru	41	1,305	172	2,645	4	1,659
Uruguay	1	2,757	—	1,369	1	2,232
TOTAL	1,583	43,011	3,152	39,372	13,236	34,340
Colombia	—	2,463	41	6,770	178	10,724
Ecuador	13	299	44	445	103	553
Venezuela	—	4,006	—	3,806	—	4,660
TOTAL FOR SOUTH AMERICA	1,596	49,779	3,237	50,393	13,517	50,277
Costa Rica	—	458	3	643		600 [b]
Cuba	1	1,511	—	1,500 [b]		1,500 [b]
El Salvador	0.4	768	3	1,092	5	1,099
Mexico	1	3,216	2	3,825	—	3,825
Panama [a]						
GRAND TOTAL FOR LATIN AMERICA	1,598	55,732	3,245	55,953	13,522	57,301

SOURCE: Official foreign trade statistics.
NOTE: The years 1934-38 witnessed no movement in this trade.

[a] Including bars, shapes and strip.
[b] Estimate.

TABLE II–109. LATIN AMERICA: IMPORTS OF IRON AND STEEL IN VARIOUS FORMS

(Tons)

Importer countries	Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	62	4,857	—	109	—	3
Brazil	69 [a]	436 [a]	—	471	—	—
Chile	—	357	—	1,176	—	217
Peru	—	796	—	1,561	—	1,116
Uruguay	—	1,683	—	1,251	25	1,733
TOTAL	131	8,129	—	4,568	25	3,119
Colombia	—	5,416	—	598	—	646
Venezuela [b]	—	1,022	2	847	—	1,024
GRAND TOTAL FOR LATIN AMERICA	131	14,567	2	6,013	25	4,789

SOURCE: Official foreign trade statistics.
NOTE: The years 1934-38 witnesses no movement in this trade.

[a] Excluding 1950.
[b] Excluding special steels as from 1950.

Table II–110. Latin America: Imports of iron and steel in various forms

(C.i.f. values in thousands of dollars)

Importer countries	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentina	13	1,228	—	121	—	2
Brazil	11 [a]	220 [a]	—	250	—	—
Chile	—	94	—	424	—	71
Peru	—	211	—	526	—	402
Uruguay	—	401	—	481	4	448
Total	13	2,154	—	1,802	4	923
Colombia	—	674	—	50	—	90
Venezuela [b]	—	401	1	318	—	516
Grand total for Latin America	13	3,229	1	2,170	4	1,529

Source: Official foreign trade statistics.
Note: The years 1934-38 witnessed no movement in this trade.

[a] Excluding 1950.
[b] Excluding special steels as from 1950.

Table II–111. Latin America: Imports of tinplate

(Tons)

Importer countries	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentina	—	61,769	—	68,160	1,796	51,776
Bolivia	2	608	—	1,013		
Brazil	1	62,486	—	73,107	—	64,148
Chile	—	6,575	—	2,003	—	653
Paraguay	229	2,712	58	538		...
Peru	—	2,778	—	4,842	—	6,162
Uruguay	—	9,899	—	13,268	—	11,880
Total	232	146,827	58	162,931	1,796	134,619
Colombia	—	5,054	—	8,039	—	10,095
Ecuador	—	487	—	42	—	289
Venezuela	2	8,574	—	16,106	—	17,466
Grand total for Latin America	234	160,942	58	187,118	1,796	162,469

Source: Official foreign trade statistics.
Note: The years 1934-38 witnessed no movement in this trade.

Table II–112. Latin America: Imports of tinplate

(C.i.f. values in thousands of dollars)

Importer countries	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentina	—	13,456	—	20,095	568	14,077
Bolivia	0.8	132	—	317		
Brazil	0.2	13,459	—	20,478	—	16,614
Chile	—	1,234	—	492	—	167
Paraguay	39	552	33	258		...
Peru	—	616	—	1,244	—	1,554
Uruguay	—	2,105	—	3,712	—	2,956
Total	40	31,554	33	46,596	568	35,368
Colombia	—	1,117	—	1,828	—	2,140
Ecuador	—	112	—	16	—	71
Venezuela	1	2,847	—	6,575	—	6,858
Grand total for Latin America	41	35,630	33	55,015	568	44,437

Source: Official foreign trade statistics.
Note: The years 1934-38 witnessed no movement in this trade.

Table II–113. Latin America: Imports of lead bars and ingots

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	11	363	5,899	10,827	2,268	2,429	2,030	2,030
Brazil	169 [a]	8,697	6,229	16,492	1,299	10,016	398	21,236
Chile	1,236	1,503	746	1,410	23	468	677	1,241
Paraguay	—	—	2	100	—	7	—	—
Uruguay	—	855	1,008	1,719	499	881	95	1,782
Total	1,416	11,418	13,884	30,549	4,089	13,801	3,200	26,289
Colombia	—	164 [b]	270	564	210	359	150	419
Ecuador [c]	—	80	66	78	71	186	15	138
Venezuela [d]	—	483 [e]	109	808	1	527	30	675
Grand total for South America	1,416	12,145	14,329	31,999	4,371	14,873	3,395	27,521
Cuba	—	95	94	243	200 [f]	400 [f]	360 [f]	520 [f]
El Salvador	11	39	26	68	—	136	—	64
Honduras [g]	—	—	—	24	—	74	—	—
Panama	—	—	—	13	—	—	—	—
Grand total for Latin America	1,427	12,279	14,449	32,347	4,571	15,483	3,755	28,105

Source: Official foreign trade statistics.
[a] Average 1934-37.
[b] Average for 1934 and 1936-38.
[c] Including sheet.
[d] Including lead manufactures.
[e] 1938.
[f] Estimate.

Table II–114. Latin America: Imports of lead bars and ingots

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	1	36	2,348	4,459	1,296	1,393	1,163	1,163
Brazil	16 [a]	845	2,055	5,624	681	4,730	136	7,518
Chile	113	138	232	460	8	171	204	385
Paraguay	—	—	1	41	—	7	—	—
Uruguay	—	83 [b]	308	534	253	428	33	612
Total	130	1,102	4,944	11,118	2,238	6,729	1,536	9,678
Colombia	—	31 [c]	91	210	99	185	49	170
Ecuador [d]	—	10	20	26	34	98	5	131
Venezuela [e]	—	166 [f]	46	406	0.5	291	11	277
Grand total for South America	130	1,309	5,101	11,760	2,372	7,303	1,601	10,256
Cuba	—	11	32	93	81 [b]	161 [b]	141 [b]	210 [b]
El Salvador	0.7	4	6	23	—	51	—	24
Honduras [g]	—	—	—	18	—	23	—	—
Panama	—	—	—	3	—	—	—	—
Grand total for Latin America	131	1,324	5,139	11,897	2,453	7,538	1,742	10,490

Source: Official foreign trade statistics.
[a] Average 1934-37.
[b] Estimate.
[c] Average for 1934 and 1936-38.
[d] Including sheet.
[e] Including lead manufactures.
[f] 1938.

TABLE II-117. LATIN AMERICA: IMPORTS OF FERTILIZERS
(Tons)

Importer countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentina	2,536	4,062	26,157	35,544	21,244	34,032	7,299	15,281
Bolivia [a]	141	143	101	101	—	—	—	—
Brazil	5,966	40,084	54,620	185,317	47,022	218,746	78,983	355,139
Peru	6,552	14,485	20,924	26,266	11,017	26,111	7,599	26,733
Uruguay [a]	—	—	1,152	1,152	—	—	1,255	1,300
TOTAL	15,195	58,774	102,954	248,380	79,283	278,889	95,136	398,453
Colombia [a]	20	98	1,246	2,264	1,062	1,063	576	629
Ecuador	—	30	1,086	1,339	1,897	4,158	1,012	4,724
Venezuela [a]	—	87 [b]	1,116	1,116	730	796	785	798
GRAND TOTAL FOR SOUTH AMERICA	15,215	58,989	107,402	253,099	82 972	284,906	97,509	404,604
Costa Rica	12	2,657	3,671	12,069	997	15,283	1,060 [c]	14,480
Cuba	—	5,495	—	7,917	—	8,000 [c]	—	7,600 [c]
El Salvador	163	1,769	2,877	6,345	3,482	10,856	—	8,081
Guatemala	11	1,198	3,701	7,048	895	8,366	1,200 [c]	8,500 [c]
Haiti	—	36	—	288	—	302	—	300 [c]
Honduras	700 [c]	5,200 [c]	3,437	9,462	1,012	10,094	1,500 [c]	10,000 [c]
Mexico	1,394	10,409	7,485	25,264	3,262	26,733	1,416	26,141
Panama	—	—	939 [d]	3,667 [d]	1,200 [c]	4,000 [c]	2,000 [c]	4,120 [c]
GRAND TOTAL FOR LATIN AMERICA	17,495	85,753	129,512	325,159	93,820	368,540	104,685	483,826

SOURCE: Official foreign trade statistics.
[a] Nitrate only.
[b] 1938.
[c] Estimate.
[d] Average for 1946-48.

TABLE II-118. LATIN AMERICA: IMPORTS OF FERTILIZERS
(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentina	77	210	1,509	2,246	1,999	2,917	592	1,211
Bolivia [a]	4	5	6	6	—	—	—	—
Brazil	185	1,168	4,061	10,701	4,556	14,621	7,003	19,512
Peru	197	435	1,183	1,550	787	1,906	543	1,632
Uruguay [a]	—	—	80	80	—	—	86	90
TOTAL	463	1,818	6,839	14,583	7,342	19,444	8,224	22,445
Colombia [a]	0.7	6	153	171	100	100	43	49
Ecuador	—	2	73	91	142	306	76	401
Venezuela [a]	—	19 [b]	105	105	69	87	68	70
GRAND TOTAL FOR SOUTH AMERICA	464	1,845	7,170	14,950	7,653	19,937	8,411	22,965
Costa Rica	2	134	224	980	75	1,566	111 [c]	1,510
Cuba	—	270	—	589	—	602 [c]	—	571 [c]
El Salvador	5	97	219	456	296	828	—	689
Guatemala	0.4	80	212	498	73	917	133	940 [c]
Haiti	—	2	—	24	—	28	—	28 [c]
Honduras	26 [c]	210 [c]	169	696	96	1,210	182 [c]	1,198 [c]
Mexico	43	424	481	1,918	251	2,740	92	2,938
Panama	—	—	63 [d]	242 [d]	139 [c]	464 [c]	251 [c]	438 [c]
GRAND TOTAL FOR LATIN AMERICA	540	3,062	8,538	20,353	8,583	28,292	9,180	31,277

SOURCE: Official foreign trade statistics.
[a] Nitrate only.
[b] 1938.
[c] Estimate.
[d] Average for 1946-48.

TABLE II–123. LATIN AMERICA: IMPORTS OF MINERAL COAL

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	29,897	2,819,804	83,316	1,585,715	39,028	1,740,288	38,400	1,183,920
Bolivia [a]	11,730	26,714	915	10,553	105	11,755	24	4,798
Brazil	996	1,423,526	150	1,094,418	—	924,083	—	741,852
Chile	20	3,750	3,138	69,284	—	177,105	797	206,006
Paraguay	663	3,895	10	152	—	82	—	—
Peru	7,532	16,137	—	691	4	3,380	—	74
Uruguay	10,048 [b]	189,340 [b]	—	130,204	—	116,405	—	81,056
TOTAL	60,886	4,483,166	87,529	2,891,017	39,137	2,973,098	39,221	2,217,706
Colombia	—	1,168 [b]	—	364	168	412	—	219
Ecuador [a]	14	379	14	267	—	453	—	181
Venezuela	—	16,251 [c]	—	846	—	723	—	482
GRAND TOTAL FOR SOUTH AMERICA	60,900	4,500,964	87,543	2,892,494	39,305	2,974,686	39,221	2,218,588
Cuba	—	302,048	—	52,915	—	20,218 [d]	—	30,000 [d]
Dominican Republic	—	2,812 [e]	—	2,270	—	1,569	—	217
El Salvador	8	224	—	199	—	153	—	237
Mexico	—	13,716	—	1,052	—	26,515	—	35,634
GRAND TOTAL FOR LATIN AMERICA	60,908	4,819,764	87,543	2,948,930	39,305	3,023,141	39,221	2,284,676

SOURCE: Official foreign trade statistics.
[a] Including coke.
[b] Average for 1934 and 1936-38.
[c] Average for 1936-38.
[d] Estimate.
[e] 1938.

TABLE II–124. LATIN AMERICA: IMPORTS OF MINERAL COAL

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	148	14,527	1,636	35,604	1,261	48,636	895	24,488
Bolivia [a]	118	247	23	169	5	243	1	126
Brazil	16	10,754	6	22,027	—	21,152	—	12,895
Chile	0.4	28	65	1,459	—	3,587	15	3,781
Paraguay	8	28	1	11	—	5	—	—
Peru	26	69	—	11	0.1	36	—	2
Uruguay	52	1,429	—	2,473	—	2,969	—	1,644
TOTAL	368	27,082	1,731	61,754	1,266	76,628	911	42,936
Colombia	—	17 [b]	—	7	2	36	—	3
Ecuador [a]	0.2	6	1	14	—	27	—	9
Venezuela	—	147 [c]	—	32	—	36	—	19
GRAND TOTAL FOR SOUTH AMERICA	368	27,252	1,732	61,807	1,268	76,727	911	42,967
Cuba	—	1,419	—	615	—	300 [d]	—	350 [d]
Dominican Republic	—	17 [e]	—	37	—	49	—	15
El Salvador	0.2	5	—	12	—	10	—	15
Mexico	—	58	—	16	—	192	—	236
GRAND TOTAL FOR LATIN AMERICA	368	28,751	1,732	62,487	1,268	77,278	911	43,583

SOURCE: Official foreign trade statistics.
[a] Including coke.
[b] Average for 1934 and 1936-38.
[c] Average for 1936-38.
[d] Estimate.
[e] 1938.

TABLE II–127. LATIN AMERICA: IMPORTS OF CRUDE PETROLEUM

(Tons)

Importer countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	Latin America	*World total*	*Latin America*	*World total*	*Latin America*	*World total*	*Latin America*	*World total*
Argentina	292,306	449,374	983,211	1,863,604	1,754,450	3,013,352	1,838,353	3,599,368
Brazil	19,244	20,216	5,101	14,155	17,750	17,750	30,383	30,383
Uruguay	44,315 [a]	44,315 [a]	367,435	452,658	785,785	922,905	527,984	629,920
TOTAL FOR LATIN AMERICA	355,865	513,905	1,355,747	2,330,417	2,557,985	3,954,007	2,396,720	4,259,671

SOURCE: Official foreign trade statistics.

[a] Excluding 1935.

TABLE II–128. LATIN AMERICA: IMPORTS OF CRUDE PETROLEUM

(C.i.f. values in thousands of dollars)

Importer countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	Latin America	*World total*	*Latin America*	*World total*	*Latin America*	*World total*	*Latin America*	*World total*
Argentina	4,449	6,801	25,653	48,761	56,302	104,635	52,047	109,437
Brazil	444	491	169	282	563	563	963	963
Uruguay	674 [a]	674 [a]	8,899	10,558	21,231	24,602	14,434	16,840
TOTAL FOR LATIN AMERICA	5,567	7,966	34,721	59,601	78,096	129,800	67,444	127,240

SOURCE: Official foreign trade statistics.

[a] Excluding 1935. Values estimated on the basis of Argentine import prices.

TABLE II–129. LATIN AMERICA: IMPORTS OF AVIATION SPIRIT

(Tons)

Importer countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	Latin America	*World total*	*Latin America*	*World total*	*Latin America*	*World total*	*Latin America*	*World total*
Bolivia	169	224	3,813	5,287	3,860	4.453	5,818	7,113
Brazil	—	—	525	25,989	—	189,559	—	198,102
Chile	—	—	3,662	6,032	—	4,019	—	15,617
Peru	—	—	10	24,252	—	29,966	—	—
TOTAL	169	224	8,010	61,560	3,860	227,997	5,818	220,832
Colombia	—	—	3,542	20,925	—	42,008	—	49,824
Ecuador	—	—	2,762 [a]	7,257 [a]	5,354	6,162	7,989	7,989
GRAND TOTAL FOR LATIN AMERICA	169	224	14,314	89,742	9,214	276,167	13,807	278,645

SOURCE: Official foreign trade statistics.

[a] Average for 1947-51.

TABLE II-130. LATIN AMERICA: IMPORTS OF AVIATION SPIRIT

(C.i.f. values in thousands of dollars)

Importer countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	Latin America	*World total*	*Latin America*	*World total*	*Latin America*	*World total*	*Latin America*	*World total*
Bolivia	11	16	468	544	532	700	778	941
Brazil	—	—	34	3,680	—	13,546	—	13,381
Chile	—	—	121	381	—	295	—	1,081
Peru	—	—	0.3	1,857	—	2,189	—	—
TOTAL	11	16	623	6,462	532	16,730	778	15,403
Colombia	—	—	205	1,488	—	2,713	—	3,144
Ecuador	—	—	195 [a]	508 [a]	372	435	599	599
GRAND TOTAL FOR LATIN AMERICA	11	16	1,023	8,458	904	19,878	1,377	19,146

SOURCE: Official foreign trade statistics.

[a] Average for 1947-51.

TABLE II-131. LATIN AMERICA: IMPORTS OF PETROL

(Tons)

Importer countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	Latin America	*World total*	*Latin America*	*World total*	*Latin America*	*World total*	*Latin America*	*World total*
Argentina	4,528	17,692	392	105,715	—	40,326	—	49,791
Bolivia	6,561	7,097	15,391	15,809	4,046	6,771	17,507	18,874
Brazil	86,148	316,968	115,724	1,227,070	945,683	2,217,154	1,041,006	2,231,340
Chile	52,985	70,808	123,796	214,073	—	269,317	5	271,919
Paraguay	3,524	4,438	3,501	9,424	2,222	19,662	1,604 [a]	14,196 [a]
Peru	5	4,338	7	4,872	—	1	—	2
Uruguay	102 [b]	372 [b]	85	26,039	499	24,228	—	21,233
TOTAL	153,853	421,713	258,896	1,603,002	952,450	2,577,459	1,060,122	2,607,355
Colombia	807 [b]	9,490 [b]	70,659	121,134	37	192,646	312	307,978
Ecuador	123	203	2,572	3,450	9,570	9,570	17,520	17,520
Venezuela	148 [c]	2,203 [c]	241	32,795	—	48,185	—	59,950
GRAND TOTAL FOR SOUTH AMERICA	154,931	433,609	332,368	1,760,381	962,057	2,827,860	1,077,954	2,992,803
Costa Rica	557	6,241	3,440	21,921	19	42,724	23 [a]	52,640 [d]
Cuba	1,731	66,908	—	215,518	—	356,353 [e]	—	285,439 [a]
Dominican Republic	—	10,412	96	35,856	—	59,195	—	59,718
El Salvador	3,222	5,874	6,202	23,006	3,207	44,099	—	49,398
Guatemala	6,567	9,880	11,118 [f g]	45,011 [f g]	5,773 [f]	60,420 [f]	6,067 [a]	63,501 [a]
Haiti	1,020	5,770	0.7	11,460	—	20,397	—	26,250 [d]
Honduras			4,821	13,894	4,419	21,455	2,094 [h]	25,137 [h]
Mexico	1	14,545	132 [f]	145,859 [f]	—	176,116 [f]	—	365,812 [f]
Nicaragua	1,975	3,103	4,237	17,390	607	25,782	—	31,944 [f]
Panama	16	15,742	487	43,845	—	64,265	—	68,892 [a]
GRAND TOTAL FOR LATIN AMERICA	170,020	572,084	362,902	2,334,141	976,082	3,698,666	1,086,138	4,021,534

SOURCE: Official foreign trade statistics.

[a] Estimate.

[b] Excluding 1935.

[c] 1938.

[d] *Yearbook of International Trade Statistics, 1953.*

[e] Provisional. *Boletín de Estadística,* Dirección General de Estadística.

[f] Including aviation spirit.

[g] Average for 1947-54.

[h] *Boletín de la Cámara de Comercio e Industrias de Tegucigalpa.*

TABLE II-132. LATIN AMERICA: IMPORTS OF PETROL

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	147	562	13	5,536	—	3,130	—	3,669
Bolivia	584	624	968	1,002	350	552	1,927	2,035
Brazil	2,171	9,044	5,397	51,822	45,989	108,210	46,234	99,746
Chile	1,225	1,721	4,514	8,352	—	14,836	1	12,561
Paraguay	315	365	207	551	102	1,004	74 [a]	725 [a]
Peru	1	205	2	179	—	1	—	2
Uruguay	3 [b]	12 [b]	5	820	33	982	—	796
TOTAL	4,446	12,533	11,106	68,262	46,474	128,715	48,236	119,534
Colombia	30 [b]	293 [b]	2,684	4,733	2	9,183	12	14,107
Ecuador	8	14	132	181	500	500	876	876
Venezuela	13 [c]	133 [c]	55	1,932	—	3,063	—	3,881
GRAND TOTAL FOR SOUTH AMERICA	4,497	12,973	13,977	75,108	46,976	141,461	49,124	138,398
Costa Rica	21	290	149	966	2	1,539	2 [a]	1,800
Cuba	26	1,455	—	8,024	—	14,767 [d]	—	11,828 [a]
Dominican Republic	—	325	6	1,364	—	1,898	—	2,682
El Salvador	117	217	278	1,041	151	2,291	—	2,482
Guatemala	310	457	443 [ef]	1,905 [ef]	192 [e]	2,376 [e]	238 [a]	2,497 [a]
Haiti	20	189	0.3	567	—	1,021	—	1,240 [g]
Honduras			186	1,046	200	964	106 [h]	1,135 [h]
Mexico	0.1	335	5 [e]	5,457 [e]	—	7,922 [e]	—	11,048 [e]
Nicaragua	85	125	163	734	66	1,261	—	1,527 [e]
Panama	0.8	400	21	1,824	—	3,091	—	3,314 [a]
GRAND TOTAL FOR LATIN AMERICA	5,077	16,766	15,228	98,036	47,587	178,591	49,470	177,951

SOURCE: Official foreign trade statistics.
[a] Estimate.
[b] Excluding 1935.
[c] 1938.
[d] *Yearbook of International Trade Statistics, 1953.*
[e] Provisional. *Boletín de Estadística*, Dirección General de Estadística.
[f] Including aviation spirit.
[g] Average for 1947-54.
[h] *Boletín de la Cámara de Comercio e Industrial de Tegucigalpa.*

Table II-133. Latin America: Imports of kerosene

(Tons)

Importer countries	Average 1934-38 Latin America	Average 1934-38 World total	Average 1946-51 Latin America	Average 1946-51 World total	1952 Latin America	1952 World total	1953 Latin America	1953 World total
Argentina	5	2,282	—	20,021	—	26,239	—	9,187
Bolivia	1,612	1,706	1,923	1,940	266	288	5,804	6,049
Brazil	26,079	97,766	9,881	193,764	55,860	352,866	74,129	408,092
Chile	5,441	7,476	17,910	35,058	—	65,354	25	74,556
Paraguay	922	1,415	1,174	1,978	148	4,868	107 [a]	3,515 [a]
Uruguay	—	—	—	2,046	—	—	—	19,061
Total	34,059	110,645	30,888	254,807	56,274	449,615	80,065	520,460
Colombia	5 [b]	33 [b]	1,433	2,380	31	27,899	10	52,564
Ecuador	103	103	31	31	—	—	—	—
Venezuela	— [c]	3,928	—	7,112	—	2	—	110
Grand total for South America	34,167	114,709	32,352	264,330	56,305	477,516	80,075	573,134
Costa Rica	3	665	653	3,346	34	4,150	37 [a]	4,494 [a]
Cuba	—	246	—	259	—	1,250 [a]	—	1,001 [a]
Dominican Republic	—	4,124	15	6,846	—	8,288	—	8,222
El Salvador	1,972	2,506	1,064	4,187	22	9,458	2,236	12,942
Guatemala	2,091	2,948	3,011 [d]	7,334 [d]	1,653	11,257	1,737 [a]	11,831 [a]
Haiti	8	3,157	—	2,754	—	3,006	—	4,258 [e]
Honduras			320	1,622	243	1,737	24 [f]	2,000 [f]
Mexico	—	1,869	—	5,244	—	1,706	—	6,313
Nicaragua	1,793	2,094	1,034	3,845	138	6,719	248	9,341
Panama	1,389	3,976	191	11,170	—	15,957	—	17,106 [a]
Grand total for Latin America	41,423	136,294	38,640	310,937	58,395	541,044	84,357	650,642

Source: Official foreign trade statistics.
[a] Estimate.
[b] Excluding 1935.
[c] 1938.
[d] Average for 1947-51.
[e] Estimate based on figures for 11 months. *Bulletin Mensuel du Département Fiscal*, Banque Nationale de la République de Haiti.
[f] *Boletín de la Cámara de Comercio e Industria de Tegucigalpa.*

Table II–134. Latin America: Imports of kerosene

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	0.1	94	—	684	—	1,290	—	459
Bolivia	103	111	154	155	108	111	695	711
Brazil	741	3,617	386	6,716	2,336	14,425	2,801	14,855
Chile	105	146	557	1,148	—	2,672	0.2	2,824
Paraguay	62	89	41	75	2	183	1 [a]	132 [a]
Uruguay	—	—	—	78	—	—	—	654
Total	1,011	4,057	1,138	8,856	2,446	18,681	3,497	19,635
Colombia	0.3 [b]	2 [b]	50	83	1	951	1	1,771
Ecuador	5	5	2	2	—	—	—	—
Venezuela	— [c]	168 [c]	—	217	—	0.1	—	11
Grand total for South America	1,016	4,232	1,190	9,158	2,447	19,632	3,498	21,417
Costa Rica	1	31	17	123	2	161	2 [a]	174 [a]
Cuba	—	18	—	161	—	40 [a]	—	32 [a]
Dominican Republic	—	177	2	322	—	268	—	267
El Salvador	85	107	35	159	1	368	44	486
Guatemala	97	127	137 [d]	285 [d]	45	346	53 [a]	364 [a]
Haiti	0.2	169	—	115	—	120	—	185 [e]
Honduras			11	72	11	74	1 [f]	98 [f]
Mexico	—	35	—	112	—	58	—	193
Niacragua	87	101	28	121	6	241	8	315
Panama	55	127	8	316	—	759	—	814 [e]
Grand total for Latin America	1,342	5,124	1,428	10,944	2,512	22,067	3,606	24,345

Source: Official foreign trade statistics.
[a] Estimate.
[b] Excluding 1935.
[c] 1938.
[d] Average for 1947-51.
[e] Estimate based on figures for 11 months. *Bulletin Mensuel du Departement Fiscal*, Banque Nationale de la République de Haiti.
[f] *Boletín de la Cámara de Comercio e Industria de Tegucigalpa.*

Table II–135. Latin America: Imports of gas oil and diesel oil

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	18,178	321,834	4,062	99,674	85,951	170,667	99,017	240,499
Brazil	— [a]	— [a]	86,636	414,878	508,333	870,237	591,986	1,043,284
Chile	13,512	34,206	37,966	105,691	—	108,029	—	119,900
Paraguay [a]	—	—	—	—	—	—	—	—
Uruguay	25 [b]	890 [b]	1,496	6,575	3,780	3,796	3,394	3,394
Total	31,715	356,930	130,160	626,818	598,064	1,152,729	694,397	1,407,077
Colombia [c]	505 [b]	4,706 [b]	8,777	13,963	29	18,236	43	22,626
Venezuela	—	193 [d]	—	1,899	—	—	—	—
Grand total for South America	32,220	361,829	138,937	642,680	598,093	1,170,965	694,440	1,429,703
Costa Rica	123	1,437	1,647	24,704	13	31,580	15 [e]	36,790 [e]
Cuba	—	11	—	13,908		24,904 [e]	—	19,948 [e]
El Salvador	322	1,908	2,687	10,199	871	17,091	107	17,386
Guatemala	217	900	4,434 [f]	23,163 [f]	1,361	19,208	1,430 [e]	20,188 [e]
Haiti [g]	—	3,418	380	13,020	20	18,793	13	13,300 [h]
Mexico	—	12,478	21	17,229	—	13,460	—	21,231
Nicaragua [g]	10	453	1,007	12,242	1,320	54,121	1,617	50,507
Panama [g]	15	4,073	431	20,762	—	34,681	—	37,178 [e]
Grand total for Latin America	32,907	386,507	149,544	777,907	601,678	1,384,803	697,622	1,646,231

Source: Official foreign trade statistics.
[a] Included under fuel oil.
[b] Excluding 1935.
[c] Including tractor oil.
[d] 1938.
[e] Estimate.
[f] Average for 1947-51.
[g] Including fuel oil.
[h] *Yearbook of International Trade Statistics, 1953.*

TABLE II–136. LATIN AMERICA: IMPORTS OF GAS OIL AND DIESEL OIL
(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	137	2,670	123	2,569	3,396	6,611	3,217	8,011
Brazil	— [a]	— [a]	2,756	12,470	18,015	31,081	18,908	33,566
Chile	192	456	1,063	3,028	—	3,835	—	4,088
Paraguay [a]	—	—	—	—	—	—	—	—
Uruguay	0.2 [b]	7 [c]	19	211	125	128	102	102
TOTAL	329	3,133	3,961	18,278	21,536	41,655	22,227	45,767
Colombia [d]	12 [b]	46 [b]	254	408	0.4	615	2	727
Venezuela	—	6 [e]	—	46	—	—	—	—
GRAND TOTAL FOR SOUTH AMERICA	341	3,185	4,215	18,732	21,536	42,270	22,229	46,494
Costa Rica	2	28	47	624	0.5	960	0.5 [f]	1,040 [c]
Cuba	—	0.7	—	350	—	696 [f]	—	557 [f]
El Salvador	5	37	87	308	27	573	3	591
Guatemala	6	23	110 [g]	543 [g]	30	473	32 [f]	497 [f]
Haiti [h]	—	49	7	384	5	876	4	760 [c]
Mexico	—	94	1	376	—	344	—	449
Nicaragua [h]	0.4	32	27	303	35	1,186	48	1,241
Panama	0.3	37	10	504	—	978	—	1,048 [f]
GRAND TOTAL FOR LATIN AMERICA	355	3,486	4,504	22,124	21,634	48,356	22,317	52,677

SOURCE: Official foreign trade statistics.
[a] Included under fuel oil.
[b] Excluding 1935.
[c] *Yearbook of International Trade Statistics, 1953.*
[d] Including tractor oil.
[e] 1938.
[f] Estimate.
[g] Average for 1947-51.
[h] Including fuel oil.

TABLE II–137. LATIN AMERICA: IMPORTS OF LUBRICATING OILS AND GREASES
(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	362	12,091	—	27,182	—	50,605	—	65,095
Bolivia	502	2,377	144	3,071	184	4,679	83	4,070
Brazil	1,916	35,530	—	101,453	—	149,151	5,632	153,202
Chile	1,771	10,492	1,108	22,625	—	28,380	5	24,024
Paraguay	474	707	41	1,287	6	2,184	4 [f]	1,577 [f]
Peru	1	2,785	—	6,748	—	11,197	—	11,623
Uruguay	81 [b]	4,223 [b]	—	12,757	—	11,767	—	10,471
TOTAL	5,107	68,205	1,293	175,123	190	257,963	5,724	270,062
Colombia	— [b]	2,970 [b]	—	9,442	—	19,194	—	17,475
Ecuador	—	1,066	9	2,545	40	3,738	39	3,277
Venezuela	— [c]	8,961 [c]	15	33,774	—	43,194	—	40,711
GRAND TOTAL FOR SOUTH AMERICA	5,107	81,202	1,317	220,884	230	324,089	5,763	331,525
Costa Rica	0.6	47	46	3,035	5	2,905	7 [a]	3,530 [d]
Cuba	2	4,235	2	23,175	—	62,576 [e]	—	50,123 [a]
Dominican Republic	—	1,286	—	4,414	—	7,179	126	5,145
El Salvador	16	515	57	1,563	20	2,226	8	2,147
Guatemala	112	804	72 [f]	3,197 [f]	2	2,761	2 [a]	2,902 [a]
Haiti	—	509	—	825	—	—	—	—
Honduras			140	5,345	173	2,353	121 [g]	1,961 [g]
Mexico	—	10,295	24	53,941	53	75,770	—	70,980
Nicaragua	12	442	77	1,866	—	2,804	2	8,198
Panama	—	—	33	2,369	9	2,901	9 [a]	3,110 [a]
GRAND TOTAL FOR LATIN AMERICA	5,250	99,335	1,768	320,614	492	485,564	6,038	479,621

SOURCE: Official foreign trade statistics.
[a] Estimate.
[b] Excluding 1935.
[c] 1938.
[d] *Yearbook of International Trade Statistics, 1953.*
[e] Provisional. *Boletín de Estadística,* Dirección General de Estadística.
[f] Average 1947-51.
[g] *Boletín de la Cámara de Comercio e Industria de Tegucigalpa.*

Table II-138. Latin America: Imports of lubricating oils and greases
(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	34	1,074	—	5,363	—	14,284	—	11,596
Bolivia	56	355	30	590	42	989	26	931
Brazil	97	2,699	—	14,673	—	25,067	334	21,467
Chile	126	907	98	3,393	—	4,989	1	4,053
Paraguay	55	80	7	233	0.8	466	0.6 [a]	336 [a]
Peru	0.2	347	—	1,248	—	2,404	—	2,409
Uruguay	8 [b]	415 [b]	—	1,792	—	2,411	—	2,000
Total	376	5,877	135	27,292	43	50,610	362	42,792
Colombia	— [b]	402 [b]	—	1,981	—	3,930	—	3,420
Ecuador	—	98	1	514	7	846	6	809
Venezuela	— [c]	1,016	2	5,187	—	7,652	—	7,055
Grand total for South America	376	7,393	138	34,974	50	63,038	368	54,086
Costa Rica	0.4	7	4	328	1	481	1 [a]	390 [d]
Cuba	0.1	300	0.2	2,929	—	5,913 [e]	—	4,736 [a]
Dominican Republic	—	90	—	398	—	993	16	713
El Salvador	1	51	5	220	7	348	7	350
Guatemala	9	91	13 [f]	430	2	373	2 [a]	392 [a]
Haiti	—	42	—	145	—	—	—	—
Honduras	—	—	14	268	23	378	16 [g]	312 [g]
Mexico	—	786	3	5,997	7	9,137	—	8,244
Nicaragua	2	55	10	304	—	491	0.1	397
Panama	—	—	3	390	2	482	2 [a]	517 [a]
Grand total for Latin America	389	8,815	190	46,383	92	81,634	412	70,137

Source: Official foreign trade statistics.
[a] Estimate.
[b] Excluding 1935.
[c] 1938.
[d] *Yearbook of International Trade Statistics, 1953.*
[e] Provisional. *Boletín de Estadística,* Dirección General de Estadística.
[f] Average 1947-51.
[g] *Boletín de la Cámara de Comercio e Industria de Tegucigalpa.*

Table II-139. Latin America: Imports of paraffin wax
(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	—	4,800	1	3,523	—	32	—	—
Bolivia	68	1,148	8	1,355	50	1,243	—	1,059
Brazil	—	1,026	—	4,334	—	6,572	—	4,185
Chile	—	6,122	—	6,419	—	8,872	—	6,130
Paraguay	3	12	—	38	—	71	—	51 [a]
Peru	—	3,693	—	2,750	—	4,260	—	4,165
Uruguay	—	166 [b]	—	—	—	—	—	—
Total	71	16,967	9	18,419	50	21,050	—	15,590
Colombia	—	6,570	—	4,864	—	16,514	—	22,663
Ecuador	—	1,370	—	1,709	—	1,498	—	2,248
Venezuela	— [c]	2,194 [c]	—	3,583	—	5,356	—	4,038
Grand total for South America	71	27,101	9	28,575	50	44,418	—	44,539
Costa Rica	—	1,160	—	662	—	857	—	928 [a]
Cuba	—	1,382	3	2,085	—	2,477 [a]	—	1,984 [a]
El Salvador	—	373	0.7	608	—	674	—	980
Guatemala	—	1,268		1,730 [d]	—	2,115	—	2,223 [a]
Mexico	—	7,689	7	20,488	72	35,194	—	39,947
Grand total for Latin America	71	38,973	20	54,148	122	85,735	—	90,601

Source: Official foreign trade statistics.
[a] Estimate.
[b] Excluding 1935.
[c] 1938.
[d] Average for 1947-51.

Table II-140. Latin America: Imports of paraffin wax

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	—	389	0.5	1,012	—	11	—	—
Bolivia	8	130	1	255	13	262	—	167
Brazil	—	111	—	1,034	—	1,578	—	892
Chile	—	424	—	1,772	—	1,549	—	962
Paraguay	0.5	1	—	11	—	40	—	29 [a]
Peru	—	331	—	472	—	662	—	538
Uruguay	—	14 [b]	—	—	—	—	—	—
Total	9	1,400	1	3,956	13	4,102	—	2,588
Colombia	—	640	—	821	—	2,713	—	3,394
Ecuador	—	117	—	285	—	231	—	354
Venezuela	— [c]	230 [c]	—	719	—	973	—	710
Grand total for South America	9	2,387	1	5,781	13	8,019	—	7,046
Costa Rica	—	121	—	139	—	157	—	170 [a]
Cuba	—	131	0.6	418	—	581 [a]	—	465 [a]
El Salvador	—	38	0.1	130	—	124	—	168
Guatemala	—	121	—	346 [d]	—	315	—	331 [a]
Mexico	—	568	1	2,048	7	2,972	—	3,536
Grand total for Latin America	9	3,366	3	8,862	20	12,168	—	11,716

Source: Official foreign trade statistics.
[a] Estimate.
[b] Excluding 1935.
[c] 1938.
[d] Average for 1947-51.

Table II-141. Latin America: Imports of asphalt

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	—	—	—	—	—	—	—	—
Bolivia	46	385	240	764	15	1,534	1	90
Brazil	1,881	9,118	495	34,681	90	26,717	3,502	24,884
Chile	740	1,635	9	3,191	2,904	8,456	617	10,683
Paraguay	248	258	281	476	11	40	11 [a]	40 [a]
Peru	109	475	—	67	—	31	—	5
Uruguay	—	—	—	—	—	—	—	—
Total	3,024	11,871	1,025	39,179	3,020	36,778	4,131	35,702
Colombia	—	542	—	735	700	3,459	—	9,443
Ecuador	—	306	331	1,068	41	1,944	942	2,123
Venezuela	— [b]	2,076 [b]	4	10,450	—	17,028	—	672
Grand total for South America	3,024	14,795	1,360	51,432	3,761	59,209	5,073	47,940
Costa Rica	—	1,202	153	1,389	1,066	3,368	1,154 [a]	3,648 [a]
Cuba	13	859	—	158	—	206 [c]	—	165 [a]
El Salvador	—	997	2	1,326	134	1,850	3,390	3,550
Guatemala	67	78	6 [c]	4,706 [c]	362	6,876	380 [a]	7,227 [a]
Honduras			26	330	68	114	71 [a]	120 [a]
Mexico	—	691	—	5,585	—	10,408	—	9,890
Grand total for Latin America	3,104	18,622	1,547	64,926	5,391	82,031	10,068	72,540

Source: Official foreign trade statistics.
[a] Estimate.
[b] 1938.
[c] Average for 1947-51.

Table II–142. Latin America: Imports of asphalt

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	—	—	—	—	—	—	—	—
Bolivia	2	13	8	37	3	57	—	10
Brazil	40	236	15	2,288	7	1,829	285	1,823
Chile	17	47	0.4	183	100	398	17	417
Paraguay	9	9	17	34	1	6	1 [c]	6 [c]
Peru	2	13	—	5	—	2	—	1
Uruguay	—	—	—	—	—	—	—	—
Total	70	318	40	2,547	111	2,292	303	2,257
Colombia	—	21	—	56	12	180	—	534
Ecuador	—	6	17	50	2	78	45	101
Venezuela	— [b]	86 [b]	0.2	466	—	401	—	48
Grand total for South America	70	431	57	3,119	125	2,951	348	2,940
Costa Rica	—	26	3	42	32	176	35 [a]	191 [a]
Cuba	0.1	19	—	6	—	12 [a]	—	10 [a]
El Salvador	—	27	0.7	43	4	58	95	104
Guatemala	1	1	0.3 [c]	126 [c]	68	117	71 [a]	123 [a]
Honduras			0.8	16	0.9	5	1 [a]	5 [a]
Mexico	—	19	—	117	—	281	—	281
Grand total for Latin America	71	523	62	3,469	230	3,600	550	3,654

Source: Official foreign trade statistics.
[a] Estimate.
[b] 1938.
[c] Average for 1947-51.

Table II–143. Latin America: Imports of turpentine

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Chile	206	717	1,096	2,476	—	2,483	—	2,876
Paraguay	5	8	—	36	45	45	45 [a]	45 [a]
Total	211	725	1,096	2,512	45	2,528	45	2,921
Venezuela	— [b]	35 [b]	—	34	—	68	—	22
Grand total for Latin America	211	760	1,096	2,540	45	2,596	45	2,943

Source: Official foreign trade statistics.
[a] Estimate.
[b] 1938.

Table II–144. Latin America: Imports of turpentine

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Chile	12	97	41	245	—	179	—	243
Paraguay	0.8	1	—	3	17	17	17 [a]	17 [a]
Total	13	98	41	248	17	196	17	260
Venezuela	— [b]	3 [b]	—	8	—	11	—	10
Grand total for Latin America	13	101	41	256	17	207	17	270

Source: Official foreign trade statistics.
[a] Estimate.
[b] 1938.

TABLE II-145. LATIN AMERICA: IMPORTS OF OTHER DERIVATIVES

(Tons)

Importer countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	Latin America	*World total*	*Latin America*	*World total*	*Latin America*	*World total*	*Latin America*	*World total*
Argentina	—	688	87	1,380	201	727	—	6
Brazil	150	3,815	2,559	12,693	—	3,457	—	2,686
Paraguay	12	17	—	41	—	86	—	86 [a]
TOTAL	162	4,520	2,646	14,114	201	4,270	—	2,778
Colombia	—	—	—	6,892	—	5,660	—	130
Ecuador	—	13	842	4,909	650	650	—	4,109
Venezuela	— [b]	622 [b]	—	265	—	356	—	451
GRAND TOTAL FOR SOUTH AMERICA	162	5,155	3,488	26,180	851	10,936	—	7,468
Panama	—	—	—	16	—	—	—	—
GRAND TOTAL FOR LATIN AMERICA	162	5,155	3,488	26,196	851	10,936	—	7,468

SOURCE: Official foreign trade statistics.
[a] Estimate.
[b] 1938.

TABLE II-146. LATIN AMERICA: IMPORTS OF OTHER DERIVATIVES

(C.i.f. values in thousands of dollars)

Importer countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	Latin America	*World total*	*Latin America*	*World total*	*Latin America*	*World total*	*Latin America*	*World total*
Argentina	—	196	46	411	64	243	—	5
Brazil	7	152	68	869	—	729	—	581
Paraguay	1	1	—	5	—	20	—	20 [a]
TOTAL	8	349	114	1,285	64	992	—	606
Colombia	—	—	—	1,484	—	352	—	52
Ecuador	—	1	11	51	13	13	—	58
Venezuela	— [b]	82 [b]	—	62	—	75	—	84
GRAND TOTAL FOR SOUTH AMERICA	8	432	125	2,882	77	1,432	—	800
Panama	—	—	—	6	—	—	—	—
GRAND TOTAL FOR LATIN AMERICA	8	432	125	2,888	77	1,432	—	800

SOURCE: Official foreign trade statistics.
[a] Estimate.
[b] 1938.

TABLE II-147. LATIN AMERICA: IMPORTS OF FUEL OIL

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	47,871	796,535	306,943	2,380,745	470,458	2,974,101	85,548	2,079,602
Bolivia [a]	14,581	26,134	42,165	55,435	40,286	84,799	28,979	72,569
Brazil	63,828 [b]	522,052 [b]	440,459	1,371,380	918,906	2,310,560	1,303,569	2,434,796
Chile [a]	111,730	445,457	110,766	803,647	—	676,734	—	800,656
Paraguay [b]	1,248	1,515	1,537	2,673	126	5,088	91 [c]	3,674 [c]
Uruguay	33,585 [d]	196,051 [d]	8,234	98,178	—	—	—	15,014
TOTAL	272,843	1,987,744	910,104	4,723,058	1,429,776	6,051,282	1,418,187	5,406,311
Colombia	1,286 [d]	6,756 [d]	14,978	29,087	8,379	45,457	3,779	57,767
Venezuela	— [e]	157 [e]	—	4,561	—	—	—	35
GRAND TOTAL FOR SOUTH AMERICA	274,129	1,994,657	925,082	4,756,706	1,438,155	6,096,739	1,421,966	5,464,113
Costa Rica [a]	3,483	22,299	28	35,597	7,327	52,042	6,169 [c]	43,820 [f]
Cuba [g]	105,411	492,418	251,283	1,384,219	225,560 [c]	1,409,753 [h]	180,673 [c]	1,129,212 [c]
Dominican Republic	—	29,441 [i]	299	53,421	56,507	118,245	42,335	122,955
El Salvador [a]	46	15,718	—	37,303	—	59,403	17,667	54,129
Guatemala	25,698	55,202	5,532 [j]	169,837 [j]	19,302	91,679	20,286 [c]	96,355 [c]
Honduras [a]			3,954	112,772	2,863	144,428	1,426 [k]	129,197 [k]
Mexico [g]	2,353	155,763	—	126,270	—	191,420	—	403,000
Panama [a]	—	—	1,253	83,994	—	120,799	—	129,497 [c]
GRAND TOTAL FOR LATIN AMERICA	411,120	2,765,498	1,187,431	6,760,119	1,749,714	8,284,508	1,690,522	7,572,278

SOURCE: Official foreign trade statistics.
[a] Registered in the foreign trade yearbook as crude petroleum.
[b] Including diesel oil.
[c] Estimate.
[d] Excluding 1935.
[e] 1938.
[f] *Yearbook of International Trade Statistics, 1953.*
[g] Including crude.
[h] Provisional. *Boletín de Estadística,* Dirección General de Estadística.
[i] Average for 1936-38.
[j] Average for 1947-51.
[k] *Boletín de la Cámara de Comercio e Industria de Tegucigalpa.*

TABLE II-148. LATIN AMERICA: IMPORTS OF FUEL OIL

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	363	6,673	6,029	46,161	13,031	73,088	1,510	38,387
Bolivia [a]	185	351	1,206	1,917	1,705	3,026	1,249	2,461
Brazil	624 [b]	4,869 [b]	8,245	25,031	19,002	48,430	23,211	43,313
Chile [a]	785	3,684	2,056	13,750	—	13,389	—	14,509
Paraguay [b]	33	38	57	120	5	385	4 [c]	278 [c]
Uruguay	281 [d]	1,642 [d]	110	1,387	—	—	—	249
TOTAL	2,271	17,157	17,703	88,366	33,743	138,318	25,974	99,197
Colombia	50 [d]	107 [d]	399	713	165	1,288	45	1,724
Venezuela	— [e]	4 [e]	—	72	—	—	—	7
GRAND TOTAL FOR SOUTH AMERICA	2,321	17,268	18,102	89,151	33,908	139,606	26,019	100,928
Costa Rica [a]	16	138	0.5	463	115	738	80 [c]	570 [f]
Cuba [g]	875	3,057	2,861	18,384	3,226 [c]	20,098 [h]	2,584 [c]	16,098 [c]
Dominican Republic	—	239 [i]	8	1,052	914	2,373	762	2,811
El Salvador [a]	1	102	—	490	—	1,003	290	827
Guatemala	118	294	66 [j]	2,009 [j]	345	1,527	363 [c]	1,605 [c]
Honduras [a]			71	1,617	79	2,494	43 [k]	2,272 [k]
Mexico	12	942	—	1,868	—	2,495	—	4,674
Panama [a]	—	—	19	1,075	—	1,553	—	1,665 [c]
GRAND TOTAL FOR LATIN AMERICA	3,343	22,040	21,128	116,109	38,587	171,887	30,141	131,450

SOURCE: Official foreign trade statistics.

[a] Registered in the foreign trade yearbook as crude petroleum.

[b] Including diesel oil.

[c] Estimate.

[d] Excluding 1935.

[e] 1938.

[f] *Yearbook of International Trade Statistics, 1953.*

[g] Including crude.

[h] Provisional. *Boletín de Estadística,* Dirección General de Estadística.

[i] Average 1936-38.

[j] Average 1947-51.

[k] *Boletín de la Cámara de Comercio e Industria de Tegucigalpa.*

TABLE II-165. LATIN AMERICA: IMPORTS OF COTTON YARN

(Tons)

Importer countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	Latin America	*World total*	*Latin America*	*World total*	*Latin America*	*World total*	*Latin America*	*World total*
Argentina	—	6,599	1,278	6,775	6,335	10,399	403	1,445
Bolivia	4	130	7	78	8	104	5	30
Brazil	—	1,145	2	287	—	507	—	195
Chile	9	3,334	48	1,340	26	691	—	293
Paraguay	13	114	4	119	0,5	71	—	100 [a]
Peru	—	409	57	434	—	319	—	342
Uruguay	117	2,261	75	1,405	—	587	—	519
TOTAL	143	14,002	1,471	10,438	6,369	12,678	408	2,924
Colombia	81 [b]	1,698 [b]	10	847	8	577	1	688
Ecuador	—	97	55	196	—	263	—	281
Venezuela	—	200 [c]	—	529	—	600	10	1,884
GRAND TOTAL FOR SOUTH AMERICA	224	15,997	1,536	12,010	6,377	14,118	419	5,777
Costa Rica	—	176	2	98	0.2	83	—	90 [a]
Cuba	—	2,259	22	2,483	—	2,445	—	2,500 [a]
El Salvador	—	244	37	147	13	141	60	179
Guatemala	—	458	15	259	11	299	—	300 [a]
Haiti	—	82	—	—	—	98	—	100 [a]
Honduras	—	—	5	63	4	81	—	70 [a]
Mexico	—	787	—	315	—	207	—	322
Nicaragua	0.2	5	5	93	5	80	2	112
Panama	—	32	2	44	—	44	—	50 [a]
GRAND TOTAL FOR LATIN AMERICA	224	20,090	1,624	15,512	6,410	17,596	481	9,500

SOURCE: Official foreign trade statistics.

NOTE: Data are unavailable for tonnages of the Dominican imports whose value is noted in table II-166.

[a] Estimate.

[b] Average for 1934 and 1936-38.

[c] 1938.

TABLE II-166. LATIN AMERICA: IMPORTS OF COTTON YARN

(C.i.f. values in thousands of dollars)

Importer countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	Latin America	*World total*	*Latin America*	*World total*	*Latin America*	*World total*	*Latin America*	*World total*
Argentina	—	6,546	4,498	24,866	43,881	73,248	3,946	11,878
Bolivia	4	155	14	336	26	807	4	184
Brazil	—	2,259	3	2,582	—	3,232	—	2,461
Chile	4	2,648	80	3,987	107	2,759	—	1,305
Paraguay	17	146	16	420	3	448	—	631 [a]
Peru	—	579	69	1,382	—	1,234	—	1,345
Uruguay	105 [a]	2,035 [a]	132	3,860	—	3,068	—	2,375
TOTAL	130	14,368	4,812	37,433	44,017	84,796	3,950	20,179
Colombia	42 [b]	1,564 [b]	17	3,141	15	2,272	2	2,553
Ecuador	—	128	26	693	—	755	—	866
Venezuela	—	464 [c]	—	2,238	—	2,476	3	2,848
GRAND TOTAL FOR SOUTH AMERICA	172	16,524	4,855	43,505	44,032	90,299	3,955	26,446
Costa Rica	—	145	5	357	1	285	—	309
Cuba	—	2,023	60	6,416	—	5,334	—	5,455 [a]
El Salvador	—	222	47	411	18	473	51	462
Guatemala	—	481	25	817	23	864	—	870 [a]
Haiti	—	134	3	354	—	430	—	438 [a]
Honduras	—	—	8	260	11	343	—	296 [a]
Mexico	—	1,381	—	1,692	—	1,203	—	1,736
Nicaragua	0.3	116	11	309	6	227	6	354
Panama	—	75	14	263	—	235	—	267 [a]
GRAND TOTAL FOR LATIN AMERICA	172	21,279	5,029	55,025	44,091	100,360	4,012	37,276

SOURCE: Official foreign trade statistics.

NOTE: Data are unavailable for tonnages of the Dominican imports whose values is noted in table II-166.

[a] Estimate.

[b] Average for 1934 and 1936-38.

[c] 1938.

TABLE II–167. LATIN AMERICA: IMPORTS OF WOOLLEN YARN

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	32	845	126	1,763	—	288	—	10
Bolivia	13	38	81	136	47	110	339	418
Brazil	—	996	3	1,987	—	325	—	3
Chile	—	3	—	4	0.4	2	—	0.2
Paraguay	7	10	—	39	—	4	—	—
Peru	—	76	7	28	—	45	—	43
Uruguay	—	31	9	40	—	86	2	127
TOTAL	52	1,999	226	3,997	47	860	341	601
Colombia	15 [a]	718 [a]	235	1,627	89	1,299	234	2,060
Venezuela [b]	—	35 [c]	31	210	1	143	1	358
GRAND TOTAL FOR SOUTH AMERICA	67	2,752	492	5,834	137	2,302	576	3,019
Costa Rica	—	9	5	12	4	40	6 [d]	50 [d]
Cuba	—	42	5	28	10 [d]	30 [d]	8 [d]	30 [d]
Guatemala	—	14	4	15	3	25	12 [d]	37 [d]
Mexico	—	15	—	18	—	22	—	12
GRAND TOTAL FOR LATIN AMERICA	67	2,832	506	5,907	154	2,419	602	3,148

SOURCE: Official foreign trade statistics.
[a] Average for 1934 and 1936-38.
[b] Including greasy wool.
[c] 1938.
[d] Estimate.

TABLE II–168. LATIN AMERICA: IMPORTS OF WOOLLEN YARN

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	86	2,163	736	10,435	—	1,796	—	68
Bolivia	23	92	292	555	239	616	86	488
Brazil	—	2,320	7	8,924	—	2,865	—	15
Chile	—	8	—	27	1	12	—	1
Paraguay	5	10	—	20	—	5	—	—
Peru	—	154	27	151	—	299	—	272
Uruguay	—	79 [a]	45	209	—	427	6	505
TOTAL	114	4,826	1,107	20,321	240	6,020	92	1,349
Colombia	12 [b]	951 [b]	935	7,343	238	6,383	777	9,449
Venezuela [c]	—	66 [d]	118	812	3	800	6	1,481
GRAND TOTAL FOR SOUTH AMERICA	126	5,843	2,160	28,476	481	13,203	875	12,279
Costa Rica	—	21	27	64	23	181	30 [a]	252 [a]
Cuba	—	39	16	91	39 [a]	151 [a]	40 [a]	158 [a]
Guatemala	—	46	19	94	14	126	60 [a]	186 [a]
Mexico	—	35	—	102	—	145	—	96
GRAND TOTAL FOR LATIN AMERICA	126	5,984	2,222	28,827	557	13,806	1,005	12,971

SOURCE: Official foreign trade statistics.
[a] Estimate.
[b] Average for 1934 and 1936-38.
[c] Including greasy wool.
[d] 1938.

TABLE II-181. LATIN AMERICA: IMPORTS OF COTTON TEXTILES

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	127	31,271	2,970	7,288	113	813	2	69
Bolivia	100	1,359	284	981	238	1,241	126	451
Brazil	—	396	1	173	—	13	—	1
Chile	2	6,710	534	1,550	42	532	7	240
Paraguay	269	1,622	715	1,121	19	225	70	500 [a]
Peru	4	2,031	82	652	3	2,019	1	972
Uruguay	65	1,696	260	1,312	—	383	—	176
TOTAL	567	45,085	4,846	13,077	415	5,226	206	2,409
Colombia	60 [b]	7,111 [b]	79	922	—	825	—	1,040
Ecuador	13	1,127	164	811	13	1,328	159	1,738
Venezuela	71 [c]	4,093 [c]	1,292 [d]	5,229	155	5,019	74	5,326
GRAND TOTAL FOR SOUTH AMERICA	711	57,416	6,381	20,039	583	12,398	439	10,513
Costa Rica	—	1,120	133	1,119	96	1,251	100 [a]	1,330
Cuba	2	5,962	68	5,992	50	5,189	32 [a]	5,000 [a]
Dominican Republic	5	1,858	139	1,264	104	1,837	90	1,409
El Salvador	—	1,684	132	1,192	108	1,333	96	1,377
Guatemala	4	1,783	618	1,871	729	2,229	600 [a]	2,000 [a]
Haiti	—	2,943	105	3,055	162	4,161	84 [a]	3,093 [a]
Honduras	—	1,500 [e]	642	1,652	371	1,761	216	1,700
Mexico	—	1,124	2	1,581	—	742	1	529
Nicaragua	15	1,170	264	1,066	213	1,427	135	1,456
Panama	2	399	235	1,131	147	1,135	96 [a]	1,200 [a]
GRAND TOTAL FOR LATIN AMERICA	739	76,959	8,719	40,142	2,563	33,463	1,889	29,607

SOURCE: Official foreign trade statistics.

[a] Estimate.

[b] Average for 1934 and 1936-38.

[c] 1938.

[d] Excluding 1950.

[e] 11 months.

TABLE II–182. LATIN AMERICA: IMPORTS OF COTTON TEXTILES

(C.i.f. values in thousands of dollars)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	176	40,932	14,447	36,941	1,103	3,985	13	201
Bolivia	116	1,451	999	3,647	903	3,439	377	1,153
Brazil	—	835	2	1,956	—	79	—	6
Chile	3	4,807	2,021	6,444	191	3,572	8	1,156
Paraguay	285	1,638	1,835	3,203	179	1,615	338	3,590
Peru	5	2,353	382	2,653	8	6,855	1	3,438
Uruguay	45	1,089	918	5,119	—	1,460	—	750
TOTAL	630	53,105	20,604	59,963	2,384	21,005	737	10,294
Colombia	59 [a]	8,658 [a]	225	3,148	—	4,284	—	4,555
Ecuador	12	1,038	373	2,429	34	2,624	308	2,804
Venezuela	113 [b]	487 [b]	4,716 [c]	17,934	434	16,539	187	16,875
GRAND TOTAL FOR SOUTH AMERICA	814	63,288	25,918	83,474	2,852	44,452	1,232	34,528
Costa Rica	—	951	305	2,921	205	2,959	250	3,320
Cuba	2	5,978	208	16,560	138	14,351	80	14,200 [d]
Dominican Republic	12	1,694	364	5,245	246	6,964	192	5,487
El Salvador	—	1,557	376	2,950	262	3,203	220	3,522
Guatemala	3	1,881	1,461	5,039	1,386	5,189	1,498 [d]	4,992 [d]
Haiti	—	2,306	247	6,367	384	7,908	133	4,914 [e]
Honduras	—	1,362 [e]	1,522	4,086	766	4,317	529 [d]	4,200 [d]
Mexico	—	1,387	8	3,606	—	1,855	3	1,613
Nicaragua	12	1,176	689	2,943	543	3,775	261	3,089
Panama	3	634	622	3,249	372	2,750	235 [d]	2,941 [d]
GRAND TOTAL FOR LATIN AMERICA	846	82,214	31,720	136,440	7,154	97,723	4,633	82,806

SOURCE: Official foreign trade statistics.

[a] Average for 1934 and 1936-38.

[b] 1938.

[c] Excluding 1950.

[d] Estimate.

[e] 11 months.

TABLE II–183. LATIN AMERICA: IMPORTS OF WOOLLEN TEXTILES

(Tons)

Importer countries	Average 1934-38		Average 1946-51		1952		1953	
	Latin America	World total	Latin America	World total	Latin America	World total	Latin America	World total
Argentina	—	3,333	9	729	—	85	—	50
Bolivia	9	126	16	88	4	112	—	71
Brazil	—	108	4	313	—	36	—	102
Chile	1	667	42	368	0.6	269	0.5	103
Paraguay	62	104	—	—	—	—	—	—
Peru	—	333	23	264	13	365	—	253
Uruguay	2	328	7	136	—	18	—	9
TOTAL	74	4,999	101	1,898	18	885	0.5	588
Colombia	2 [a]	511 [a]	21	372	—	24	—	24
Ecuador	—	149	22	294	20	312	2	433
Venezuela	1 [b]	295 [b]	98 [c]	549	0.3	314	—	646
GRAND TOTAL FOR SOUTH AMERICA	77	5,954	242	3,113	38	1,535	2.5	1,691
Costa Rica	—	62	6	101	—	73	—	80 [d]
Cuba	—	550	6	344	—	213	—	200 [d]
El Salvador	—	26	5	34	0.5	37	2	34
Guatemala	—	40	5	78	0.4	63	—	86 [d]
Honduras	—	—	—	9	1	16	—	20 [d]
Mexico	—	43	2	132	—	27	—	37
Nicaragua	—	7	3	78	4	248	17	281
Panama	—	—	5 [b]	51 [b]	—	—	—	—
GRAND TOTAL FOR LATIN AMERICA	77	6,682	274	3,940	44	2,212	22	2,429

SOURCE: Official foreign trade statistics.

NOTE: Data are unavailable for tonnages of the Dominican imports whose value is noted in table II–184.

[a] Average for 1934 and 1936-38.

[b] Average for 1946-48.

[c] 1938.

[d] Estimate.

TABLE II-184. LATIN AMERICA: IMPORTS OF WOOLLEN TEXTILES

(C.i.f. values in thousands of dollars)

Importer countries	*Average 1934-38*		*Average 1946-51*		*1952*		*1953*	
	Latin America	*World total*	*Latin America*	*World total*	*Latin America*	*World total*	*Latin America*	*World total*
Argentina	—	22,163	131	7,270	—	572	—	436
Bolivia	24	348	154	829	54	1,025	—	421
Brazil	—	595	49	3,631	—	649	—	496
Chile	2	2,367	507	4,334	12	3,044	4	918
Paraguay	78	231	82	262	16	469	—	300 [a]
Peru	—	919	180	2,304	62	3,476	—	2,099
Uruguay	—	—	58	1,259	—	214	—	81
TOTAL	104	26,623	1,161	19,889	144	9,449	4	4,751
Colombia	6 [b]	1,722 [b]	96	2,213	—	153	—	112
Ecuador	—	367	150	1,139	90	1,403	12	1,365
Venezuela	3 [c]	1,017 [c]	324 [d]	3,786	3	3,740	—	3,665
GRAND TOTAL FOR SOUTH AMERICA	113	29,729	1,731	27,027	237	14,745	16	9,893
Costa Rica	—	188	40	650	—	563	—	601 [a]
Cuba	—	1,340	37	2,043	—	1,199	—	1,106 [a]
Dominican Republic	—	92 [e]	1	201	—	303	—	269
El Salvador	—	103	52	316	3	383	7	317
Guatemala	—	165	41	755	3	589	—	804 [a]
Honduras	—	—	—	34	2	50	—	63 [a]
Mexico	—	248	9	1,163	—	316	—	347
Nicaragua	—	29	17	316	10	757	39	704
Panama	—	—	44 [f]	440 [f]	—	—	—	—
GRAND TOTAL FOR LATIN AMERICA	113	31,894	1,972	32,945	255	18,905	62	14,104

SOURCE: Official foreign trade statistics.
[a] Estimate.
[b] Average for 1934 and 1936-38.
[c] Average for 1936-38.
[d] Excluding 1950.
[e] 1938.
[f] Average for 1946-48.

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