



UNITED NATIONS  
ECONOMIC  
AND  
SOCIAL COUNCIL



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30 July 1954  
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ECONOMIC COMMISSION FOR LATIN AMERICA

Third Meeting of the Committee of the Whole  
Santiago, Chile

PROVISIONAL SUMMARY RECORD OF THE FIRST MEETING

Held in the Conference Room of the Economic  
Commission for Latin America, Santiago, Chile  
on Friday, 30 July, 1954 at 10.30 a.m.

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- Address by Mr. Roberto Aldunate León, Minister of Foreign Affairs of Chile
- Election of Officers
- Adoption of the Agenda
- Statement by the Executive Secretary on collaboration of ECLA in the Meeting of Ministers of Economy or Finance of member governments of the Organization of American States, to be held in Rio de Janeiro during the last quarter of 1954. (E/CN.12/AC.25/2)
- Draft resolution on collaboration of ECLA in the Meeting of Ministers of Economy or Finance presented by the Delegation of Chile (Conference Room paper N° 1)
- Date of the Sixth Session of the Commission. (E/CN.12/AC.25/3)

NOTE:

Any corrections to this record should be submitted in writing in any of the working languages (English, French or Spanish) to the Secretary of the Commission, Economic Commission for Latin America, Casilla 179-D, Santiago, Chile. Corrections should be accompanied by or incorporated in a letter, on headed note paper, bearing the appropriate symbol number and, preferably, incorporated in a mimeographed copy of the record.

/PRESENT:

PRESENT:

<u>Chairman:</u>	Mr. OSCAR SALAS	Chile
<u>Vice-Chairmen:</u>	Mr. JOSE DE J. NUÑEZ Y DOMINGUEZ	Mexico
	Mr. ISMAEL DE LA CRUZ GUERRERO	Argentina
<u>Rapporteur:</u>	Mr. HENRIQUE RODRIGUES VALLE	Brazil
<u>Members:</u>	Mr. MARTINEZ	Argentina
	Mr. ITURRALDE	Bolivia
	Mr. SARMAUBA	Brazil
	Mr. MOLINA SILVA	Chile
	Mr. EONITTO	Colombia
	Mr. GOICOECHEA	Costa Rica
	Mr. HERNANDEZ PORTELA	Cuba
	Mr. BAEHR	Dominican Republic
	Mr. PITARQUE	Ecuador
	Mr. COIFFARD	France
	Mr. AGUILAR	Guatemala
	Mr. MERCERON	Haiti
	Mr. KASTEEL	Netherlands
	Mr. CASTILLO	Nicaragua
	Mr. YCAZA VASQUEZ	Panama
	Mr. HANKEY	United Kingdom of Great Britain and Northern Ireland
	Mr. COURAND	United States of America

In a consultative capacity:

Mr. DE PENA	Uruguay
Mr. MANCINI	Italy

/Also present:

Also present:Representatives of specialized agencies:

Mr. POBLETE TRONCOSO	International Labour Organization
Mr. OSCRICO-TAFALL	Food and Agriculture Organization of the United Nations
Mr. SACO	
Mr. SOL CASTELLANOS	International Monetary Fund

Representative of an intergovernmental organization:

Mr. CANSADO	International Centre of Economic and Financial Statistics
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Representatives of non-governmental organizations:Category A:

Mr. ELIZALDE	International Chamber of Commerce
Mr. HORNE	International Federation of Free Trade Unions
Mr. INFANTE	
Mr. MORENO	
Mr. PRADENAS	
Mr. SALAZAR CURRAL	
Mr. TAYER ARTEAGA	International Federation of Christian Trade Unions
Mr. MURO DE NADAL	International Organization of Employers

Category B:

Mr. FISHER	Inter-American Council of Commerce and Production
Mr. CASTILLO	

Secretariat:

Mr. PREBISCH	Executive Secretary
Mr. SWENSON	Deputy Director
Mr. SANTA CRUZ	Secretary of the Committee

/ADDRESS BY

ADDRESS BY THE MINISTER OF FOREIGN AFFAIRS OF CHILE

The EXECUTIVE SECRETARY opened the meeting and called upon the Minister of Foreign Affairs of Chile, Mr. Roberto Aldunate León to inaugurate the session.

Mr. ALDUNATE, Minister of Foreign Affairs of Chile, welcomed the delegations and emphasized the importance of their task in relation to the coming Meeting of Ministers of Economy or Finance. He outlined the background and purpose of the Rio Conference and stated that the Committee of the Whole was called upon to trace the general directives which would result in the formulation of economic policies for the benefit of all Latin American countries.

ELECTION OF OFFICERS

Election of Chairman

Mr. DE LA CRUZ GUERRERO (Argentina) nominated Mr. O. Salas (Chile).

Mr. O. SALAS (Chile) was elected Chairman by acclamation.

Mr. O. SALAS (Chile) took the Chair.

Election of Vice-Chairman

Mr. DE PENA (Uruguay) nominated Mr. Núñez Domínguez (Mexico) as First Vice-Chairman.

Mr. NÚÑEZ DOMÍNGUEZ (Mexico) was elected First Vice-Chairman by acclamation.

Mr. YCAZA VASQUEZ (Panama) nominated Mr. de la Cruz Guerrero (Argentina) as Second Vice-Chairman.

Mr. DE LA CRUZ GUERRERO (Argentina) was elected by acclamation

Election of Rapporteur

Mr. GOICOCHEA (Costa Rica) nominated Mr. Rodrigues VALLE (Brazil) as Rapporteur.

Mr. RODRIGUES VALLE (Brazil) was elected by acclamation.

ADOPTION OF THE AGENDA

The CHAIRMAN thanked the delegates for electing the representative of the host country to the Chair and proposed that the agenda be adopted.

This proposal was adopted.

/STATEMENT BY

STATEMENT BY THE EXECUTIVE SECRETARY ON COLLABORATION OF ECLA AT THE MEETING OF MINISTERS OF ECONOMY OR FINANCE TO BE HELD AT RIO DE JANEIRO IN THE LAST QUARTER OF 1954 (E/CN.12/AC.25/3)

The EXECUTIVE SECRETARY explained the importance of ECLA's collaboration at the Meeting of Ministers of Economy or Finance which in his opinion was well timed because there are evident symptoms of a slackening in the rate of development in Latin America without any prospects for future improvement. Furthermore, favourable international factors, which had previously fostered development, had proved to be of a transitory nature and there was a serious need to solve the economic problems which had arisen. This Meeting provided an excellent opportunity to prove that ECLA and the Inter-American Economic and Social Council should and could co-operate to the benefit of the region as a whole.

Mr. Prebisch then went on to report on his discussions and agreement with the Ad Hoc Committee of IA-ECOSOC, which has the responsibility of preparing, with the co-operation of ECLA, the Conference of Ministers. Ample liberty was given to ECLA on the items of the agenda which it should study; the Executive Secretary pointed out that a basic report on the development problems of Latin America was being prepared. Concrete recommendations would be formulated on the basis of this report, as had also been requested, and a small Committee of outstanding Latin Americans had been appointed for this purpose. Mr. Prebisch named the persons who would form this Committee (Dr. Carlos Lleras Restrepo (Colombia), Sr. Eduardo Frei Montalva (Chile), Sr. Evaristo Araiza (Mexico), Fr. Cleanto de Paiva Leite (Brazil), Dr. Rodrigo Facio (Costa Rica) and Sr. Francisco García Olano (Argentina)). He also thanked the Monetary Fund for having sent a senior Latin American member of its staff to help the ECLA secretariat in this work. As the preparation for this Conference would entail much work outside the regular programme, and since moreover it would be advisable not to have two major economic conferences held too close together, he requested that the Committee of the Whole consider the possibility of postponing the next Session of the Commission, originally to have been held in May 1955 at Bogotá. He requested the support of the Committee for the activities already undertaken in relation to the coming Meeting in Rio de Janeiro and suggested

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that in future Member Governments might accredit permanent delegations to the Committee of the Whole in order to simplify the calling of these meetings and to maintain closer contact with governments.

ADOPTION OF THE DRAFT RESOLUTION OF COLLABORATION OF ECLA IN THE MEETING OF MINISTERS OF ECONOMY OR FINANCE

Mr. MOLINA SILVA (Chile) said that at the Tenth Inter-American Conference in Caracas, the countries of Latin America had become aware of the common problems which affect their economies. These problems might be summarized as follows: 1) Latin America's economy has not attained the proper rate of development; 2) about 90 per cent of all development is financed by domestic resources, and only 5 - 10 per cent by an inflow of foreign capital; 3) the unfavourable fluctuation of export prices considerably reduces the financing capacity for economic development of these countries; 4) private foreign capital does contribute to development, but not in sufficient amounts; 5) public capital should be the main complementary factor, as international finance institutions are not able to assume total responsibility for co-operating in economic development.

As the purpose of the Rio Meeting will be to provide concrete solutions for these problems, and as ECLA could contribute to this task most effectively, the Delegation of Chile proposed a resolution supporting ECLA's collaboration in this meeting and authorizing the Secretariat to postpone other assignments previously commended to it in order to concentrate on this task.

Mr. MARTINEZ (Argentina) expressed the support of his delegation of this resolution. He emphasized the following points: the need of promoting economic development in order to raise the standard of living of the region; resources are limited and when partly used to finance economic development tend to lower the standard of living; markets should be stabilized and restrictions eliminated in order that these countries can place their exports and achieve a relative stability in the terms of trade, and a fair relationship between prices for export goods and capital goods to be imported. He also stressed the importance of technical assistance.

Among the solutions in which his Government is most interested are the integration of economies for a better utilization of resources, an increase in output and productivity; and the problem of disposal of agricultural surpluses. In the name of his Government Mr. MARTINEZ recommended that ECLA's contribution should be limited to such problems as are most urgent

and require immediate solution.

The Draft Resolution was adopted unanimously. (Conference Room Paper N° 1)

DATE OF THE SIXTH SESSION OF THE ECONOMIC COMMISSION FOR LATIN AMERICA

The CHAIRMAN opened the debate on the postponement of the next session of ECLA, stating that the secretariat had proposed August as a tentative date.

Mr. BONITTO (Colombia) regretted that due to former commitments his Government was unable to accept this proposal, but said that his Government would be most gratified at having the Session held in Bogotá at any other date, during the second half of 1955.

The CHAIRMAN proposed that the Committee of the Whole authorize the secretariat to make the necessary arrangements for postponing the Session.

It was so decided.

The meeting rose at 11:30 a.m.