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ECONOMIC COMMISSION FOR LATIN AMERICA

SPEECH DELIVERED BY MR. DAVID OWEN, ASSISTANT SECRETARY GENERAL
OF THE UNITED NATIONS AT OPENING SESSION OF ECONOMIC COMMISSION
FOR LATIN AMERICA, SANTIAGO, 7 JUNE 1948

Today is important for the United Nations in that a new organ of the United Nations, the Economic Commission for Latin America, comes into being. Today will be important, I believe, for the governments here represented, for they have now to determine to what purposes, within the limits of its prescribed scope, the Economic Commission for Latin America shall be directed.

Appropriately, it is the first United Nations meeting to be held in this great city of Santiago de Chile. Indeed, we are very much indebted to the Government of Chile for their gracious invitation and for the generous hospitality of their welcome.

It is a source of great pleasure to me to be able at once to assure the Ministers for Foreign Relations and Economy and Trade that the Secretary-General greatly appreciates the handsome assistance which has been given to this first session of the Economic Commission for Latin America. I am sure I speak for all members of the Commission in thanking the Honourable Alberto Baltra, for the address of welcome we have just heard.

The Economic and Social Council of the United Nations in establishing the Economic Commission for Latin America was extending the scope of an experiment on the use of regional commissions which has already produced excellent results in Europe and in the Far East. The General Assembly and the Council have both given support, in the first place as emergency measures, to these regional commissions. Speaking

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in personal terms, as having represented the Secretary-General at their opening sessions, I have noted two things. First, that the Commissions naturally and quickly assumed an important role within the machinery of the United Nations. In this way they can certainly give significant aid to the United Nations Economic and Social Council in respect of regional affairs. Secondly, it has always been clear - and it is re-affirmed in regard to Latin America - that the regional commissions have been formed in response to the unanimous desire of the nations themselves. They feel that regional action offers them a sound approach to urgent economic problems affecting them all.

Take, for example, the Economic Commission for Europe. The Economic Commission for Europe has tackled the problems arising from wartime destruction and disintegration most vigorously and with most encouraging results. It has contributed significantly by clarifying the problems in reports of profound importance. It has recommended concrete action to deal with certain of them. It has set up a series of subsidiary organs to deal with specific sectors of the European economy, such as Inland Transport, Coal, Industry and Materials, Electric Power, Steel and Timber, several of which have an important influence on economic decisions. It is through these organs that this Commission has made its primary effort towards raising the level of European production and general economy.

In the Far East, the Commission commenced its operations in more difficult circumstances. There is not in the Far East a long established tradition of regional cooperation such as is today well established among the Latin American countries and is expressed through the Inter-American system. However, a system of regional consultation on economic affairs in the Far East is now emerging on which the Economic Commission for the Far East can build.

The United Nations also have the services of the specialized

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agencies and relations between these agencies and the regional commissions have developed rapidly and successfully. The representatives of several of these agencies are attending this session and will no doubt be informing you of their activities within the region of Latin America.

May I comment briefly on the task which faces you at this first important meeting of the Commission. I shall not speak of the decisions and recommendations which the Commission will make. These are matters in the hands of the Governments here represented. But it seems to me your discussions, as suggested in your terms of reference, fall into a certain perspective.

First, the Commission will provide an opportunity for the Latin American countries to discuss and work together towards the solution of their common economic problems as these are related to the economic problems of the rest of the world. In other words, the Commission will provide not only a forum for Latin America but will also provide, through the United Nations Economic and Social Council, a link with regions outside.

Many of the economic problems with which the nations are grappling today are less and less open to solution on a national or even a regional basis. Manifestly, policy decisions and final action must rest entirely with governments. Yet, on the one hand, governments find it increasingly to their advantage to act in concert on economic matters. On the other hand, groups of countries having similar problems or handicaps cannot find within their own resources alone all that they need to solve all their problems.

An organization such as this Commission, being an integral part of the United Nations, can both derive benefits from and give benefits to the United Nations in other areas of the globe. Both the Assembly and the Economic and Social Council will initiate recommendations and proposals bearing upon your interests in the larger economic problems,

/On your side,

On your side, it will be open to you to ask for the aid and support of the Economic and Social Council and to present to it your problems and recommendations where these go beyond the regional scope of your work.

Secondly, it is evident that the Commission will wish to initiate studies of urgent economic problems arising out of the war. We know something of these problems. We know how the Latin American Republics used up their equipment at an abnormal rate during the war years - equipment that was often unsuitable or too outdated for the strain of those times. We know how rising world prices make replacement more difficult and more costly than was expected. We know of the serious financial ailments. We know something of the problems of your post-war trade in a world that has still to recover from the effects of the war.

In Europe, the facts about the industrial and agricultural needs have been ascertained and presented through the efforts of the Economic Commission for Europe and the Committee for European Economic Co-operation. In Asia, too, policies are being thought out, in concert with the Economic Commission for Asia and the Far East, and on the basis of its economic reports.

A similar problem also exists in Latin America, but too little is known of its nature and extent. We lack the facts of the case. A broad picture, country by country, of the condition of industrial plant and equipment is necessary before there can be recommendations for meeting the most urgent requirements.

However, a study of capital goods shortages cannot be considered apart from the other factors which restrict production and consumption and hinder trade. Price inflation, the loss of European markets, the need for replacing agricultural equipment and, on all sides, the need for technical and expert assistance; these and many other related

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factors weigh heavily in your general problem of expanding trade and raising levels of economic activity.

Studies along these lines will, I am certain, help the Latin American countries to stimulate the production of food and of consumer goods. They have already helped other regions. Such studies could help the Latin American countries to prepare themselves for and, with other nations, work towards an expansion of their export trade.

The Commission may also desire to consider possible action in respect of technical advice and assistance. It would be feasible to explore ways and means of initiating such work as collecting and disseminating technical information, for helping to obtain technical training and to secure technical experts in various fields.

These are among the tasks which the Commission's Secretariat can take up in turn according to the decisions you reach. But I must be frank here and say that the Secretariat alone could not hope to deal adequately with any of these activities. It must receive the full support and aid of the Member Governments concerned. It is in your hands to make these sessions an occasion for the full and fruitful discussion of the problems I have noted. There has been a natural concern lest the Commission should merely duplicate the work of the Inter-American Economic and Social Council. I am sure that the Commission will have no difficulty in working out a relationship with the representatives of the Organization of American States which will be mutually beneficial. May I refer, in this connection, to the wise words in the statement of Dr. Alberto Lleras Camargo, Director-General of the Pan American Union, at the meeting of the ad hoc Committee which first recommended the establishment of this Commission, and to the statements recently made during the deliberations of the Ninth International Conference of American States at Bogotá. It was
/then clearly

then clearly pointed out that while the organs of the Inter-American System on the one hand, and the Economic Commission for Latin America on the other hand, each have specific functions to perform, there will be many problems needing their fullest and most active collaboration.

As you know, both the Inter-American System and the United Nations have repeatedly stressed, through their respective economic organs, the need for effective co-operation and for preventing overlapping. A specific injunction on this point is to be found both in the resolutions of the Ninth International Conference of American States at Bogotá and in the terms of reference of the Economic Commission for Latin America. This whole matter has now been weighed by the highest authorities, and they have agreed that this Commission can be created without conflict and that it can, and will, operate to the advantage of all.

It will, I am sure, be acknowledged that all the resources of the Organization of American States, the United Nations and its Specialized Agencies would not exceed the needs in respect of even the urgent short-term economic problems of Latin America - let alone the major long-run problems.

Gentlemen, the creation of the Economic Commission for Latin America is no mere routine procedure. We are dealing with twenty republics in Latin America. Their great cities and fertile lands, their vast undeveloped regions are peopled with many millions of men, women and children. There is the great wealth of the mines, the oil wells, the plantations and the ranches. There is also widespread poverty, economic insecurity and even malnutrition.

Many of the Republics have plans for economic development. But the rate of advance of one is not independent of the advance made by all. In Latin America the benefit of regional collaboration has many witnesses. Here on the creation of the Economic Commission for Latin

America is an occasion and an opportunity for extending your regional economic collaboration within the framework of the world organization of the United Nations.

In these hard times, when political events are apt to occupy our thoughts and when the United Nations itself is being subject to great strains and stresses in its political work, the hope of lasting achievement in the sphere of economics burns ever brighter. May, I, on the behalf of the Secretary-General of the United Nations, wish the Commission every success in its deliberations.



