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Fifth Session

VERBATIM RECORD OF THE ONE HUNDRED AND THIRD MEETING

Lake Success, New York,  
Friday, 1 August 1947, at 2:30 p.m.

Acting President : Mr. Jan PAPANEK (Czechoslovakia)

NOTE: This verbatim record is issued under rule 35 of the rules of procedure of the Economic and Social Council.

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The PRESIDENT: I declare the one hundred and third meeting of the Economic and Social Council open.

ECONOMIC COMMISSION FOR LATIN AMERICA

At this time Mr. Santa Cruz, representative of Chile, made the following statement in Spanish. As there was no objection indicated by Mr. Santa Cruz and the Members of the Economic and Social Council, no oral interpretation was made, but an English text of his statement was distributed to the Members of the Council, as follows:

Mr. SANTA CRUZ (Chile): The Chilean delegation has presented, for the consideration of this Council, the project which you have opened to discussion concerning the establishment of an Economic Commission for Latin America.

At the previous sessions of the Council, and especially at the fourth, during the debate on the creation of the Economic Commissions for Europe and for Asia and the Far East, the Latin American delegations stressed the necessity to consider the economic problems of Latin America and to take some measure which would result in the acceleration of its economic development. Nevertheless, we were satisfied merely to present a motion concerning technical aid to the less developed countries, and to support the proposal of the delegation of the United States of America, that there be called a United Nations Scientific Conference on Conservation and Utilization of Resources. We supported enthusiastically the establishment of the Economic Commissions for Europe and for Asia and the Far East, and in recognizing the priority of the problems of those continents, by reason of their having been gravely affected by the war, we demonstrated our complete grasp of the universal

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scope of the task before the United Nations, and we showed that we were imbued with that criterion of universality.

But now that the aforementioned Commissions have presented to us their report on the first part of their fruitful labours, we believe that the time has come when serious consideration should

be given to the acute problem affecting the twenty nations, members of this international community, which so far have fulfilled -- with self-denial and with generosity -- the duties entrusted to them under the San Francisco Charter.

I must beg your indulgence while I discuss certain facts which are only too well known to you. I believe it is indispensable that I do this, however, for the very reason that those facts are so well known that they are never discussed, and so are forgotten.

Regarding the Latin American economy as a whole, it is still a primitive and semi-colonial economy. Approximately 65 per cent of the total population of Latin America, which today consists of 150,000,000 inhabitants, is engaged in agricultural pursuits. In some of the countries, the process of industrialization has begun, but this industrialization is in its initial stage, as may be seen when we consider that for the most part the industries which have been established are those concerned with the processing of local raw materials for export, such as frozen meats and refined metals, and those which produce consumer goods, especially textiles.

Another index of the primitive state of the Latin American economy is its foreign trade. The principal exports can be divided into three groups: (a) minerals, (b) tropical products, such as coffee, cocoa, sugar, bananas and tobacco, and (c) agricultural products, such as wheat, meat and wool, exported principally by Argentina.

The exportation of manufactured products is insignificant. Imports, on the other hand, consist almost exclusively of manufactured products, mostly essential consumer goods and machinery.

Consequently, the Latin American countries are dependent upon imports for the satisfaction of a great part of their vital needs, and in order to be able to obtain those goods, they are forced to export. Even in the Latin American countries which are economically more advanced, exports amount to approximately one-third of their national production.

The aforementioned characteristics of Latin American foreign trade make its economy highly dependent upon outside influences, and particularly sensitive to economic world cycles.

Between 1929 and 1932 the total value of exports of the twenty republics fell by 64.3 per cent. According to a League of Nations report, Chile's foreign trade at that time suffered more than that of any other country in the world; her annual exports fell from 2,293 millions of Chilean pesos to 282 millions, between 1929 and 1932, and her imports from 1,617 millions to 216 millions during the same period.

It is not necessary for an economy to be self-sufficient in order to thrive. Absolute self-sufficiency is virtually impossible, and even inconvenient, as many representatives have pointed out during this session. What is very important is that the large sectors of an economy develop at an equal pace, in order to produce the necessary equilibrium. It is this point which forms the basis for one of the great weaknesses of the Latin American economy. There is no diversification, and many countries depend almost entirely upon one or two export items to provide for their economic needs.

It is especially interesting to point out that, despite the tremendous importance of exports in the countries of Latin America,

the proportion of the population which is employed in the production of export items, and which obtains direct benefits from such employment, is very small. As I have said, 65 per cent of the population lives from the soil. Even in countries such as Guatemala, where bananas and coffee constitute 90 per cent of the total exports, only 20 per cent of the land under agricultural cultivation is devoted to these products.

The characteristics which I have mentioned, together constitute the principal determinant of the extremely poor living conditions of the Latin American population: two-thirds of the population, if not more, are undernourished, to the point where people are dying of malnutrition in many regions.

Approximately one third of the workers, particularly the great majority of Indian labourers, continues to live on the economic, social and cultural fringe of the Latin American community. The purchasing power of the Indian population which exists in many countries is practically non-existent.

The percentage of the active or gainfully employed population is extremely low in Latin America, as compared with that of the United States and of Europe, and the productivity of the active population is much lower than that of North America and Europe because of the disadvantages of malnutrition, sickness and lack of equipment and education. Three quarters of the population of various Latin American countries are illiterate and in more advanced countries the proportion of illiteracy varies from twenty to thirty percent. One half of the population of Latin America suffers from infectious diseases or from illnesses resulting from deficiencies in living conditions.

The salaries of the Latin American workers are very low; not only must the worker do without essential articles, but even his capacity to purchase the very foods which he produces is far inferior to that of the workers of the United States or Canada, which import those foods. So it is that in Cuba, where sugar is produced in abundant quantities, one hour's salary buys only 2,070 kilograms of sugar, in contrast with 9,743 in the United States and 4,582 in Canada. In Colombia, where coffee is the most important crop, the salaried worker must work approximately four times as many hours as a labourer in the United States in order to be able to purchase the same amount of coffee. In Argentina, essentially a meat-producing country, the purchasing power for this commodity is far below that of the North American or Canadian, despite the fact that meat is more expensive in the latter countries.

There can be no doubt that the plight of the Latin American peoples which I have illustrated with several eloquent examples, is the result of the economic organization. Today we regard it as an indisputable fact that the only way in which a country's standard of living can be raised is by industrialization, increased production, and intensification of the country's foreign trade.

I do not wish here to deny that there are also other factors which influence the betterment of the living conditions of a nation's people. It is important that there exist a spirit of social justice, and governmental action to decrease the great economic inequalities among the different social groups. But it is necessary to realize that, in dealing with Latin America, we are dealing first of all with a problem of production, and secondly with one of distribution, and that the only remedy for its economic instability is the transformation and diversification of its economy. Even the agrarian problem, which requires drastic remedy in so many Latin American countries, is principally an economic problem, a problem of insufficient capital, of mechanization and of technical improvements.

The nations of Latin America, with a rapidly increasing population -- from 1920 to 1940 it increased approximately forty percent, while in the United States the increase was roughly twenty-five percent -- find themselves faced with the imperative need to industrialize and to change the structure of their economy, as the only way in which to make available to each individual that which is indispensable to him in order that he and his family may live a decent life, compatible with human dignity.

This, then, in broad outline, is the picture of what we may call the permanent economic problem of Latin America. As we can read in the preamble to the resolution under discussion, the situation which I have described



has been aggravated enormously, to the point where democratic stability is endangered, as a consequence of war.

In the first place, as a result of the interdependence of the various economies -- as was so opportunely pointed out by several representatives a few days ago, among them the representative of the United States -- there is no doubt but that the economic crisis of Europe has had strong repercussions on Latin America.

On the other hand, the economic effort exerted by the Latin American countries to help the United Nations was extraordinary. Thousands upon thousands of tons of petroleum, copper, sugar, coffee, meat, nitrates, tin, iron, rubber, cotton, wool, silk and other products helped to feed, clothe and arm the allied armies and the peoples of the United Nations. The Director of the Pan American Branch of the United States Foreign Economic Administration, Mr. George Bell, wrote in 1945:

"It would be difficult to prove that we could have won this war without the Latin American raw materials, but it is certain that without them the end would have come much later. Many of the raw materials which we are obtaining now from Latin America normally came from the Far East. When this war is ended, we shall have the old sources available to us again, and the Latin American producers who were stimulated to increase their production, must face serious competition."

I realize that this economic aid signified, on the one hand, a direct benefit to our countries, which were supplying a market which compensated them for the loss of their European markets, but we should not ignore the

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fact that the prices of the merchandise were fixed by the buyers and that the war brought about the diversion of Latin American production toward various branches which could not continue to flourish after the termination of the war, as Mr. Bell pointed out.

To illustrate one of the most important factors in the post-war crisis with which we are now faced, I wish to point out in passing how injurious it is for an economy -- especially in view of the wear and tear on machinery -- to produce at maximum capacity. The sale of our products -- not at war prices but at co-operative prices -- did not make it possible for us at that time to obtain even the most vitally needed commodities and machinery. It did permit us to accumulate dollar reserves; now, however, that the United States export market has re-opened, they do not permit us to buy in a quantity corresponding to our wartime exports, but only in about half that quantity, because of the considerable rise in prices. And since we are urgently in need of those commodities and machines, we have had to exhaust our foreign reserves in order to obtain them. This has resulted in a rise in all the prices of Latin American articles, and in a tremendous inflation which has forced the cost of living up to unbelievable levels. This, Mr. President, is no gratuitous statement. Mr. Sumner Welles, to whose competence in these matters I need not attest, recently pointed out in the "New York Herald Tribune", the situation which I have just described. And in last week's edition of the "World Report", in an article entitled "Dampers on Sales to Latin America" attention was called to the grave situation of Latin America, which is lacking in foreign currency because of the circumstances which I have mentioned. That article tells us of the emergency measures which have had to be taken in Argentina, Brazil, Chile, Peru, Venezuela, and Cuba. The representative of the United States told us a few days ago that the prices of United States export items were the same as those paid by the "American citizen" in the domestic market.

Recognizing the truth of that statement, I am sure that the representative of the United States will agree with me that the rise in prices, which in point of fact, is a matter of intense preoccupation for the "American citizen", does not lessen by one iota the gravity of its implications for the Latin American community, which has not the faintest possibility of remedying this evil unaided.

I can indicate another repercussion which the war has had on the Latin American economy.

The maximum exploitation of raw materials and consumer goods necessary for the United Nations, and stimulated by them as Mr. Bell affirmed, made it essential to suspend the programme of rational industrialization which a great number of our countries had begun. If we study the statistics without making a thorough analysis of the problem, it will appear that there has been a considerable increase in industrial production. Nevertheless, what really has occurred is that the lack of imports made it necessary for the Latin American nations to establish new industries or to expand existing ones in order to satisfy domestic consumption and, often, the needs of other countries. Many of these industries were artificial, and were installed with old used machinery. Now the countries are obliged to liquidate these industries because they cannot compete in the world markets. The industrialization which had begun before the war proceeded with difficulty because of this circumstance. Capital which might have been used for the envisaged industrial development was diverted toward those wartime industries. And we may be sure that, as a consequence, that industrial increase, far from helping to solve our problems, has succeeded only in aggravating them seriously.

The individual effort of each nation toward industrialization could prove more prejudicial than useful. The Latin American nations in general show different characteristics and diverse and often complementary raw materials. This would indicate that the problem of industrial development should be approached collectively, in order to ensure harmonious production and to avoid the installation of artificial and anti-economic industries. This idea was emphasized strongly by the President of Chile during his recent tour through Brazil and Argentina.

I have already mentioned the consequences of the present state of affairs: an inflation which in some countries, has reached fearful heights; the rise in the cost of living which defies imagination and which, in truth, is much higher than that which makes it possible to meet even the most elementary requirements.

I call the attention of the Council to the gravity of this matter, not only from the point of view of the right to live in dignity -- an inherent human right which this Council is obliged to advance in accordance with the Charter -- but also from the point of view of the stability of democracy, a decisive factor in the maintenance of the peace. In the majority of the twenty Latin American Republics there have been established, after a long, hard process -- retarded by poor living conditions, lack of education, and the attendant backwardness of the people -- democratic regimes under which freedom reigns and the wishes of the majority are freely expressed. All of this is endangered -- sadly endangered -- by the desperation of the masses in Latin America. History shows that such a state of anxiety and desperation has proved the best breeding ground for all the dictatorships, all the totalitarian regimes. To

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provoke a catastrophe of this nature -- and thereby to endanger the peace -- for lack of collective action, would in my opinion, constitute an unqualifiable international indolence. We are concerned with twenty nations of the International Community, some of which bring to the Community certain advanced juridical and social concepts, and some of which have made generous contributions -- materially and spiritually -- toward the requirements of the nations of the other continents.

There are no divergent points of view in Latin America, on what I have spoken here. Every day our statesmen proclaim these ideas. The Presidents of Argentina, Brazil and Chile have repeated them during these last weeks in which they have been meeting personally. President Aleman, of Mexico, spoke of them during a General Assembly of the United Nations. President Betancourt, of Venezuela, voiced the same concepts during his recent tour throughout Central America. Ex-President Lopez of Colombia and ex-Chancellor Aranha of Brazil, with their customary brilliance, have expressed the same ideas in detail at press and university forums. And so I could multiply these examples, among which I could cite the statements of representatives of Cuba and Peru, whose voices have been heard regarding problems which seriously affect the economic future of our nations.

Let us assume that all the technicians, all the economists, all the men who have studied the Latin American scene, will stand together in the affirmation that it is possible, and even easy, to solve this tremendous economic problem -- tremendous by reason of the extremely serious consequences which might arise from it -- and that this could be done by methodical, scientific action leading to the development and diversification of national production, to greater economic coordination among the nations, and to the development and intensification of certain industrial activities.

The Latin American countries, developed in this manner, could produce not only what they needed to permit their inhabitants to enjoy a life of dignity, but even enough to make up, adequately, the deficiencies of the European economy. Furthermore, as I stated

at the fourth session of the Council, our countries could receive the surplus population of other continents, in this way helping to solve one of the most serious problems confronting the United Nations.

It is for this reason that we are asking for immediate action leading to the initiation of a study of the entire economic problem of Latin America as a whole, and to the rapid discovery of whatever solutions may be necessary. There exists for us the same urgency exhibited by Europe and by Asia and the Far East, and the solution which we seek would -- as I have pointed out -- aid in solving the Asiatic and European problem. A postponement of six months or a year, in the solution of our problem, means a dangerous risk for the institutional stability and the social tranquility of many countries which are suffering the evil consequences of the crisis to which I have referred.

I wish to explain why my Government has chosen, as the appropriate solution, the establishment of an Economic Commission, under the Economic and Social Council of the United Nations.

When the Economic Commissions for Europe and for Asia and the Far East were created, voices were raised here against that idea, saying that it was impossible to allow the action of the United Nations to be weakened by the creation of regional organs. That argument -- which, to be sure, was a solid one and worthy of consideration -- was defeated by the urgency of the European and Far Eastern problems, inexpressibly aggravated by the effects of the war. We have proved that those Commissions have had good results and that their work has been very effective, despite the lamentable political difficulties that have arisen, and without



which the labours of those Commissions would have been even more fruitful. We have seen that these Commissions cannot be of short duration. Their mission cannot be limited to the task of reconstruction of devastated areas, but must also embrace an integral study of the entire European and Asiatic economic problem, because -- as our delegation affirmed at the fourth session of this Council -- the crisis which we are trying to avert in Europe is only partly the result of the last war. Mainly, it is the effect of deeper, more remote causes, which have their roots in social and economic phenomena which have been manifesting themselves for many years. The failure to solve these problems has been in the past the immediate cause of nearly all of the international conflicts, and it can be, again, in the future.

It is a fact, then, that this Economic Commission for Europe, which already has cost the United Nations nearly a million dollars, and whose budget for the coming year will call for another million, will have an enormous task to perform in the years to come.

The same may be said for the Commission for Asia and the Far East. Given this truth, the establishment of distinctions between the situation in Europe and the Far East and that of Latin America is untenable, especially if we take note of the remarks which I have made concerning the influence which the last war has had on the grave economic crisis which our continent is undergoing at the present time.

It might be said, in opposition to our proposal, that perhaps the regional organs inherent to the Latin American system could undertake the tasks which such a Commission would perform, and that the Commission might prove an unnecessary body.

Our countries are very fortunate in having entities such as the Pan-American Union and its subsidiary organ, the Inter-American Economic and Social Council. We expect a great deal of action from those institutions, which serve to strengthen relations among our countries. We have great faith in the Director of the Pan-American Union, Mr. Lleras Camargo, who understands the need to give economic meaning to inter-American relations. For this reason, we believe that the principal body which should assist in the work of the Commission (presuming it is created) is that Council. In the project under study, it is contemplated to oblige the Commission to co-ordinate its activities with the Inter-American Economic and Social Council, and we trust that during the discussion of the terms of reference, a completely harmonious formula may be reached. But as the representative of the United States so brilliantly demonstrated to us some days ago, the phenomenon of interdependence, especially economic interdependence, is an imperative which cannot be denied. It is this interdependence which has determined the creation of the United Nations; it is this which has motivated the provision in the San Francisco Charter for the establishment of an Economic and Social Council for all the nations of the world. The economic problems of Latin America cannot be, nor should they be, resolved separately, but only as an integral part of the universal problems. Therefore, there can be no doubt that the economic development of Latin America should be studied within the scope of a world plan. Furthermore, the problem of Europe, which, as I stated before, cannot be resolved without taking into account the raw materials and the products of Latin America, demands a co-ordinated solution. It is obvious

that the Economic Commissions for Europe and for Asia and the Far East will find their tasks greatly facilitated if they can co-ordinate their activities with those of a Commission for Latin America. They will be able to exchange observers, make joint studies of certain points in the various plans, and it is not inconceivable that, at a future date, the objections of those not in favour of the regional dispersion of the efforts of the United Nations could be met by the unification into one great Commission of the various Commissions.

As I said a few minutes ago, the Inter-American Economic and Social Council of the Pan American Union, could be of invaluable aid in the accomplishment of the tasks of this Economic Commission for Latin America which we propose to create. Many important assignments could be carried out by that Council. Undoubtedly, the fields of action of the Council and of the Commission would differ, inasmuch as the scope of the proposed Commission would be "of a much greater vastness," as the Peruvian Minister of Foreign Affairs, Mr. Garcia Sayan, affirmed recently in his comments to the New York press on the project now under consideration, which he supported wholeheartedly.

Apart from the considerations of world interdependence, to which I have just alluded, and which bear out this assertion, it cannot be denied that, in seeking a solution to American problems, not to make use of the collaboration of a country on this Continent, such as Canada -- which has demonstrated an amazing spirit of economic and social progress and of solidarity -- would imply a voluntary alienation from one of America's strongest bolsters.

We do not believe that an effective job could be done in this field without the technical, advisory, statistical and administrative resources of the United Nations, resources which the regional organisms lack. It is

only fair that the Latin American nations, which contribute to the maintenance of the United Nations -- in many cases at a great financial sacrifice -- should wish to avail themselves of this machinery, which has already proven its efficiency and good will through its studies of the European and Far Eastern problems and through the solutions which it has proposed and which have been considered adequate.

The considerations which I have mentioned would suffice, in my opinion as a representative of Chile, to enlist the support of our colleagues of the Economic and Social Council, and to obtain their approval of the proposal which I have had the honour to present in the name of my country.

But there exists, in addition, another argument -- and to us it seems the most decisive of all and one which will have a profound influence on all of you who have fought nobly for the cause of justice and human solidarity.

Our first obligation is to preserve the life of the organization of the United Nations and its character as a decisive and fundamental instrument for the maintenance of peace and understanding among the nations. The people of Latin America believe in the United Nations, and they have faith in its actions. Those who believe in peace and in the lawful settlement of their problems have supported with the full force of their faith and hope the work of the organization created at San Francisco as a result of the far-seeing intellect of President Roosevelt. Until now they have asked nothing of this organization, nor have they had to come to it for the solution of any international problem. On the other hand, they have always shown their willingness to co-operate, and their spirit of solidarity when dealing with the problems of other nations. Our voice and our vote have always in this Council, been placed permanently at the service of those legitimate interests and needs of the people of all the nations. In the Security Council, the

Latin American representatives of Mexico, Colombia and Brazil have always exerted every effort to reconcile the differences which naturally arise from the conflicting interests of the Great Powers, seeking always the just and equitable solution to the intricate problems of international politics. At the First Session of the General Assembly, in an effort to contribute to world peace we took ourselves -- with the appointment of three Latin Americans to the Palestine Commission -- a large share of the responsibility of solving one of the most critical obstacles to peaceful world community life. It was no direct or indirect interest which guided us in these cases. We intervened solely out of a spirit of justice, and a feeling of responsibility and of international solidarity. The spiritual and historical inheritance of the Latin American nations, incorporates a strong feeling for co-operation and human solidarity. And they have brought these ideals, intact, to the community of the United Nations. There is much that can be hoped for from the moral contribution of these nations, above all, in those moments when the controversies among the Members of the United Nations might become poignant, and a real crisis might shake the very foundations of our organization.

To guard against such a contingency, it is necessary, it is indispensable, to preserve, unshaken, the faith and the hope which the Latin American Republics place in the United Nations. In order that their faith and hope may be justified they must be shown that the United Nations is something more than what the world press proclaims each day: an arena to which the Great Powers come to match their strength. They must be convinced -- through direct contact -- of the effectiveness of the work of the organization; of its preoccupation with the solution of the social and economic problems of the world, in accordance with the mandate of the San Francisco Charter; they

must be convinced that the difficulties of the Member Nations, because of their critical and urgent nature, form a principal part of that preoccupation. The masses of Latin America read in the newspapers that we are dealing with the crises on other continents. To those masses, who are in a state of anxiety bordering on desperation we cannot say that we will not go to their rescue, because in order to do so, another International Conference would have to be called, and a decision would have to be taken several months thereafter on whether or not the Latin American nations desired international aid. Neither can we argue that it would be technically inconvenient further to disperse the efforts of our Council. Reflect, gentlemen, on what the Latin American countries which put forth such great efforts to send to the United Nations the product of their dedicated labour, would think of such an argument. The people of these nations, the workers on the farms, in the mines on the pampas and in the forests, sacrificed -- for the sake of solidarity -- the rights given to them by the law, to better their working conditions.

I conclude with an apology for imposing on the valuable time of the Council with this lengthy discourse. Let me justify this by the importance which I attach to the matter under discussion and the value which I attribute to the decision which the Council may take on the Chilean proposal, which reflects and summarizes the collective anxiety of the people of Latin America, as expressed by their statesmen, thinkers and most outstanding leaders.

I make a formal proposal to the effect that, upon the termination of the general discussion of the motion, the idea of creating an Economic Commission for Latin America be approved, and that immediately thereafter, as was the case for the Commissions for Europe and for Asia and the Far East, a Sub-Commission be appointed to study the mandate for the new

Commission. During the debate of that Sub-Commission, the Chilean delegation will be prepared to accept any suggestions which my colleagues may offer and which will lead to the greater success of the idea which we have put forward. Needless to say, the Chilean delegation supports the proposal that the headquarters of the Commission be rotated. In that way the Commission can best carry out the idea of establishing those strong links, between our countries and the United Nations, to which I have referred.

Mr. BELT (Cuba) (Interpretation from Spanish): The Cuban delegation wishes to second very warmly the proposal formulated by the representative of Chile, which asks for the creation of an Economic Commission for Latin America.

Our Chilean colleague has made a vast and detailed speech explaining the reasons which according to him, exist for creating this commission, and I think I have no right to take up the time and attention of the Members of the Council on the extensive considerations for the necessity of establishing an Economic Commission for Latin America.

Yet it would be, I think, useful to make a few remarks on certain aspects of the question which we are now discussing.

It is the opinion of our delegation that the creation of an Economic Commission for Latin America is more than justified and not only because of the simple fact that there is an Economic Commission for Europe and an Economic Commission for Asia and the Far East.

Economically, problems of Latin America are very different from the problems of Europe; they are also different from the problems of Asia. Therefore, the reasons why I would suggest the creation of an Economic Commission for Latin America are different from those which determined the creation of the economic commissions for those other regions.

America is in no need of reconstruction; what it needs is stimulation. As you know, Latin America was for many years exploited by the colonizing powers. The object of these powers was to obtain the largest possible quantity of raw material at the lowest possible price, to process the raw material in its large cities and, in many cases, to export the material once more in its new form to the very countries from which the raw materials came.

Unfortunately, this situation which prevented the industrialization of the countries of Latin America did not result in the freedom of these countries. Instead of the colonizing powers which I mentioned before, there were other great powers that took their places and went on exploiting the Latin American nations.

For those who do not know Latin America, it may seem that in our countries there is wealth and happiness; unfortunately, this is not the case. In addition to the natural resources which we could



not up to the present time use conveniently, there is famine, there is misery, and there is disease. The standard of life of some of our countries is incredibly low. The level of alimentation is inferior to many of the countries of the European Continent even at the present time, and the indices of diseases and mortality are most impressive. Something must be done about it, and the United Nations has a very good chance to act.

Unfortunately, Latin America has never had a co-ordinated plan for stimulating and developing its economic possibilities. There have been different attempts, but none of them has given the results that have been expected. A commission like the one that is now suggested not only could formulate a general plan for stimulating and developing the natural riches of Latin America but also could co-ordinate these activities with economic aspects and the needs of Europe, Asia, and the other regions of the world.

It has been said on different occasions that as there is an Inter-American Economic and Social Council, an organ of the Pan-American Union, there is no reason to create an economic commission within the scope of the United Nations, but this reasoning is not valid. As a consequence of the United Nations being created, the Pan-American Union is losing influence and importance, due to the fact that those very governments in America are considering that the universal interest contemplated by the United Nations is more important than the regional system. As far as the Inter-American Economic and Social Council is concerned, we must admit that, unfortunately, during the last two years this Council has been functioning it has not produced the results that had been expected

of it, and it has done nothing constructive which would permit one to think that the creation of an Economic Commission for Latin America would interfere with the activities of this Latin American Council.

The inter-American system, of which Cuba has always been an ardent champion, has a mission which it must accomplish in this hemisphere. Yet because of a lack of economic and technical possibilities, since it has an exclusively regional character, this system would find it very difficult to accomplish the aims which are envisaged by the proposal of the Chilean representative.

It may be that some Members of the Council have doubts as to whether the suggested commission is going to have the approval of the majority of the countries of Latin-America. I certainly should have preferred to have before me, and to know, the opinions of each of these countries on the question we are now discussing, yet we must not forget that the Secretariat of the United Nations has circulated the agenda of this session of the Council, as well as the documents which refer to this agenda, to all the States Members of the United Nations, and, naturally, to all the Governments of Latin-America.

Therefore, the Governments of Latin-America know the proposal of the Chilean representative, and, as it is a fact that no objection has been formulated, it is only logical to state that the majority is in agreement with the suggestion.

Before ending, I should like to call the attention of the Members of the Council to the fact that here there are twenty countries which are giving not only material help and strength to the United Nations, but which are also offering very considerable economic co-operation. The noble aims of the United Nations imply that this Organization is of an altruistic character and by no means a commercial one. It is by no means necessary that a country should receive a service equivalent to its contributions to the aims of the Organization, yet it would be good to show the people of Latin-America, who need economic and practical help, that in the United Nations they are not contributing exclusively to the needs of others, but that they also can receive some benefits from the Organization.

Mr. d'ASCOLI (Venezuela) (Interpretation from Spanish): In the name of the Venezuelan delegation and the Economic and Social Council, I fully support the proposition of the representative of Chile, Mr. Santa Cruz, suggesting the creation of an Economic Commission for Latin America.

The representative of Chile has expressed with ample reasoning the various grounds for his proposition. Therefore, I am only going to insist summarily on certain aspects of the economic problems of Latin America which seem important to me and which also concur in justifying the creation of such a commission.

The economic system of almost every one of the Latin American countries has a false basis. The reason for this is that although in the majority of cases the foreign investor receives a good return for his capital and receives interest and profits, there is no economic security; there is no standard of life which would prove satisfactory to the people of the Latin American countries. These two elements are essential in the creation of this wealth.

They lack the essential condition of a healthy and well-balanced economy. This essential condition is to produce the largest possible quantity of what is necessary to satisfy the needs for the future and to provide the largest possible number of people of a given country with these elements. Usually, the economy depends for its balance and normal functioning on the sales of the export market of only one or very few agricultural products, the price of which is always determined by the foreign markets.

There are economies which are periodically in crises due to fluctuation of exterior prices, without it being possible for them, in periods of prosperity, to attain a level which would permit an autonomous readaptation of the country on a different basis of economic life. There are cases which are even worse, when it is an economy depending on a unique and single mineral product which is generally exploited with foreign capital and which practically achieves a sort of normal production and unique production, because all the other sources of wealth of the country are made smaller and smaller through the absorbing and sterilizing action of the dominant mineral exploitation.

With these Latin American countries, the situation is still worse because although for the time being their economic structure may appear more brilliant than is the case with the first mentioned countries, they are always under the threat that one day their mineral production will be exhausted, and as it has been the exclusive element of their economic life, they will be without any means of recreating a normal economic life, because

the mineral exploitation left in an extremely weak economic state all the other principal economic activities, and, more especially, agricultural labour.

At the present time, the entirely just conception has been admitted that different regions of the world are under economic interdependence, and one does not consider--as was the case in the past--that our economic systems are only complementary systems to the systems of the countries industrially developed, and that our only task is to supply to those countries the basic raw materials, such as tropical fruits, fuel, minerals, and to serve also those economically well-developed countries as markets for the export of their manufactured goods.

On the contrary, one considers that from both parts there are mutually rendered economic services of equal importance, and that, therefore, both systems of economy are interdependent and the people on one side as well as the people on the other have the equal right to aspire to a dignified and decent standard of life which cannot be achieved in the case of the countries with a lesser developed economy, unless international markets pay a reasonable price for the export products of these countries and unless there are also reasonable prices for transfer, and there is a just participation of those countries in the benefits which are realized by foreign enterprises exploiting the natural products of these countries.

This is the situation as far as financial possibilities are concerned and with which we may achieve this economic rate. One also has to consider the fact that parallel to these financial means, plans are also needed, and organization and technical aid.

This is what has to be provided for on an international scale.

Here again we meet with the idea of interdependence which, in its turn, suggests the conception of mutual help for common progress and for the equilibrium of world economy, without which all the economic systems are under a perpetual threat of failure. We also must consider the fact that one of the main conditions which have to be met, if we want to reach normal economic functioning on a world-wide scale, is to have the international currents of relations re-established and prosperous.

This revival of international trade is a condition sine qua non of the political and economic balance of Europe, and Latin America is eager to co-operate with the United States in the task of helping Europe achieve this balance which would be of benefit to everyone and which cannot be achieved without having all the regions of the world harmoniously participating in its achievement.

The Economic Commission for Latin America, parallel to the corresponding Commissions for Europe and Asia and the Far East, will be an excellent means of meeting, within the United Nations, the respective economic regions, together with the United States and Canada, and to co-operate in the task of revival and normalization of international trade.

In the case of Latin America, we do not think it can be said that the task which is considered for the Commission, and suggested by the Chilean delegation, would interfere with the task of any other organ already existing, whose action would be really and actually exercised and would be efficient, and which would be active in Latin America. The suggestion to create this Economic Commission for Latin America also has the advantage that by the mere fact of belonging to a universal organization such as the Organization of the United Nations, it must and has to convert

itself into an organ which can have within its scope of efficient activity, all the elements necessary to the fulfilment of its task. It will have the natural wealth which exists and which is just waiting for an impulse in order to be developed. It also can have capital which, coming as it would be natural to expect, from North America, can collaborate with all the necessary guarantees in obtaining reasonable profits.

Finally, there is also a human element which is lacking in our countries with scarce population and which can be supplied by Europe.



The idea of universal solidarity, and the feeling that the low state in which one of the Members of the international community would be would finally have repercussions on all the others, always stimulated the countries of Latin America and converted them into champions of international cooperation, causing them to serve the cause of international cooperation on all occasions with enthusiasm and devotion. Yet, if there had been one suggestion made by the representative of Chile that was still more striking than the others, it is that there is no more time to wait indefinitely in the countries which are lacking more schools, more roads, more hospitals, and many other equally urgent and indispensable things, things necessary for the economic and social field; that in these countries, it is possible to wait unless the peoples of these countries finally would ask themselves whether or not they have any immediate and direct interest in the material cooperation given by them to international organizations while their population lives under a standard of life which is so unsatisfactory.

From this point of view, the idea has been put forward that nothing would consolidate and strengthen the prestige of the United Nations in Latin America more than the creation of the commission that has been suggested within Latin America itself. This idea is certainly right.

Before coming to the end of my statement, I should like to remind the Council of the fact that my country, with its own means, is now working on a programme of a complete economic revival which, little by little, is taking effect due to the co-operation of Venezuela in stimulating production. By these means, we are striving for and we will succeed in giving a new impetus to the economic activities that existed before the exploitation of oil. Most of all, we are thinking of the exploitation of agriculture and of cattle which, through the extension of this mineral

exploitation, have met with a crisis. At the same time, we hope to bring more variety into our economic system by stimulating the simple activities which, quite logically, must be developed in our country. We are bringing forth this programme using, first of all, the financial means which the very exploitation of oil is giving to our country. We have the co-operation of these very enterprises engaged in the exploitation of oil which have expressed, without any reservation, their feeling that they are perfectly aware of the fact that the equilibrium of Venezuelan economy is not something which would be prejudicial to them or to which they could even be indifferent. On the contrary, this is a problem in which these enterprises have vital interests.

It is obvious that if I had to make this declaration, it was by no means to suggest that Venezuela does not need a Latin American commission, and that if Venezuela still gives its support to the Latin American commission, it would be only for the benefit of the remaining sister republics. This is by no means what I wanted to suggest. What I wanted to say was that even in such a case as the case of Venezuela where we have no economic crisis present or even foreseen, this commission for Latin America would be of great use to us and would help us in the task of studying and making plans for our economic development on which we are working at present.

This is all I wanted to add to the statement of the representative of Chile while giving my full support to the most interesting proposition he has formulated.

Mr. THORP (United States): I am greatly impressed by the suggestion which has been put forward by the representative of Chile. The three speeches by my American colleagues have been of real importance. It is desirable and useful for the Members of the Council to be informed concerning the economic and social problems of Latin America.

But I find myself in a difficult position. For half a century the need for inter-governmental co-operation has been recognized in the western hemisphere, to the extent of actually establishing special organizations for this purpose. One of the elements in this structure was established at Chapultepec in the Spring of 1945, the Inter-American Economic and Social Council. It was intended to amplify the previous work in this field which was carried on by other inter-American agencies.

A conference has now been called for Bogota in January which will be called the Ninth International Conference of Inter-American States. I understand that the agenda for the conference is to include various questions about the organization of the inter-American system, and its functions in relation to the United Nations will be thoroughly considered.

I should very much like to know the attitude of all the American nations involved before taking action here on this matter. Obviously, the establishment of an Economic Commission for Latin America will necessitate important adjustments in the presently existing system, for there will be overlapping and duplication which none of us can afford either in time, energy or cost. Even if there were complete agreement on the basic proposal, it would be extremely

difficult to know what functions to give the new commission without knowing what is to happen to existing inter-American machinery. The present system was set up by all the countries involved, and I cannot help but feel that it should not be modified without their advice being sought. If such a commission is to be established, it should have the enthusiastic participation and support of as many of its members as possible, and that is best obtained if they are able to participate in its initial plan.

I should like to make clear that I am not taking a position either for or against the specific proposal advanced by the representative of Chile. Certainly, the representative who have spoken have presented some very compelling arguments. I am certainly not in any way asking that the proposal be rejected at this time. However, I do suggest that the Council defer action on this matter to a later meeting.

It is quite customary for a number of months to elapse between the time when the idea of having a child is first suggested and the time when the resulting infant draws its first breath.

Mr. MALIK (Lebanon): Europe has a Commission; Asia and the Far East have a Commission, and now Latin America is going to have a Commission. In every case, the commission was the expression of a real need. Here are certain regions of the world whose need drove them to appeal to the United Nations for help.

I should like to ask now, is there a fourth region in the world which is in comparable need? Where is that fourth region of the world so far overlooked and unmentioned for which an equally strong case can be made as regards the formation of a special economic commission to look after its problems? There is only one answer to this question. If I do not suggest it, it will suggest itself. The curious thing about this situation is not its existence, but rather the strange silence which this fourth region of which I speak universally meets everywhere, so far as this question is concerned.

I listened with the greatest interest and attention to the very brilliant exposition of our Chilean colleague on the problems of Latin America. I found that if I were to make a similar exposition about the Middle East, I would probably have to copy half of what I heard this afternoon.

The characteristics of the economy of Latin America are very similar to those of the Middle East, and to prove my point, I shall quote a few passages from the speech of our Chilean colleague, and merely substitute the words "the Middle East" for "Latin America" and show that the propositions there enunciated still hold.

For instance, on page 2 of the English version of his speech, it says: "Approximately sixty-five percent of the total population of 'the Middle East' which today consists of..." and he gives a

figure there which would have to be slightly adjusted for the Middle East, "... is engaged in agricultural pursuits."

Then again on page 3 in the middle of the page it says: "There is no diversification, and many countries depend almost entirely upon one or two export items to provide for their economic needs."

Then on the bottom of page 3 it says: "two-thirds of the population, if not more, are undernourished to the point where people are dying of malnutrition in many regions."

On page 4 in the middle of the page it says: "The percentage of the active or gainfully employed population is extremely low in 'the Middle East' as compared with that of the United States and of Europe and the productivity of the active population is much lower than that of North America and Europe because of the disadvantages of malnutrition, sickness, and lack of equipment and education."

Then, on page 5, we are told that: "We are dealing first of all with a problem of production, and secondly, with one of distribution, and that the only remedy for its economic instability is the transformation and diversification of its economy."

Then, on page 7, in the middle of the page, it says: "And since we are urgently in need of those commodities and machines, we have had to exhaust our foreign reserves in order to obtain them. This has resulted in a rise in all the prices of 'Middle Eastern' articles, and in a tremendous inflation which has forced the cost of living up to unbelievable levels."

On page 8, at the bottom, it says: "The 'Middle Eastern' nations in general show different characteristics and diverse and often complementary raw materials. This would indicate that the problem of industrial development should be approached collectively, in order

to ensure harmonious production and to avoid the installation of artificial and anti-economic industries."

On page 9, there is mention of a danger to the stability of democracy in Latin America if economic conditions are allowed to drift. I can assure the Council that there is even a graver danger throughout the Middle East, not only for the stability of whatever democracy we have there, but also for the promotion of democracy throughout the entire region if the economic conditions throughout that area are not attended to properly.

Finally, on page 12, at the bottom, it says: "The economic problems of 'the Middle East'..." and I am always substituting that phrase for Latin America, "...cannot be, nor should they be resolved separately, but only as an integral part of the universal problems. Therefore, there can be no doubt that the economic development of 'the Middle East' should be studied within the scope of a world plan."

I could not have stated our situation throughout that part of the world more accurately than is described by these passages. In the formation of the Charter at San Francisco, I had the honour to be sitting in precisely the committee which was presided over by our absent President, Sir A. Ramaswami Mudaliar, which elaborated the very texts under which we are working in the Economic and Social Council. If any of the Members would like to refresh his memory by reading over the records of those meetings for the nine weeks we spent there, he will discover that it was precisely with a view to attending to such trying economic and social problems throughout the world that the Economic and Social Council was conceived in the first place.

We are intended to elaborate constructive and cooperative tasks for the amelioration of the social and economic plights in which the majority of the world lives at the present moment.

Our distinguished colleague from Canada this morning spoke of the dangerous tendency which is developing which may cause this Council to become, in his own words, a "filing cabinet." There is that real danger. What we ought to do to offset that danger is to conceive bold, positive and constructive plans of action which will really be realized in certain needy parts of the world.

It does not do to say, "No, no, no," all the time; what does do is to confront a suggestion with a better alternative, with a constructive and positive alternative, because a mere repetition of rejections to well-intentioned suggestions is certainly likely to be misunderstood throughout the world.

In the past I did mention our need in our part of the world. I stressed it; I warned the Council regarding it. I said, "We should not be forgotten." Today I want to say the same thing.

I have not pressed for a commission for the Middle East, however, so far, for three reasons. In the first place, it is not because there is no urgency in this field in our part of the world. The urgency is very real there, even more so than in many other regions. It is more, in my opinion, a question of priority; namely, there are other regions of the world which are more advanced and more stable politically, and it is only fair that they have priority so far as the attention of the Council is concerned as regards their economic needs. In the second place, I think it would be right for us to wait, see and watch with great care how the commissions already established function and how they develop, so that, while keeping our problems alive both in the



Council and in our own minds, I felt it was more proper for the present to waive that problem and to wait until we see how the other commissions develop. Finally, we are so encumbered with other political problems, both high political problems and low political problems, and also social and ideological difficulties that it seemed wiser, for the present only, not to pile up one new great difficulty on top of innumerable tensions which already exist throughout our entire region.

This is one world, and this is the Economic and Social Council of the United Nations which was elected directly by the Assembly of the United Nations. Is it right that we concentrate our attention on only one or two sections of the world? Is it therefore right that we exercise what I might call a species of favouritism in the distribution of our economic concern?

Europe and the Far East have been hit directly by the war. It is right therefore that the Economic and Social Council of the United Nations, which was born out of the spirit of co-operation which directed and won the war, should turn its attention in the first instance to the reconstruction of Europe and the Far East. But these two regions are not the whole world, much as they are invaluable parts of it. To concentrate exclusively on them is to produce an injustice and a disequilibrium which not only were not intended by the Charter but which tend in the long run, as our Chinese colleague always reminds us, to contribute to the disturbance of international peace and security.

Mr. MARTIN (Canada): My Government is in sincere sympathy with the motives which inspire this proposal. We have listened to a very eloquent statement on the proposal by the distinguished representative of Chile. He adduced arguments and gave us a statement of fact which, I know, have impressed us all. We are indeed indebted to him for this exposition of the important economic situation which he says exists in Latin America, and which we know exists.

He made certain references to my country, for which I thank him. I can only recall to him, and to the Council, what was said by the Canadian representatives at the first session of the Economic and Social Council, and the observations that were made when proposals were put forward for an Economic Commission for Europe and for the Commission proposed by Dr. Chang of China for Asia.

We in Canada have constantly emphasized our conviction that the economic and social functions of the United Nations, and the Articles of the Charter which embody our objectives in this field, are no less important than that side of the United Nations which is concerned with questions of security.

We sympathize with the concern felt by many under-developed countries, not only in Latin America, but throughout the world, lest the urgency of reconstruction problems may result in a system of priorities in relation to economic questions which would work to the relative detriment of these countries.

The Canadian Government believes that it is an essential function of the United Nations to foster and promote economic progress in all parts of the world. In establishing a truly prosperous

and balanced world, it is of the highest importance that these countries in need of basic economic development be given particular attention. Concern in development is obviously, in one sense, both more basic and fundamental than the problems of reconstruction which, while most urgent, are, we hope, of a strictly temporary nature.

The root causes of economic problems which are faced in the relatively less highly developed areas of the world -- not only Latin America but, as we have been reminded this afternoon, in the Middle East, Africa and elsewhere -- present a particular challenge to the world organizations which we have established, because these problems have existed throughout the years of peace, and we cannot attribute their continued existence to the extraordinary circumstances of the recent war.

In view of the importance of economic development problems, the methods and the machinery which we adopt to deal with them are also of particular importance. What we decide with regard to the basis of/<sup>the</sup> organization for dealing with the problem in any area of the world will affect all other areas.

Canadian views on the dangers of embarking hastily on a regional approach to economic organization were stated by the Canadian representative at the last session of this Council. We feel that such a decision should be taken only after a very mature and deliberate study, for the fact is, as the representative of Lebanon has said, it would constitute a reversal of the approach adopted at San Francisco.

There the decision was made by all Members of the United Nations to approach this problem on a world-wide functional basis.

That is the approach which is exemplified in the specialized agencies such as the International Bank for Reconstruction and Development, the International Monetary Fund, and others. It is that approach which underlies the important new organizations that the special conferences called by this Council are likely to establish during the remaining months of the present year.

At its last session this Council summoned a world shipping conference to meet in the coming autumn, and we expect that this conference will establish, on a world-wide functional basis, an international maritime council.

The Economic and Social Council has already set in motion a series of conferences which, before the end of this year, we expect will set up and establish, on a world-wide functional basis, an international trade organization.

This functional approach which my Government, along with others, has advocated at every opportunity is the basis, also, of the various Commissions of this Council which we have set up to work for us -- the Economic and Employment Commission, the Transport Commission, the Fiscal Commission, and so on.

In short, this world-wide functional approach underlies, it seems to us, the very structure, not only of this Council, but of the United Nations itself. We around this table, perhaps not always conscious of the full implications of our decisions, must not forget the original underlying principles which we all agreed to, certainly at the first meetings in London, which are very clear in my mind as I make these observations.

The Canadian Government is not convinced that this functional approach should be duplicated, and is convinced that it should not be superseded by machinery based on the alternative concept of separate economic machinery for each region.

Naturally, we recognize that in certain exceptional situations there is justification for temporary regional machinery to complement the more basic organizations. Reconstruction problems dealing with the devastated areas of the world are presumably short-run emergency problems, and I can only state to my distinguished and very amiable colleague from Chile that it was on this basis that my country supported the creation of two temporary bodies, the Economic Commission for Europe and the Economic Commission for Asia and the Far East, and only on this basis.

By contrast, the development problems are not short-run. They are of basic and fundamental importance and will remain so, at best, for many years to come. They must be dealt with in a manner

consistent with our concept of the total structure of the world organization and with the fundamental nature of the world we seek to build.

Our views on this question were set forth in some considerable detail at the last session of the Council, and it is therefore not perhaps necessary to reiterate them in detail at this juncture. But briefly, we are concerned lest in the future, regionalism and regional autarchy will come to play the dangerous role which nationalism and national autarchy have played in the recent years. We are therefore concerned, for example, lest multi-lateralism be abandoned for systems of regional tariff preferences. We believe that a trend towards regional autarchy could be no less dangerous economically, socially and politically, than could national autarchy. A wall that is built around a number of countries in a single area of the world can constitute no less a barrier to the well-being and prosperity of the world at large than a wall built around the boundaries of a single state.

But there is one thing I would like to make perfectly clear. We favor co-operation within each region, just as we favor co-operation between nations in different regions. We recognize that regional co-operation need not be exclusive, and we are not opposed to appropriate regionalist machinery, but we are unalterably opposed to the kind of machinery here suggested. If we are convinced that the overwhelming majority of the nations concerned, after due consideration desire it, and if adequate provision is made for its integration in the basic structure of world organization, then we are prepared to reconsider the position.

But we feel this matter is of such tremendous importance that we ought to give it very great study before taking decisive action. In saying this, there is not any suggestion on our part that there be an indefinite deferment of this question. I can very well appreciate the motives and the reasons which induced my colleague from Chile to put forward this proposal to us. I sympathize with his motives as I am sure every Member on this Council does. But our responsibility must not involve the agreeability of a particular personality in whom we have the greatest confidence, towards whom we have the greatest friendship. We must address ourselves to the much broader problem that is divorced altogether from human and personal relationships.

Now happily, a Sub-commission of this Council to study basic problems of economic development has just been created. It might be useful to await the views of that body. Happily too, provision already exists for all Latin American countries to confer together in the near future on these very questions. There was created under the auspices of the Pan American Union in the early months of 1945, a permanent Inter-American Economic and Social Council. This body was provisionally organized pending a subsequent inter-American conference, and actually came into being in November 1945 in Washington.

The functions of this Council, as set forth in its terms of reference, include the following: "To serve as the co-ordinating agency for all official inter-American economic and social activities, to maintain liaison with the corresponding agency of the general international organization when established and with existing or projected international economic and social agencies."

It is expected that this Council will be organized on a permanent basis at an international conference of American states scheduled to be held in Bogota on 17 January 1948. For this purpose, there will presumably be discussed at that conference such questions as those outlined in Resolution 50 of the final act of the Conference held in Mexico in 1945. This Resolution called for the establishment of new branches of industry in the American Republics and improvement and enlargement of those now in existence; development and exploitation of natural resources and extension of facilities for the free movement of capital, as well as extension of long-term credits for the purposes of raising the standard of living of the American peoples, deriving maximum benefit from their natural and human resources and enlarging their international trade.

In view of all these circumstances, I am inclined to feel that the wisest course for us would be to await the result of this inter-American conference. We will then have the considered views on this matter of virtually all the governments immediately affected. Since the proposal now before the Council was introduced only a few days before the present session, and since out of eighteen governments represented on this Council, there are four Latin American governments only, my Government feels hesitant to see any hasty action being taken by this Council until an opportunity has been given, not only to these Latin American nations on the Council, but also to other Latin American countries to express their considered views through the medium of the inter-American conference with regard to this important and significant proposal.



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My final word again is one of thanks to the distinguished gentleman from Chile who has put this proposal before us, to thank him for bringing to us the important economic facts which he has related, and to congratulate him for the motives which have inspired him in bringing the matter to our attention.

Mr. CHERNYSHEV (USSR) (Second interpretation; original in Russian): It was indeed with pleasure that we listened to the very interesting statement prepared by the representative of Chile. The Soviet Union delegation well understands and sympathizes with the desire expressed by the representatives of Chile and the other Latin American countries to raise the economic standards and improve the well-being of the inhabitants of those countries.

Nevertheless, in the opinion of the Soviet Union delegation, the creation of an Economic Commission for Latin America is not dictated by necessity. We do not think it is quite correct to compare the reasons for the creation of an Economic Commission for Latin America with the motives underlying the creation of the Economic Commission for Europe and the Economic Commission for Asia and the Far East, inasmuch as the creation of the Economic Commissions for Europe and for Asia and the Far East was based on a resolution of the General Assembly in order to aid in the reconstruction of the devastated areas of Europe, Asia and the Far East. The creation of an Economic Commission for Latin America as well as the creation of an Economic Commission for the Near East or any other area may be confused within the structure of the Economic and Social Council since, as the Members of the Economic and Social Council are aware, there are nine Commissions in the Council, and in particular the Economic and Employment Commission, whose function it is to study the general question of the development of Member Nations of the United Nations, with emphasis upon the under-developed countries.

It is therefore with regret that the Soviet Union delegation feels it cannot support the proposal submitted by the distinguished representative of Chile.

The PRESIDENT: There are two more Members listed to speak on this subject. If it is possible, I should like to complete the general discussion on this matter, but if there are still other speakers, I should like to know if the Council is ready to take a decision on the following item on our agenda concerning the agreement with the Postal Union. That item has been on the agenda for the past four days, and it is essential that the agreement be adopted, or, if not, that we know the opinion of the Council on the agreement because of the negotiations which we are to hold next week with the International Telecommunications Union.

Therefore, if the Members of the Council will look at the text -- which I am sure they have studied -- they will note the draft resolution submitted by the representative of Norway concerning this agreement. If there is no objection, we could proceed to adopt that resolution without any lengthy discussion after we have completed our discussion of the present subject. That would make it unnecessary for the Council to meet tomorrow.

Mr. LUNDE (Norway): I should like to say a word in connection with the proposal of the President to adopt the text of the agreement with the Postal Union. I do not think it can be adopted without discussion. I myself would like to make some remarks in that connection, and I wonder whether it is necessary that it be adopted today or tomorrow. As far as I understand, the negotiations with the World Health Organization are going to start on Tuesday, and it would be possible to dispose of this matter on Monday morning.

The PRESIDENT: I should like to finish the discussion on the question of the Economic Commission for Latin America before we start on the other subject.

Mr. CHERNYSHEV (USSR) (Second Interpretation: Original in Russian): The Soviet Union delegation also has a few observations to submit with respect to the draft proposal, and therefore, we share the opinion expressed by the representative of Norway that we should have the discussion of this question on Monday or any other day which may be found convenient.

Mr. NEHRU (India): I should like to speak on the Latin American proposal, and on no other subject.

I feel that I must speak on this subject because I come from a country which hopes to develop the closest possible relations, -- not merely economic relations for we are interested in other types of relationships -- with the countries of Latin America. I wish to extend my full support on behalf of my Government to this proposal, but I have one suggestion to make.

It seems to me that in view of the objections which have been raised and the difficulties that have been pointed out by the Canadian representative and the United States representative, it might be better, before appointing the sub-commission to study plans for a mandate for the new commission, if we appoint some sort of working group as we did in the case of the Commission for Europe and the Commission for Asia and the Far East, to study this problem and to make recommendations.

If that proposal is acceptable to my colleagues from Latin America, I think that it might solve some of our difficulties.

(France)  
Mr. MENDES-FRANCE / (Interpretation from French): I should like to ask two questions in order to fully understand the intent of the amendment submitted by the representative of India.

If the working group is actually constituted by the Economic and Social Council, I should like to know the following: Will the Economic and Social Council have this proposal submitted to it in the course of this session or will it be <sup>at</sup> the next one, and will the constitution of this group prejudice the question of substance or will it simply settle the measures of application?

Mr. NEHRU (India): I did not make a formal proposal. I merely wanted to ascertain the reaction of my colleagues from Latin America to this general conception. But if the idea is approved by them, it seems to me that the working group should be set up by this Council, and it should be asked to report as quickly as possible, perhaps at the next session. I believe that the working group for the Economic Commission for Asia and the Far East, as my colleague, Dr. Chang, will perhaps be able to confirm, reported within a few weeks to the Economic and Social Council.

Dr. CHANG (China): I think it is extremely painful to withhold a speech, and I have been given that experience. I can answer this question, and I may also have a few observations which may help to clarify this situation. With all my great respect for my most simpatico friend, the distinguished representative of Chile, I think I shall surely have something to say, but I think it will be a point of order.

The President did suggest that we take up the matter of the Universal Postal Union, and evidently, there were two objections. I should like to know if my understanding is correct, that we shall go on with the debate on the Latin American commission now, or shall we continue the discussion at some future meeting. If that is so, at that next meeting I hope I shall have the privilege of making a few remarks.

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The PRESIDENT: My desire is to end this discussion if there are no more speakers. For the time being, the representative of Chile is the only one who wants to speak on this, and he wants to make his conclusions. If the representative of China desires to speak on this subject and this develops into a long discussion, then we could postpone it for a future date, but I should like to hear the representative of Chile first.

Mr. SANTA CRUZ (Chile) (Interpretation from Spanish): The question we are now discussing is of very special interest to my delegation. For this reason I am in favour of a postponement of the general discussion until Monday.

The representative of the United States of America has said that this project was somewhat similar to the birth of a child and that a child needed time to come into the world. If he reads my proposal, he might find that almost everything he has questioned is answered in the text of my statement. I hope that by Monday a careful study of this text and possibly the famous technique of the United States will bring this birth about in such a short time.

I should also like to state that I am ready to accept the suggestion of the representative of India, provided that this working group he suggests reports to the Economic and Social Council during this Session.

Either of the two suggestions would be agreeable to me, but as I need time to answer all the remarks which have been made on my proposal, I shall ask for a postponement of the general discussion till Monday.

The PRESIDENT: It seems to me that the Members of the Council are rather impatient. I have three more speakers, perhaps four, on this subject. Evidently we shall not be able to finish before eight or nine o'clock. Therefore, as there is no objection, we shall adjourn the discussion until Monday, and we shall at that time also discuss the draft agreement concerning the Universal Postal Union, although this delay will create great difficulties for us next week.

We had planned to have negotiations with WHO, the International Telecommunications Union, and there are plans to discuss an agreement with the Bank and the Fund. Because of this postponement, there will be many of these difficulties, the absence of which would have facilitated our work next week.

I hope that the Members of the Council will take that into consideration, and we probably shall have to work next weekend.

Mr. MENDES-FRANCE (France) (Interpretation from French): You threatened us with a meeting next weekend, and I believe that we should do everything possible to avoid that possibility. I think that perhaps we could try to accelerate our programme. I believe that it is rather obvious that we cannot this evening exhaust all the discussion concerning the question of the Economic Commission for Latin America, but I also believe that it might be possible this evening to deal with the question of the Universal Postal Union. Perhaps we could finish this discussion tonight, and that might be the answer to the problem just brought up by the President. However, if my colleagues are not agreeable to meeting this evening, I would propose an alternative which consists of considering on Monday morning the Universal Postal Union as the first business, in order to finish the discussion on this question as soon as possible so as to permit our colleagues who have to be present at other meetings to fulfill their various tasks.

The PRESIDENT: I would suggest, on the basis of the discussion, the following course for our work next week, or Monday at least. We shall begin at 11 o'clock with two items, the agreement with the Universal Postal Union and then finish the discussion on the Economic Commission for Latin America. Then, if we have time, we shall call a meeting of the Economic Committee of the Whole to continue to work on the programme referred to it concerning the Far Eastern Commission. The Report of the Committee of the Whole will be discussed in that Committee. That is the programme for the morning, as far as the plenary meeting and the meeting of the Economic Committee are concerned. The Social Committee will meet on Monday at 10:45 a.m. and continue to discuss and dispose of the programme it is considering which it does not finish today.



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Monday afternoon the Social Committee will continue its work at 2:45 p.m.,  
and the Negotiating Committee for WHO will meet at 2:45 p.m.

The meeting rose at 6:12 p.m.