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OF THE COUNCIL AND ITS COMMISSIONS

ECONOMIC COMMISSION FOR LATIN AMERICA  
JUNE 1948 - MARCH 1951

Statement prepared by the Executive Secretary

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## INTRODUCTION

1. This statement, which contains a factual account of the origin and the activities of the Economic Commission for Latin America from its establishment to March 1951, was prepared by the Executive Secretary of the Commission following a suggestion made by the Assistant Secretary-General in charge of Economic Affairs at the first meeting of the Ad Hoc Committee on the Organization and Operation of the Economic and Social Council and its Commissions which the Ad Hoc Committee approved (E/AC.34/SR.1).
2. Included in the statement are certain suggestions relating to the possible lines of development of the work of the Economic Commission for Latin America based on reports which the Executive Secretary is preparing for submission to the next session of the Commission which is to convene subsequent to the meeting of the Ad Hoc Committee.
3. The statement also contains a comprehensive review of measures of co-operation and co-ordination of work between the Economic Commission for Latin America and specialized agencies as well as the Inter-American Economic and Social Council of the Organization of American States. The section dealing with the relations with the Inter-American Economic and Social Council was prepared in consultation and agreement with the Executive-Secretary of the latter as suggested at the first meeting of the Ad Hoc Committee (E/AC.34/SR.1).

## I. ORIGIN AND TERMS OF REFERENCE

4. The Economic Commission for Latin America was the third and latest regional commission to be established by the Economic and Social Council. The proposal was made by Chile with the concurrence of the other Latin American members of the Council at that time -- Cuba, Peru and Venezuela -- and the support of governments of all the other Latin American countries was ascertained subsequently by the Ad Hoc Committee, which was established by the Council in August 1947 to "consider the factors bearing on the establishment of an Economic Commission for Latin America within the framework of the United Nations".

5. The General Assembly at its second session took note with satisfaction of this decision of the Council as well as "of the general favourable/reception given to the proposal for an economic commission for Latin America by the Second Committee". (Resolution 120 (III)).

6. In adopting Economic and Social Council resolution 106 (VI) in March 1948, establishing the Economic Commission for Latin America, the Council acted upon a recommendation of its Ad Hoc Committee, which based its recommendation on the need for concerted international action to help solve the economic problems of the region. The report of the Ad Hoc Committee stressed both the long-term and short-term problems facing the Latin American countries, pointing out that these problems arose from:

- (a) world trade disequilibrium and economic maladjustment resulting from the war;
- (b) too great dependence on the highly industrialized countries;
- (c) lack of economic development and diversification of production.

7. The Ad Hoc Committee also noted that its work had been greatly handicapped by the "lack of reliable and comprehensive statistics and economic data"; its report indicated that this lack of adequate information greatly hindered current efforts to deal effectively with the economic problems of the region.

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8. The principal tasks of the Commission are given in the first two paragraphs of its terms of reference<sup>1/</sup>. Paragraph one states both the short- and long-term functions which the Ad Hoc Committee judged to be appropriate having in view both the needs of Latin America and the experience gained in other regions where economic commissions had been set up. This paragraph provides that the Commission shall:

"(a) initiate and participate in measures for facilitating concerted action for dealing with urgent economic problems arising out of the war and for raising the level of economic activity in Latin America and for maintaining and strengthening the economic relations of the Latin American countries both among themselves and with other countries of the world;

"(b) make or sponsor such investigations and studies of economic and technological problems and developments within territories of Latin America as the Commission deems appropriate;

"(c) undertake or sponsor the collection, evaluation and dissemination of such economic, technological and statistical information as the Commission deems appropriate."

9. Paragraph two in placing the emphasis on regional problems in their world setting, added to the customary terms of reference for regional economic commissions. It requires that:

"The Commission shall direct its activities especially toward the study and seeking of solutions of problems arising in Latin America from world economic maladjustment and towards other problems connected with the world economy, with a view to the co-operation of the Latin American countries in the common effort to achieve world-wide recovery and economic stability."

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<sup>1/</sup> Appendix C gives the full text of the terms of reference.

## II. IMPORTANT FACTORS WHICH HAVE INFLUENCED THE WORK OF THE COMMISSION

10. At its first meeting in June 1948 in Santiago, Chile, the Commission made a major decision which has largely determined the nature of its work to the present day. After considerable discussion it was decided not to start Commission activities with the establishment of permanent subsidiary bodies at the inter-governmental level, but rather to concentrate its efforts on securing detailed knowledge of the characteristics of the Latin American economies and on making analyses of their problems as preparation for practical action. This was not a simple decision to take since a programme of immediate practical action at the inter-governmental level would have had more general interest, especially as a means to quick results. In taking this decision, the Commission, in effect, sought to find the solution of Latin American economic problems facing it through the studies and analyses of the characteristics and realities prevailing within the region.

11. It may be noted that comprehensive studies of economic activities -- particularly of the long-term trends and development -- have not been made as systematically for the Latin American countries as they have been for North American and many European countries. The Latin American economies and their problems have usually been interpreted in the light of the experience of the industrialized countries to which they have been closely linked. Concepts and approaches developed in these countries have often been applied rather mechanically to the problems of Latin America with the corollary assumption that various remedies advocated for the solution of economic problems in mature economies would be equally appropriate for the situation in the countries of Latin America. This has tended to concentrate economic studies upon those aspects of problems which are tied directly to the economic activities in the industrial centres: production for export and capital movements, while in problems of public finance and monetary policy more emphasis has generally been placed upon the external financial consequences than on the urgent internal requirements of a sound and balanced economic development of the individual countries and of the region as a whole.

12. In view of these circumstances, the main task of the Commission in the initial years of its work was necessarily one of analysis of the process of economic development and the evaluation of its related problems. By the

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end of its almost two and half years of existence, the Secretariat of the Commission will have prepared three major economic surveys and several special studies and reports which have presented the principal elements of the economic situation and analyzed certain of the most important aspects of the patterns of development of Latin American countries. The discussion of the Commission at its third session in June 1950 at Montevideo was devoted principally to the central thesis expounded in the Economic Survey of Latin America 1949, which was concerned with the analysis of the growth of the Latin American economies and the problems emerging in this process. As a result of these deliberations the Commission formulated conclusions and recommendations in a ten-point resolution of far-reaching significance for Latin America (E/CN.12/194).

13. Another factor which has influenced not so much the substance but rather the method of work, has been the scarcity of quantitative and qualitative information. The Executive Secretary has found it necessary to organize both investigations and the collection of data actually in the countries concerned by his staff and expert consultants. By this method the Secretariat has succeeded in locating and developing numerous new statistical series covering a wide field of subjects.

14. These accomplishments of the Commission make possible the future activities to be undertaken in accordance with paragraph 1(a) of its terms of reference, i.e. to "initiate and participate in measures for facilitating concerted action". This, together with the continuation and further development of its research and analytical activities, is the major task with which the Commission will be confronted in the coming years.

### III. ACCOUNT OF ACTIVITIES

#### 1. Economic development and current economic trends

15. The work of the Commission in the field of economic development has taken shape gradually. A resolution of the first session (E/CN.12/59) requested the Executive Secretary to undertake an Economic Survey of Latin America which should deal not only with the current economic situation of Latin America in its various aspects and with problems arising out of the war and world economic maladjustment, but also with the main characteristics and problems of the economic structure of Latin American countries.<sup>1/</sup> The Commission invited its Latin American member governments to assist the Secretariat of the Commission with "country studies" of their economies and supplying information on their development plans.
16. The Economic Survey of Latin America 1948<sup>2/</sup> brought together a significant body of information on the region as a whole in some cases for the first time and described the major changes which had taken place in agriculture, manufacturing, mining, transport, immigration and foreign trade since the pre-war period (1937-1947); it also dealt with problems of trade and balance of payments in recent years, along with a special analysis of the effect of the European Recovery Program in Latin America.
17. The Survey was very thoroughly considered by the second session of the Commission. It was commended by many members of the Commission, although some drew attention to the lack of up-to-date data. A resolution was passed (E/CN.12/150) requesting that the Executive Secretary continue to prepare basic surveys of Latin American economic conditions and agreed that data should be presented by countries or groups of countries having similar economic characteristics.
18. The 1948 Survey did not deal directly with the problems of economic development. The Secretariat, however, presented at the second session a separate

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<sup>1/</sup> A number of complementary resolutions stressed certain economic problems, which should be studied in the Survey, and among them immigration, inflation, agricultural prices and marketing of raw materials. Information on these subjects was included in the 1948 Survey and other reports of the Secretariat.

<sup>2/</sup> Economic Survey of Latin America 1948, United Nations Publication, Sales No. 1949. II. G.I.

paper on Economic Development in Latin America and its Principal Problems<sup>1/</sup> which stimulated discussion of the general problems of development and led to a resolution (E/CN.12/131) requesting the Executive Secretary, inter alia, "... to continue the preparation of analytical and interpretative studies on the economic development of Latin America ..."

19. At this session of the Commission, several representatives stressed the close interdependence between the development of industry and agriculture and also the need to raise the standard of living especially of the rural population through industrialization and the diversification of production. In the resolution on Interdependence of the Development of Agriculture and Industry (E/CN.12/139) policy enunciated above was set as a guide for the future reports of the Secretariat. The 1949 Survey dealt extensively with these questions.

20. The Economic Survey of Latin America 1949 (E/CN.12/164) which was presented to the third session of the Commission at Montevideo in 1950, attempted in its first part, to give a theoretical interpretation of the process of economic development in Latin America. It stressed certain of the salient factors which had influenced the growth of the Latin American economies and showed in what conditions under which economic development occurred in Latin America differed from those which had prevailed in the now highly industrialized countries during the period of their economic transformation. The Survey also included several country studies covering the long-term trends and problems of economic development for each country. A third part of the Survey dealt with current economic developments in Latin America and examined changes in production, prices, foreign trade and government policies.

21. The discussion at the third session of the Commission was concerned primarily with the factors which hindered economic development and with the persistent disequilibria in the economies of Latin American countries.

22. After a full debate, the Commission agreed to recommend to the Latin American Governments the adoption of specific and co-ordinated policies to promote the economic development of their countries with the full and productive employment

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<sup>1/</sup> The Economic Development of Latin America and its Principal Problems, United Nations Publications Sales No. 1950. II. G.2.

of their natural resources and manpower, bearing in mind the need to achieve the best utilization of the domestic savings supplemented by foreign investments and taking also into account the need of expanding their foreign trade in order to increase the availabilities of the goods essential to economic development, as elaborated in various parts of the resolution adopted (E/CN.12/194).

23. The Secretariat has prepared the Economic Survey for 1950 which will be presented to the fourth session of the Commission. This Survey carries forward the studies of development started in last year's Survey, especially by extending coverage to countries for which sufficient information was not available earlier.

24. The Executive Secretary will present to the fourth session of ECLA, a separate paper on certain theoretical and practical problems of economic growth in Latin America which may provide the basis for the further consideration of these problems.

25. The scope of the analysis of current economic trends which was progressively extended in the Economic Surveys for 1948 and 1949 is further developed in the Economic Survey for 1950. Short-run problems will also receive special examination in the Secretariat's study on cyclical fluctuations in Latin America and their impact on the economic development, which is being made in accordance with the resolutions of the second and the third sessions (E/CN.12/131 and E/CN.12/194 respectively).

## 2. Financing of economic development

26. Noting that the Economic and Social Council had requested the Secretary-General to prepare a report on methods of financing the economic development of the under-developed countries and in particular, methods designed to increase and encourage the flow of capital for this purpose, the Commission, at its second session, took special note of those sections of the 1948 Survey which deal with the methods of financing industrialization in Latin America and with changes in the volume of foreign investments since pre-war. In a resolution on capital investments (E/CN.12/132) the Commission requested the Executive Secretary to prepare studies on the legal, economic and financial conditions affecting foreign investments in individual Latin American countries.

27. The first series of these studies (E/CN.12/166 and addenda), prepared in collaboration with the Inter-American Economic and Social Council and with the United Nations Department of Economic Affairs, was presented to the third session

/of the Commission.

of the Commission. On the basis of the recommendations of its Ad Hoc Committee, the Commission adopted a resolution (E/CN.12/198) which expressed the view that the Latin American countries require an adequate and stable flow of foreign capital as means of continuing their economic development. The Commission also noted the satisfaction the policy adopted by the International Bank for Reconstruction and Development with respect to under-developed areas and suggested that it should seek to intensify the implementation of this policy. The Commission, therefore, requested, inter alia, that the studies on the status of foreign investments be completed and called on Member Governments to assist the Secretariat by making available periodically, statistical and other information on this subject.

28. In a further resolution on financing of economic development (E/CN.12/199) it was decided to include this subject in the agenda of the fourth session of the Commission and the Secretariat was requested to present the relevant documentation.

29. A third resolution (E/CN.12/197) requested the Secretariat in collaboration with the international agencies concerned and after obtaining the prior approval of the interested Governments, to undertake studies of sources and uses of funds in domestic capital markets of individual Latin American countries and of conditions affecting the supply and demand of funds.

### 3. Industry and mineral resources

30. At the Commission's request, the economic problems of industry and mining in Latin American countries have been under continuous study by the Secretariat. Preliminary analyses of industrial and mining production have been included in the Economic Surveys and have been used in other studies prepared by the Secretariat, especially in relation to the economic development problems. The Economic Survey 1949 contained an analysis of industrial and other activities with regard to their absorptive capacity to employ the increments of population as well as the manpower released as a result of technological progress in agriculture and not required in primary production for export.

31. The Secretariat is also planning a series of special studies on individual industries and on mineral resources and related problems. Several of these studies have been undertaken as background information in connexion with studies of international trade and prospects of its development; others relate to specific industries. The Secretariat is now engaged on three major studies of the latter type:



(a) In 1950, with the assistance of the International Bank, a study was undertaken on the productivity of the cotton textile industries in selected Latin American countries, which is based upon comprehensive data obtained through field surveys of textile mills in five countries. This study will show productivity of labour as measured against established standards and will attempt to explain the factors which determine productivity. The study will be presented to the fourth session of the Commission and may offer a basis for practical action at inter-governmental level e.g. in the form of policy recommendations to be worked out by the governmental experts.

(b) The second study which was initiated late in 1950 deals with the iron and steel industry in Latin America. It will require considerable research and expert assistance in 1951; it is hoped to have it available for the Commission's fifth session in the Spring of 1952.

(c) The third industrial study, also to be carried out mainly in 1951, will be concerned with problems of the pulp and paper industry in the Latin American countries.

#### 4. Agriculture

##### (a) Agricultural requisites

32. The Commission has discussed in considerable detail various aspects of the inter-relations of agriculture and economic development in the area.

33. The first session of ECLA, in response to a recommendation of the sixth session of the Economic and Social Council, instructed the Executive Secretary to explore, in collaboration with the Director-General of the FAO, the possibilities of increasing food production in the region by eliminating shortages of agricultural requisites. The ECLA/FAO Joint Working Party established for this purpose undertook a field survey and prepared a report<sup>1/</sup> which was considered by an ad hoc Committee of the second session of the Commission.

34. On this basis the Commission adopted a series of recommendations as to measures which Governments might consider in order to ensure better supply and use of agricultural machinery, fertilizers and pesticides; to improve transportation and storage facilities; to establish adequate credit for farmers; and to expand

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<sup>1/</sup> Agricultural Requisites in Latin America, United Nations Publication, Sales Number: 1950 II G.1.



facilities for research and education and training of personnel in agriculture. (Resolution E/CN.12/142). In implementation of these recommendations, the ECLA/FAO joint programme of activities has been established.

(b) Agricultural credit

35. The ECLA/FAO Co-operative Unit, established by the Secretariats of both organizations, in agreement with several Central American governments, undertook on-the-spot surveys and prepared a report dealing with credit institutions in Central American countries and with facilities available to farmers with particular reference to the principal crops produced in each country (E/CN.12/167). The report contained a number of conclusions and suggestions on the improvement of credit institutions.
36. The work of the Unit in several countries has been followed by detailed recommendations to the Governments on measures which would be conducive to the development of agriculture in general and agricultural credit in particular. In this way the ECLA/FAO Co-operative Unit rendered important advisory services to several Member Governments.
37. At the request of the Government of El Salvador, the ECLA/FAO Co-operative Unit prepared a memorandum containing specific recommendations for the reorganization of the agricultural credit institutions in that country. Advice has also been given on agricultural credit matters to the Banco Nacional de Cuba at the request of the Government of Cuba. The Government of Honduras requested the assistance of the Unit in planning the establishment of a Banco Nacional de Fomento. An expert seconded by the Inter-American Economic and Social Council to serve with the Unit, has worked in close collaboration with representatives of the International Bank for Reconstruction and Development in advising the Government of Honduras on agricultural credit procedures and techniques.
38. The Report on Agricultural Credit in Central America was considered by the Commission at its third session. The representatives of the Central American countries played a major role in the discussion of this problem. The Commission requested the Executive Secretary to arrange, in collaboration with FAO, a meeting of experts on agricultural credit in Central America open to other Member Governments, and it further requested the Secretariat to collect and make available information dealing with institutions of agricultural credit and to continue its studies of this subject in other Latin American countries.

(Resolutions E/CN.12/195 and E/CN.12/196). The preparations for the meeting of experts on agricultural credit are under way and it is scheduled to be held in the spring of 1951.

(c) Other agricultural topics

39. FAO presented a report on the development of forestry resources to the second session of ECLA (E/CN.12/91) on the basis of which the Commission recommended that the Governments take measures for the conservation and rational development of their forest resources; that the ECLA and FAO Secretariats promote jointly the development of forest industries in Latin America; and that the ECLA Secretariat explore in its studies of international trade, practical measures for the promotion of exports of forest products. (Resolution E/CN.12/146).

40. The Commission, at its third session, discussed the means to reduce costs of basic agricultural products in order to make them accessible to a greater number of consumers. The Secretariat of ECLA was requested to undertake in collaboration with FAO studies on the markets for and the prices of selected agricultural products and their distribution (Resolution E/CN.12/193)<sup>1/</sup>.

5. International trade

41. At its first session, the Commission directed its attention to problems of international trade, and in a series of resolutions requested the Secretariat to undertake studies on the terms of trade and various aspects of the commercial policies.

42. The 1948 Survey submitted to the second session of the Commission, included a review of changes in foreign trade since the pre-war period. The Secretariat also prepared a special report on "Prospects for Trade Expansion" (E/CN.12/85) which reviewed the post-war problems of Latin American trade, especially the changed pattern of trade with Europe. The report concluded that in order to secure a high level of trade with Europe, special trade and payments agreements would have to be devised. Intra-regional trade was also considered in this report. A resolution adopted at the second session requested the Executive Secretary, inter alia, to make studies on the composition and direction of the foreign trade of Latin America, taking into account the relations between foreign trade and economic development, and to explore the possibilities of expanding foreign trade (E/CN.12/127).

<sup>1/</sup> Other joint ECLA/FAO projects included in the work programme, see pp. 39-40 below.

43. In response to the above resolution the Secretariat prepared a report on "Trade Trends and Policies of Latin American Countries" (E/CN.12/165) which was submitted to the third session of ECLA and was concerned mainly with the failure of Latin American trade with Europe to return to the pre-war level. The Commission considered that the preparatory studies of the subject should be followed by a broader and co-ordinated investigation of the problem and instructed its Executive Secretary to consult with the Executive Secretary of the Economic Commission for Europe for the purpose of undertaking a joint study on ways and means of expanding trade between the countries of both regions (E/CN.12/200). With the Council's approval of this approach, (Resolution 301 (XI)), the Secretariats of the two regional commissions have engaged in the preparation of the study. It is expected that this co-operative effort will facilitate practical action.

44. To assist in the consideration of these matters, the Secretariat is preparing two studies; the first is on the capacity of the United States of America to absorb Latin American export commodities and the second is on the effects of the rearmament programme of the United States on the economies of Latin American countries. In these studies problems of both the pattern of trade and of payments and certain implications of the current emergency-problems will be presented for the consideration of the Commission. When the studies on trade problems have advanced so that inter-governmental action may be required in respect of them, the Executive Secretary, in view of the need for technical advice and recommendations "may call informal meetings of experts to be nominated by Governments", in accordance with resolutions adopted at the second and third sessions of the Commission (E/CN.12/127 and E/CN.12/200 respectively).

45. It should also be noted that resolutions of the second and third sessions (E/CN.12/127 and E/CN.12/201 respectively) dealt with the possibility of expanding trade among the countries within the region. The Secretariat in implementing these resolutions is planning to undertake a series of studies. The first study in this series on trade between Argentina and Brazil will be presented to the fourth session of the Commission.

#### 6. Balances of Payments

46. The first session of the Commission was deeply concerned with the problems which had arisen out of the disequilibrium in trade and balances of payments during the post-war period. In addition to requesting the Executive Secretary

to pay particular attention to these problems in the Economic Survey of Latin America, the Commission also requested the International Monetary Fund to prepare a report and advise it on the possibilities of setting up a system of multilateral compensation of international payments for Latin America (Resolution E/CN.12/72).

47. The report which the Fund prepared on this subject (E/CN.12/87) inter alia stated that:

"multilateral clearing by itself is likely to contribute to an expansion of trade only as part of a regional payments scheme in which members are prepared to extend special credits to each other, or can call on an outside source of foreign exchange if it is needed to help countries that are not creditors within the group to convert their surpluses for use elsewhere".

After detailed discussion, the Commission at its second session agreed with the analysis presented in the report and concluded (E/CN.12/128):

"... that, notwithstanding the desirability and advisability of giving to the system of international payments between Latin American countries themselves and between them and other countries, greater flexibility than it has at present under existing bilateral payments agreements, the structure of Inter-American trade and the net debtor position of Europe in present circumstances with regard to the United States of America afford a very limited field for special arrangements for the general multilateral compensation of international payments, and that the cost and effort which such machinery would represent, would not be justified in view of the limited benefits that would result therefrom ....."

48. The problem of international payments was again discussed at the third session of the Commission in connexion with the payments arrangements established among Western European countries. Subsequently the Executive Secretary consulted the International Monetary Fund and its Latin American Governors during the Fund's annual meeting (Paris, September 1950) on payment problems in connexion with the debate on the European Payments Union.

49. It is expected that after further consultations at the expert level the Executive Secretary may present a special report on the implications of the European Payments Union for Latin American countries to the next session of the Commission.

## 7. Transport

50. At the request of the Commission the Secretariat included a preliminary review of the transport problems in the Economic Survey of Latin America 1948.

It was understood at the first session of the Commission that certain studies of transport problems of the region would be carried out under the direction of the Transport and Communications Commission of the Council. At the second and third sessions the attention of ECLA was drawn to the recommendations of the Council and of the Transport and Communications Commission to the effect that regional action in this field comes within the field of competence of ECLA, either for its direct action or through arrangement with other agencies in the region.

51. As to the problems of maritime transport, the Commission at its third session noted that this subject was withdrawn from the agenda of the Transport and Communications Commission and that it is currently under study by the Commission on Commercial Co-operation of the Inter-American Economic and Social Council and in order to avoid duplication of work requested the Executive Secretary "to consult with the Executive Secretary of the Inter-American Economic and Social Council with a view to co-operating in the study being undertaken by the latter body" (E/CN.12/202).

52. In regard to the problems of the inland transport the Commission at its second session requested the Executive Secretary "to secure at the appropriate time, the services of economic and technical experts in the field of transport, for the purpose of undertaking, with the co-operation of governments, the appropriate specialized agencies and other international organizations, a study of transport problems in Latin America" (E/CN.12/156).

53. At its third session the Commission approved the suggestion of the Executive Secretary, who in the preparatory work for the study of inland transport problems has "found that a comprehensive study not only would require highly qualified experts but also funds beyond the resources of the Commission", (E/1717, pages 19-21), and concluded "that because of their technical nature, problems of inland transport should be dealt with through technical-economic surveys made under the technical assistance programme" (Resolution E/CN.12/192).

#### 8. Immigration

54. The problem of immigration as means of contributing to the economic development of the region has been under consideration of ECLA since its first session.

55. On the basis of the resolution of the first session (E/CN.12/66), the ECLA Secretariat jointly with the Department of Social Affairs of the

United Nations, initiated a field survey of immigration in Brazil, Chile and Venezuela which was made by two experts, one of them seconded by the Inter-American Economic and Social Council, in co-operation with the specialized agencies concerned. The survey report was presented to the third session of ECLA (E/CN.12/169).

56. The Commission, after detailed debate, requested the Executive Secretary to set up, in co-operation with the ILO and other specialized agencies concerned, a Working Committee at the Secretariat level:

- "(a) to study the relation between the economic development of Latin America and immigration;
- (b) to provide the Latin American countries at their request with:
  - (1) surveys with respect to their economic capacity to receive immigration;
  - (2) advice and assistance on the manner in which economic development can be promoted by immigration;
  - (3) advice on the feasibility of adopting specific plans and projects of economic development involving immigration for which financial and technical assistance may be needed from international organizations"  
(Resolution E/CN.12/191).

57. The Working Committee met in October 1950 composed of representatives of the ECLA Secretariat, ILO, FAO and IRO maintained liaison with UNESCO, WHO and the International Bank. The Committee has to date held three sessions, two in Santiago and one in Sao Paulo. The work was continued between sessions by the ECLA Secretariat assisted by a member of the staff of the ILO stationed in Santiago for that purpose, and by the FAO representative in Santiago. The Committee received a request for assistance from the Chilean Government and has been engaged in assisting the Development Corporation and an Italian Technical Mission in Chile in working out suitable projects. In addition, during the Committee's visit to Brazil the Committee was consulted by representatives of "Aide Suisse pour l'Europe" regarding a project to bring 100,000 Danubian-Suabians to Brazil. Expressions of interest in the Committee's work, which will be followed up in due course, have been received from Ecuador, Brazil and Bolivia. The Committee is also preparing a general study on the whole subject of the relation between economic development and immigration in Latin America.



9. Technical assistance

58. At its first session on 25 June 1948 the Commission devoted a significant part of its debates to the problems of technical assistance for economic development, and adopted a resolution on this subject. At its second session, the earliest opportunity after resolution 200 (III) had been adopted by the General Assembly in December 1948, the Commission expressed its satisfaction with the establishment of the United Nations Technical Assistance Programme, and at its third session welcomed the establishment of the Expanded Programme of Technical Assistance.

59. In response to a resolution on this subject adopted at the first session of ECLA (E/CN.12/75), the Secretariat submitted to the second session of the Commission a "Preliminary Study of Needs for Technical Assistance in Latin America" (E/CN.12/84) which dealt with technical assistance needed in connexion with specific development projects in several countries in the region.

60. Resolution E/CN.12/130 adopted at the second session of the Commission drew the attention of the Economic and Social Council to specific projects submitted to ECLA by Governments which require technical assistance and were included in the report E/CN.12/84. It also requested the Executive Secretary to establish within the ECLA Secretariat facilities that would enable the latter to assist Member Governments in appraising their most urgent technical assistance needs.

61. The Secretariat submitted an account of the action taken in respect of the United Nations Technical Assistance Programme to the third session of the Commission (E/CN.12/171) and the ILO presented a paper dealing with Training Problems in Latin America (E/CN.12/185). The Commission recommended, inter alia, that the Secretary-General:

"...utilize the Secretariat of this Commission as fully and actively as possible in assisting the Member Governments in appraising their need for technical assistance, in formulating their requests for such assistance, and in implementing such assistance."

and that the Executive Secretary:

"...report on progress made in the field of Technical Assistance in Latin America to each session of the Economic Commission for Latin America."

62. In several other resolutions, the Commission referred to certain specific needs of Latin American countries which could be met under the United Nations Technical Assistance Programme, such as inland transport problems to be dealt with through combined technical-economic surveys, immigration projects, agricultural credit, covering both needs for United Nations expert advice as well as for training of personnel under the United Nations Fellowship Programme.

63. It should also be noted that the resolution on "Economic Development and Anticyclical Policy" (E/CN.12/194) adopted by the third session of the Commission, after recommending to the Latin American governments that they should define their specific goals and programmes for economic development, drew their attention to the assistance that could be rendered by the Secretariat of the Commission in formulating such goals and programmes.

64. During the last two years the Secretariat of ECLA has performed several advisory functions in the field of technical assistance in accordance with the Commission resolutions and the policy of the Secretary-General as presented to the Commission's Third Session (E/CN.12/171). These activities primarily have been in assisting certain operational aspects of the United Nations Programme. The ECLA Secretariat has also acted since 1949 in an advisory capacity in connexion with the United Nations Fellowship Programme.

65. Cases have already been noted where the Secretariat of ECLA and its consultants have provided certain advisory services in the economic field, when requested directly by the Member Governments.

#### 10. Survey of economic research and training facilities

66. In a resolution on Technical Assistance adopted at its first session, the Commission requested the Executive Secretary to assemble information concerning training facilities in technical and administrative fields.

67. At its second session the Commission adopted a resolution on Promotion of Economic Research and Training of Economists (E/CN.12/133) which affirmed that the scarcity of adequately trained economists "hampers the formulation and execution of plans for economic development and especially the utilization of the economic resources of the Latin American countries," and requested the Executive Secretary to make an inquiry on the subject and to make recommendations. In the course of the inquiry it was found that there is very limited organized

/effort to



effort to enable economists to undertake creative research which would link theoretical knowledge with preparation for practical action, especially in the field of economic development. ECLA offers special opportunity in this respect in Latin America as it covers the whole region and in its continuous research activities has to combine theoretical and factual knowledge especially in its studies of economic development and related problems. ECLA in the course of its work has also developed close contacts with economists especially by appointment of consultants in various Latin American countries. Thus, ECLA could serve to organize technical seminars for economists. Should the governments concerned so desire, and should appropriate requests be made either individually or severally, such seminars may be undertaken under the United Nations Technical Assistance Programme.

68. The ECLA Secretariat might also undertake the training of a limited number of economists in economic development problems, who should be attached to the ECLA Research Centre for training over a fixed period of time.<sup>1/</sup> Governments might nominate candidates for Fellowships under the United Nations Technical Assistance Programme and requests that the ECLA Secretariat be selected as a training center. A proposal on these lines will be presented for consideration by the Commission at its next session.

1/ It may be noted that the Research Division of the Secretariat of ECE assumed similar functions during the last two years with respect to training of a number of European economists. The ECE programme has been financed by a grant from the Rockefeller Foundation. It may also be noted that several fellowship holders in the field of statistics spent some of their training time with the United Nations Statistical Office at the Headquarters of the United Nations.

#### IV. POSSIBLE LINES OF DEVELOPMENT

69. The Commission at its fourth session will undoubtedly undertake to appraise its accomplishments and recommend the character and direction of its future work-programme.

70. This note is not intended in any way to anticipate decisions by the Commission. The general remarks made below express the views of the Executive Secretary as a result of the work of the Secretariat; they stem largely from the studies and reports which the Executive Secretary intends to present to the Commission at the next session in accordance with his duties and responsibilities. The Commission will in due course decide to what extent, if at all, they should be incorporated in the Commission's work programme.

71. During the last two and a half years the Commission has initiated and developed many activities and made a considerable number of policy recommendations to the Member Governments. The activities undertaken are both of a continuous character and on ad hoc "project bases". Such Secretariat studies and publications as the Economic Survey of Latin America, trade and investment studies, are by now considered in Latin America as permanent features and instruments which are frequently consulted and referred to, and thus facilitate the development of co-ordinated policies of the countries in the region. Many other studies and activities such as the work of the Immigration Committee, Inquiry on Economic Research and Training Facilities, or activities and studies on selected agricultural problems undertaken jointly with FAO are gradually opening new fields leading toward developing concerted international action in the region.

72. However, undoubtedly the most important field of Commission activities is economic development, both at the research (Secretariat) and policy (inter-governmental) levels.

73. There is a necessity for integration of policy discussions and recommendations, especially in consideration of the problems of economic development in Latin America. In other words, it would seem advisable that economic growth in Latin America should not be guided by an aggregate of independent isolated policies, but rather they should be integrated into a single broad development policy so that the various instruments of action may be combined into a programme in which the objectives are clearly defined and the

/means to

means to attain them properly chosen.

74. ECLA's activity in this field mainly directed toward regional problems, as expressed at its Third Session in the adoption of the series of recommendations on economic development policies (resolution E/CN.12/194, I-X), requires further development by the continuation of both secretariat studies and inter-governmental action in order to build up a body of factual knowledge and policies adapted to the requirements of changing situation.

75. A number of ECLA research studies are gradually advancing to the stage at which the Commission could follow them up by practical operational activities. In the fields of immigration, agricultural credit and certain advisory functions in connexion with technical assistance services, the Secretariat already is performing certain operational functions.

76. It should be noted in this connexion that the activities of the ECLA/FAO Co-operative Unit in the field of agricultural credit not only resulted in the report presented to the third session of the Commission, but also in direct advice rendered to certain Member Governments, and will be followed in the spring of 1951 by a conference of experts which it is expected will lead to further practical results. A parallel development may be observed in the case of immigration studies and activities of the Working Committee on Immigration and Economic Development.

77. In due course similar responsibilities would be undertaken in several other fields such as trade expansion, and the Executive Secretary is already authorized to call informal meetings of experts to be nominated by governments when the need for such action arises. Industrial studies undertaken by the Secretariat may be followed by similar action, and the study on productivity in the cotton textile industry may be judged by the Commission at its coming session as requiring a follow-up by working out practical policy recommendations by groups of experts of interested governments.

78. The advisory functions of the Commission and its Secretariat might also be further developed as the volume of technical assistance services available to the countries of the region under the Expanded Technical Assistance Programme is enlarged.

79. While the main centre of ECLA's interest will most probably be the continuation of development studies and activities, the task of compiling information on and making an appraisal of current economic events for the

/information of

information of the Member Governments has assumed recently greater importance and a sense of urgency is attached to it. The Secretariat of ECLA is well aware of these requirements and has currently under preparation several papers for submission to the forthcoming session of the Commission. These projects include such studies and reports as expansion of trade with Europe; the United States rearmament programme on Latin America, and the implications of the European Payments Union on Latin America.

80. It is also possible, in view of these recent developments, that the Commission might wish to request the Secretariat, following the example of other regional commissions, to initiate the publication of a review of current economic trends in the region on a quarterly or semi-annual basis.

81. While the Executive Secretary considers the terms of reference of the Commission -- the basis on which its activity has been developed -- as a highly satisfactory instrument, it appears to him in the light of the above considerations that additional emphasis and more specific formulation of the Commission's responsibilities in the field of economic development would be in agreement with the importance attached by the Commission, the Economic and Social Council and the General Assembly to this complex of problems.

Furthermore, as the United Nations Technical Assistance Programme was developed since the establishment of the Commission, it may be desirable that the terms of reference of the Commission be amended to include a specific provision relating to Commission assistance to the Council and its Technical Assistance Committee in discharging functions under paragraph 6(a) of the Council resolution 222(IX).

82. Such a formulation might be expressed in two sub-paragraphs to be added to the paragraph 1 of the Commission Terms of Reference; they might be drafted as follows:

"(d) Give special attention in its activities to the problems of economic development and assist in the formulation and development of co-ordinated policies as a basis for practical action in promoting economic development in the region.

"(e) Assist the Economic and Social Council and its Technical Assistance Committee in discharging their functions with respect to the United Nations Technical Assistance Programme in particular by assisting in their appraisal of these activities in the Latin American region

## V. THE SECRETARIAT OF THE COMMISSION

83. In accordance with paragraph 14 of the Commission's terms of reference, the Secretary-General of the United Nations appointed the staff of the Commission "which shall form part of the Secretariat of the United Nations".

84. During the first year of the work of the Commission, the Secretariat was a very small body. As the work of the Commission has progressed the staff has gradually been enlarged, but it should be emphasized that it is still extremely small for discharging the responsibilities and duties entrusted to it by the Commission.

85. In view of the limited staff the Executive Secretary has in several instances employed consultants to deal with specific subjects in their special fields.

86. The Secretariat of the Commission has received continuous help from the Department of Economic Affairs of the United Nations, of which ECLA's Secretariat is an integral part.

87. During the first year of ECLA's existence, the Department of Economic Affairs assisted in the organization and development of the ECLA Secretariat; sent a senior staff member to Santiago to assist in the planning and organization of the statistical activities of the Commission; the Secretariat in Headquarters also prepared some chapters for the Economic Survey of Latin America 1948 and later assumed major responsibility for studies on Economic and Legal Status of Foreign Investments in Selected Latin American Countries. The Social Affairs Department co-operated with ECLA Secretariat in 1950 in the preparation of a study on immigration in selected Latin American countries.

88. In certain cases ECLA's Secretariat has contributed to Headquarters' work especially in the collection of information for Headquarters' projects. In this way any unnecessary duplication of efforts has been avoided.

89. ECLA has maintained close relations with the other Regional Commission Secretariats in matters of common concern. In 1951 a co-operative study of Latin American European Trade was undertaken jointly by ECLA and ECE. The ECAFE Secretariat has assisted ECLA's Secretariat in its project on measures to increase the availability of educational and scientific materials undertaken jointly with UNESCO.

90. On the initiative of the Assistant Secretary-General in charge of Economic Affairs, Executive Secretaries of the three Regional Economic Commissions met from time to time with him and Directors of the Department of Economic Affairs to discuss problems of common interest to both Regional and Headquarters Secretariats.

## VI. CO-OPERATION AND CO-ORDINATION OF WORK WITH OTHER INTER-GOVERNMENTAL AGENCIES

91. The Economic and Social Council when establishing the Commission was fully aware of the great importance of securing the maximum co-operation and programmatic co-ordination between the Economic Commission for Latin America and the other agencies in the region. Prior consultation with these agencies had been undertaken by the Ad Hoc Committee on the Proposed Economic Commission for Latin America established in August 1947 in accordance with the Council resolution 70(V) which had availed itself fully of the Council's authorization to "consult with interested agencies both within and without the United Nations."

92. The statements made on behalf of the United Nations specialized agencies attending the meetings of the Ad Hoc Committee led it to the conclusion expressed in its report to the Council (document E/630, p.24):

"That the creation of an Economic Commission for Latin America could not impede but would undoubtedly facilitate further work by the Specialized Agencies to forward the policies of the Latin American countries looking toward the raising of the level of economic activity. In particular, collaboration in the economic field between the specialized agencies, the permanent Commissions and Sub-Commissions of the Economic and Social Council, and the proposed regional commission would also encourage the concentration of efforts upon the most serious problems and in effect permit the establishment of priorities corresponding to the needs of the countries concerned."

93. Although all the Latin American members of the Council were members of the Ad Hoc Committee, the Committee felt it advisable to ascertain that the support of all the Latin American governments would be forthcoming for the establishment of ECLA.

94. Intensive consultations were also undertaken with the Pan American Union and the Inter-American Economic and Social Council. The latter established a Special Commission to consider the proposal to establish ECLA which, in January 1948, considered the Preliminary Report of the Council's Ad Hoc Committee. Subsequently, the Director-General of the Pan American Union, Dr. Lleras Camargo, transmitted for the information of the Ad Hoc Committee a

/resolution

resolution of the Inter-American Economic and Social Council adopted on 15 January 1948, which resolved:

"to support the immediate establishment of the proposed Economic Commission for Latin America under the Economic and Social Council of the United Nations".

95. This recommendation of the Inter-American Economic and Social Council was subsequently endorsed at the Ninth International Conference of American States.

96. The Ad Hoc Committee recommending unanimously to the Council establishment of ECLA in its report to the Council (document E/630, p.29):

"concluded that special safeguards would be necessary in order to ensure the proper co-ordination of efforts between the organs of the Inter-American System and the proposed Economic Commission for Latin America. It was evident that the actual arrangements to secure such co-ordination would have to be a matter for direct discussion between these two institutions. However, it was held that specific provision should be made in establishing an Economic Commission for the maximum co-operation and co-ordination between the two institutions and for as precise an indication as possible of the Economic Commission's proposed field of work in order to lessen the possibility of duplication."

97. As recommended by the Ad Hoc Committee, the terms of reference of the Commission adopted by the Council in resolution 106(VI) of 25 February 1948 included specific provisions for co-operation and co-ordination with the United Nations specialized agencies and with the organs of the Inter-American System as well as with the Caribbean Commission. Paragraphs 8 and 9 of the terms of reference of the Commission read as follows:-

"8. The Commission shall take measures to ensure that the necessary liaison be maintained with other organs of the United Nations and with the Specialized Agencies with special attention to the avoidance of the duplication of efforts."

"9. The Commission shall co-operate with and take the necessary measures to co-ordinate its activities with the appropriate organs of the Inter-American System and as may be necessary with the Caribbean Commission to avoid any unnecessary duplication of effort between those organs and itself; to this end the Commission is empowered to and shall seek to make working arrangements with the appropriate organs of the Inter-American System regarding the joint or independent study or

1 Paragraphs 5, 7a and 10 contain additional and more detailed provisions which pertain to the Commission's recommendations directly to the specialized agencies concerned, reciprocal representation at meetings and consultations in connexion with the establishment of subsidiary bodies respectively.



execution of economic problems within its competence, and the fullest exchange of information necessary for the co-ordination of efforts in the economic field. The Commission shall invite the Pan American Union to nominate a representative to attend meetings of the Commission in a consultative capacity."

98. Thus the Commission received a dual responsibility in the co-ordination of its activities with the specialized agencies of the United Nations and with other inter-governmental agencies of exclusively intra-regional interests. The accomplishments of the co-operation and co-ordination measures should be viewed as largely inter-dependent. For instance, while the emphasis in relations with the Inter-American Economic and Social Council was placed on paragraph 2 of the Commission's terms of reference dealing mainly with world economic maladjustments as affecting Latin America, the specialized agencies in their relations with the Commission have often placed emphasis rather on certain intra-regional aspects of the Latin American countries' economic development problems such as agricultural credit, (a joint project of FAO and ECLA). <sup>1/</sup>immigration (a co-operative project of ILO, FAO, IRO and ECLA), and productivity of cotton textile industries (an ECLA project undertaken with the assistance of the International Bank).

99. The Ninth International Conference of American States, held in Bogota, Colombia, in the Spring 1948, in its Resolution Ten resolved:-

"1. That the Inter-American Economic and Social Council shall appoint a Committee of not more than three members, to meet with the Economic Commission for Latin America in Santiago, Chile, next June, to draft an appropriate formula for the functioning of the two organizations, and to define their respective fields of activity and their general programs, including liaison between the two organizations, so as to avoid the aforesaid duplication in organization, personnel and functions.

"2. That the results of this joint meeting shall be submitted for approval to the Economic and Social Council of the United Nations and the Inter-American Economic and Social Council. Pending their approval, any concrete study planned by the Economic Commission for Latin America or the Inter-American Economic and Social Council relating to organization, personnel or substantive work should be carried out only after detailed consideration by the joint meeting of consultation mentioned above."

<sup>1/</sup> In this project the Secretariat of the Inter-American Economic and Social Council co-operated.



100. It may be noted at this point that the Inter-American Economic and Social Council, in its relations with ECLA, has acted in accordance with the above quoted Resolution Ten of the Ninth International Conference of American States and the Co-ordination Agreement reached between its representatives and the Commission at the first session of ECLA in Santiago, Chile, June 1948 (see section 2 below).

101. It may be added that in May 1950 the Council of the Organization of American States approved the statutes of the Inter-American Economic and Social Council which in Article 13 state:

"The Inter-American Economic and Social Council, in agreement with the Council of the Organization of American States, is authorized to establish co-operative relations with the corresponding organs of the United Nations... that function within its sphere of action."

102. This provision has been further developed in Chapter Ten of the Regulations of the Inter-American Economic and Social Council, approved in December 1950.<sup>1/</sup> It should be noted that these regulations are in agreement with the co-ordination arrangements agreed upon between ECLA and representatives of the Inter-American Economic and Social Council at the first session of the Commission.

103. In accordance with its terms of reference and these agreements, ECLA has steadily sought the maximum of co-operation and co-ordination; the steps taken to this end may be summarized as follows:-

1. Specialized agencies

104. In pursuance of the provisions of its terms of reference the representatives of the specialized agencies were invited to participate in the first session of the Commission and the following agencies were represented: ILO, FAO, UNESCO, WHO, ICAO, IRO and the International Monetary Fund. In the course of the first session the basic work programme of ECLA was adopted in a series of resolutions, which wherever appropriate called for co-operation and co-ordination of work between the Commission and the specialized agencies concerned.

<sup>1/</sup> See Appendix E.

105. Since the first session, co-operation and the co-ordination of work between ECIA and the several specialized agencies has been considerably developed. Representatives of most of the specialized agencies have attended all sessions of the Commission, and representatives of the ECLA Secretariat have attended the several regional conferences of the specialized agencies whose work related to ECLA's; this participation has been accompanied by the exchange of reports, studies and other documents. In certain cases the specialized agencies have proposed items for inclusion in the Commission's agenda, have contributed papers and studies especially prepared and have participated actively in the consideration of problems by ECLA while the ECLA Secretariat has within its available resources, contributed similarly to the regional conferences of specialized agencies.

106. These arrangements have been supplemented by close working arrangements at the Secretariat level. The ECIA Secretariat has regularly consulted with specialized agencies on problems of common concern, has exchanged research materials and in accordance with Commission decisions has both undertaken several joint studies and has set up joint working groups. In particular, very close co-operation has been established with the FAO details of which are given below.

107. As the common interests of the Commission and of the several specialized agencies were recognized it was possible by measures of co-operation and co-ordination applied and developed since the establishment of the Commission, to secure the virtual elimination of any duplication of work and to ensure a concentration of effort on a number of important regional problems. As most effective and recent examples of this satisfactory development, the joint ECLA/ECE trade study may be quoted which had involved assistance and co-operation from several agencies, including the International Bank, the International Fund and the FAO; ECLA's Working Committee on Migration and Economic Development is a further example in which the ILO, IRO and FAO are participating and other agencies concerned are interested, and have promised to extend their active co-operation at appropriate stages of its work.

/International

International Labour Organisation

108. The ILO and ECLA have established close relations in view of their common concern with a number of problems, particularly those of technical training and immigration.
109. ECLA and ILO have co-operated in the implementation of a resolution adopted by the first session of the Commission on technical training and technical assistance in Latin America. As a result of an agreement with ILO an expert of the Organization carried out a survey of needs and facilities for technical training in Latin America while ECLA's Secretariat concentrated in its preliminary report on technical assistance in the region. The ILO report was considered at the second session of ECLA.
110. The ILO has co-operated with ECLA on the study of immigration to Latin America, commented upon the questionnaire prepared for the field survey and the draft report on Immigration in Chile, Brazil and Venezuela as well as supplied information that was used in the report presented to the third session of the Commission.
111. In conformity with the recommendation of the Preliminary Migration Conference of ILO (Geneva, April-May 1950) the conclusions and recommendations of the latter were put before the third session of the Economic Commission for Latin America which welcomed the action taken by the ILO and adopted a resolution embodying conclusions which are in line with those of the ILO Conference. The Chairman of ECLA's Working Committee on Immigration and Economic Development participated in the inter-agency meeting called by the ILO to discuss certain proposals for submission to governments in connexion with the implementation of the recommendations of the Preliminary Migration Conference (September 1950, Geneva).
112. In compliance with a resolution on Immigration (E/CN.12/194) adopted by the third session of the Commission, a Working Committee on Immigration and Economic Development at the Secretariat level has been set up by ECLA with the participation of ILO and other specialized agencies concerned.
113. The co-operation between ILO and ECLA is developing on the basis of a broad understanding that ECLA is dealing with the economic aspects of certain problems of interest to ILO and direct co-operation at the secretariat level ensures avoidance of overlapping of activities, as in the case of ECLA's Committee on Immigration and Economic Development.

114. The ILO has been represented at each of the ECLA sessions and members of the ECLA Secretariat have attended several ILO regional meetings.

Food and Agriculture Organization

115. The importance of agriculture in the economies of the Latin American countries has led to the establishment of very close relations between ECLA and FAO.

116. The first session of the Commission was requested by the sixth session of the Economic and Social Council to examine and recommend action with respect to the problems which had arisen out of the post-war food shortages. In response to this request of the Council the Commission instructed the Executive Secretary to consult with the Director-General of the FAO in order to establish a joint working party to study the possibilities of increasing food production in the region and collect information on agriculture requisites in Latin America. The report of this working party led, in turn, to a request by the Commission for several investigations and studies on matters of common concern for both organizations to be carried out in close co-operation with FAO.

117. Accordingly the Executive Secretary of ECLA and the Director-General of FAO entered into an agreement in September 1949 for the establishment of an FAO/ECLA Co-operative Unit at the Secretariat level placing the relations between the two Organizations on a more permanent basis.<sup>1/</sup>

118. The ECLA/FAO Co-operative Unit, assisted by an expert from the Inter-American Economic and Social Council, made a study of agricultural credit in the Central American countries, which was considered at the third session of ECLA, to be followed, in accordance with the Commission's recommendation, by a meeting of experts, organized by ECLA and FAO (Spring 1951).

119. In November 1950 a new and comprehensive agreement was signed by the Executive Secretary of ECLA and the Director-General of FAO, which placed all the activities and studies of common concern on a joint basis by the establishment of an Agriculture Section in ECLA, to be headed by a senior agricultural economist of the FAO, who is to be the personal representative of the Director-General of FAO, nominated by him in consultation with the Executive Secretary of ECLA. It has been agreed that ECLA studies and other activities which have any agricultural bearing will be discussed with FAO before they are initiated. Likewise, all FAO work which involves the economic affairs of Latin America will be discussed with ECLA before it is initiated.

<sup>1/</sup> For details of the agreement see document E/1684, pp.25-26.

120. The common approach to these subjects of joint interest has been expressed as follows:

(a) Work in regard to the economic problems of food and agriculture in Latin America is a responsibility of both ECLA and FAO. ECLA has to study these matters in relation to all other economic matters of Latin America and in relation to other areas of the world which affect the Latin American economy. FAO has to study them in relation to the agricultural economic problems of other regions and of the world and in connexion with its responsibility for all technical agricultural questions in Latin America. The ECLA Secretariat has to service its Commission of Member Governments and, as far as possible, carry out the Commission's resolutions. The FAO Secretariat has a similar relation to its Conference.

(b) In order to avoid duplication or competition in areas of common interest, it is agreed between the two organizations that a programme of work should be carried out jointly by the two secretariats in this field. FAO undertakes to service ECLA in the agricultural field on the basis of mutually agreed projects. To reach an agreed programme will involve periodic consultation between the two secretariats, which should normally take place at the time work programmes for the ensuing year are being formulated.

121. The ECLA/FAO agreement covered the joint work programme for 1950-51 on the understanding that any changes in the programme will be mutually agreed before they are made. The programme agreed for 1950-51 includes the following projects: Economic Survey of Latin America (sections on agriculture and related problems), agricultural credit (continuation of a joint project), ECLA/ECE Joint Trade Study (trade in agricultural products and related subjects), plans and programmes in food and agriculture, problems of distribution, the work in migration, in which FAO and ECLA are collaborating with ILO, IRO and other interested agencies. Relative priorities attached to joint projects as well as the detailed organizational, staffing and financial arrangements have been worked out in implementation of the principles of understanding.

/122. The representatives

122. The representatives of FAO attended all the sessions of ECLA which in turn was represented at several regional meetings of FAO.

United Nations Educational, Scientific and Cultural Organization

123. Co-operation between UNESCO and ECLA has been established since the Commission's first session on a number of problems of common concern to both agencies.

124. Following a resolution passed at the third session (E/CN.12/204), ECLA and UNESCO are co-operating to facilitate trade and increase supplies of educational, scientific and cultural materials among the Latin American countries and between Latin American and other regions. ECLA's Executive Secretary has sent a questionnaire on this matter to the Latin American Governments. It is planned to establish jointly with UNESCO a small working group at the Secretariat level to deal with this problem after the answers to questionnaires are returned.

125. UNESCO has been represented at all ECLA sessions.

World Health Organization

126. Up to the present time co-operation between ECLA and WHO has been largely limited to exchange of documents and attendance at each other's meetings. ECLA was represented, and presented a paper on the relationship between economic and health problems of Latin America at the Third Meeting of the Directing Council of the Pan-American Sanitary Bureau, which is the Regional Office of the World Health Organization, held at Lima, Peru, 6-12 October 1949.

127. WHO and the Pan-American Sanitary Bureau were represented at the first and second sessions of ECLA.

International Bank for Reconstruction and Development

128. Following the first session of the Commission, the Executive Secretary of ECLA has entered into an arrangement with the Bank for exchange of documents and information on problems of common interest. The Bank made available to the ECLA Secretariat several of its research studies and background material useful to its work. In addition, it has extended active co-operation in connexion with a number of ECLA research projects.

129. In 1950 the Bank has expressed its interest in the study of the productivity of the cotton textile industries in Latin America, and provided financial assistance for carrying out the field survey on which the study is based.

130. The Bank in 1949 and 1950 has co-operated in the ECLA studies of immigration. It participated in the preparation of a questionnaire for the field survey undertaken by ECLA and the Department of Social Affairs, in Chile, Brazil and Venezuela and commented upon the report prepared by experts, prior to its submission to the third session of the Commission.

131. The Bank has indicated its active interest in the work of the ECLA Committee on Immigration and Economic Development and requested to be kept informed of its activities.

132. The Bank has been represented at the second session of ECLA.

#### International Monetary Fund

133. After the first session of ECLA, the Executive Secretary of the Commission entered into an arrangement with the Fund, under which the Secretariat of ECLA received several studies and other material from the Fund. The latter organization had prepared studies for ECLA on import and export prices, and on balance of payments which were used in preparation of the Economic Survey of Latin America 1948.

134. At the request of the Commission at its first session the International Monetary Fund prepared a report on the practicability and desirability of establishing a "Multilateral Compensation of International Payments" which was presented to the second session of ECLA.

135. The Fund is extending assistance in connexion with ECLA/ECE Joint Trade Study in particular on the balance of payments problems involved.

136. The ECLA secretariat has consulted with the Fund's staff on various problems dealt with in the second (1949) and third (1950) Economic Surveys of Latin America and other studies under preparation. The Fund has made available to ECLA research studies and other data in the field of international trade, finance and monetary problems.

137. The Fund has been represented at all ECLA sessions.

#### International Refugee Organization

138. The IRO has co-operated with ECLA first in the preparation of the report on Immigration presented to the Third Session of the Commission. The IRO has appointed a representative to the ECLA Working Committee on Immigration and Economic Development, and through its different field offices has collected material and made useful contacts for the work of the Committee.



Inter-American Economic and Social Council of  
the Organization of American States

139. Representatives of the Inter-American Economic and Social Council appointed in compliance with Resolution Ten of the Ninth International Conference of American States, participated in the first session of the Commission and entered into consultations with its Committee on Co-ordination established by the Commission to deal with questions covered by paragraph nine of the terms of reference of the Commission.

140. As a result of a full exchange of views between representatives of both agencies an agreement has been reached on co-operation and co-ordination measures embodied in the resolution of ECLA's first session (document E/840, pp. 29-30) which may be summarized as follows:

At the Government Level:

(a) The Inter-American Economic and Social Council shall be accorded all facilities to participate in the meetings of the Commission and to receive all reports and economic, statistical and technical material on a reciprocal basis, as well as to maintain continuous liaison;

(b) The Commission shall direct its activities especially toward the study and seeking of solutions of problems arising in Latin America from world economic maldadjustment and toward other problems connected with the world economy, with a view to the co-operation of the Latin American countries in the common effort to achieve world-wide recovery and economic stability (paragraph two of the terms of reference);

(c) The Commission's programme of work as embodied in the resolutions of the first session has been established with due regard to the necessary co-ordination between both agencies; the programme of work will be reviewed and, if necessary, supplemented or modified at subsequent sessions; and for this purpose contact shall be maintained between the Commission and representatives of the Inter-American Economic and Social Council;

At the Secretariat Level:

(d) The Executive Secretary of ECLA shall take all necessary steps to implement paragraph (a) above, including provision for

/the exchange



the exchange of officers, on a mutual basis, in order to establish the necessary procedures to effectuate and maintain liaison in a manner deemed to be adequate;

(e) In carrying out the programme of work assigned to him, the Executive Secretary of ECLA shall co-ordinate his work with the Inter-American Economic and Social Council, maintaining due liaison with the appropriate authorities of this organization, without prejudice to necessary independent measures which he may take if the implementation of the Commission's programme of work makes such action necessary.

141. In implementation of this agreement, ECLA has continuously maintained close relations with the Inter-American Economic and Social Council.

142. The Inter-American Economic and Social Council has received all ECLA documents, including the provisional agenda and the proceedings of its meetings; its representatives have participated in all the sessions of the Commission.

143. At its second session the representatives of the Inter-American Economic and Social Council presented a memorandum which expressed their views on the attempts to arrive at the separation of fields of interest of both agencies. The memorandum (document E/CN.12/AC.4/W.2) stated, inter alia:

"...It is not yet possible to separate the respective fields of activity of the ECLA and the Council. Separation of their two separate spheres of action may perhaps be possible at a later stage in the development of both organs, but further efforts to that end seem premature at present. Consequently, the Council wishes to express its point of view that just as the ECLA is entitled to continue its own work without limitation, so also the Council will do the same, both organs proceeding in accordance with the instructions issued in their respective cases by the United Nations Economic and Social Council and the Ninth International Conference of American States.

"The preceding statement does not imply the exclusion of co-ordination and co-operation between the ECLA and the Council. Such co-ordination and co-operation can and should exist, even though the corresponding spheres of action of each organ are not precisely delimited..."

144. While the distinct spheres of interest of the two agencies were therefore not delimited, the co-operation and co-ordination of their work has been achieved to a considerable extent by measures taken at the Secretariat level.

/This situation

This situation was clarified when at the Second Session of ECLA, the Executive Secretaries of both agencies presented a joint statement (document E/CN.12/120), which reads in part:

"... Since both organizations must deal with similar problems in the same general field of research and study it is desirable that the studies made by one group supplement the results achieved by the other in such a way that the work of each will be greatly enhanced. It is our considered opinion that the test of effective co-operation lies in the net result of such combined efforts... We believe, in brief, that the problem of co-ordination should not be viewed in a narrow sense, that is, in a sense that would point to a rigid distribution of technical assignments... In proposing a plan whereby the absence of unnecessary duplication can best be guaranteed we are conscious of a great sense of responsibility... The Executive Secretaries should report... to their respective organizations on the manner in which they meet their responsibilities in guarding against unnecessary duplication and in maintaining effective collaboration."

145. At the third session of ECLA the Commission again reviewed co-operation and co-ordination arrangements with the Inter-American Economic and Social Council taking into account statements made by the representatives of the latter. As in the previous Session the Executive Secretaries of both agencies presented a joint statement (E/CN.12/212) which reaffirmed principles laid down in the statement presented to the second session of the Commission (E/CN.12/120). The Executive Secretary of ECLA stated that in his view there had been no duplication of work. This was also the opinion of the Executive Secretary of the Inter-American Economic and Social Council (see document E/1717, pp.46-47).

146. The Commission adopted resolution (E/CN.12/203) which

"...Reaffirms its policy of avoiding unnecessary duplication of effort, and consequently the resolution adopted at its Second Session on Co-operation between the Economic Commission for Latin America and the Inter-American Economic and Social Council and on co-ordination of the work of the two bodies (E/CN.12/153); and

"Commends the Executive Secretary for his collaboration with the Inter-American Economic and Social Council and other international organizations and requests that this collaboration be continued and strengthened."

147. Thus the terms of the agreement on co-ordination with the Inter-American Economic and Social Council reached at the first session of ECLA (see above) have been implemented on lines agreed to and accepted by both agencies and this understanding has been endorsed in the deliberations and decisions of the ECLA sessions.

/148. Avoidance

148. Avoidance of unnecessary duplication of work, as stated by the Executive Secretaries of both agencies, was made possible by implementation of measures devised at the Secretariat level in pursuance of the agreement. During the past two and a half years, the Executive Secretaries of both agencies, or their Deputies, have discussed extensively and at frequent intervals, the work programme for which they were each responsible. Such consultations were undertaken during each ECLA session, attended by the Executive Secretary of the Inter-American Economic and Social Council and during several visits to Washington, D.C. of the Executive Secretary of ECLA and his Deputy. In addition to meetings of the Executive Secretaries frequent consultation and liaison by correspondence were maintained.

149. The Secretariat of the Inter-American Economic and Social Council has been kept informed of the work-programme and activities of ECLA and its current projects and plans and exchange of documents and studies has been arranged.

150. The Executive Secretary of ECLA consulted with the Executive Secretary of the Inter-American Economic and Social Council regarding the desirability and convenience of having a member of the ECLA professional staff stationed at the Inter-American Economic and Social Council's Headquarters (see document E/CN.12/190, p.12), and late in 1950 three ECLA economists and a secretary were stationed in Washington, D.C., working in close contact with the Secretariat of the Inter-American Economic and Social Council.<sup>1/</sup>

151. The members of the staff of the Inter-American Economic and Social Council at ECLA's initiative, participated in several ECLA studies and working groups.

152. None of the agencies embarked on a major special study in which the other agency indicated its predominant interest. For instance, ECLA did not engage in a study of maritime shipping affecting Latin American economies, as this was under investigation by the Inter-American Economic and Social Council, while none of the ECLA special studies unnecessarily overlapped the studies of the Secretariat of the Inter-American Economic and Social Council.

153. The following major cases of co-operative measures taken in connexion with ECLA's research projects may be noted:

<sup>1/</sup> By courtesy of the Secretariat of the Inter-American Economic and Social Council their office has been established in the latter's Headquarters in the Pan-American Union Building.

(a) In connexion with ECLA's Economic Survey for 1948, the outline for the country study was sent to the Executive Secretary of the Inter-American Economic and Social Council for comments and suggestions before it was sent to governments. In turn, the draft of the questionnaire on selected economic problems prepared by the Inter-American Economic and Social Council was discussed with the Secretariat of ECLA.

(b) The Secretariat of the Inter-American Economic and Social Council participated in the planning and preparation of the study on the legal and economic status of foreign investments in Latin American countries, including reports presented to the Commission at its third session and participated in the studies now in preparation.

(c) The Inter-American Economic and Social Council Secretariat actively collaborated in the ECLA/FAO studies on agricultural credit in Central America. An expert from that organization participated in the survey undertaken by the study group of the ECLA/FAO Co-operative Unit and in the preparation of advice given to the governments of El Salvador, Honduras and Cuba regarding the re-organization and improvements of their agricultural credit institutions. The staff of the Inter-American Economic and Social Council participates in further research undertaken in this field.

(d) In respect to the studies on immigration, the staff member seconded by the Secretariat of the Inter-American Economic and Social Council participated in the field survey in Chile, Venezuela and Brazil and in the drafting of the report on immigration presented to the third session of the Commission.

### 3. Caribbean Commission

154. In accordance with the provisions of paragraph 9 of its terms of reference, the Economic Commission for Latin America established relations with the Caribbean Commission, with a view to avoid duplication of effort.

155. The Secretariats of both organizations arranged for the exchange of documents and information. The Executive Secretary of ECLA has communicated with the Secretariat of the Caribbean Commission on problems of common interest.

156. Representatives of the Caribbean Commission have attended the sessions of the Economic Commission for Latin America.

## VII. RELATIONS WITH NON-GOVERNMENTAL ORGANIZATIONS

157. The terms of reference of the Commission include a provision on relations with non-governmental organizations (paragraph 7(b)), which reads:

"The Commission shall make arrangements for consultation with non-governmental organizations which have been granted consultative status by the Economic and Social Council, in accordance with the principles approved by the Council for this purpose".

158. In accordance with this provision the Commission included in its rules of procedure which were adopted at its first session in fulfilment of paragraph eleven of its terms of reference, rules on relations with non-governmental organizations which followed the principles established by the Council. <sup>1/</sup>

159. The sessions of the Commission were attended by representatives and observers of the following non-governmental organizations having consultative status with the Economic and Social Council:

### First session

World Federation of United Nations Associations (Category A)  
Inter-American Council of Commerce and Production (Category B)

### Second session

American Federation of Labor (Category A)  
World Federation of Trade Unions (Category A)  
World Federation of United Nations Associations (Category A)  
National Association of Manufacturers (USA) (Category B)

### Third session

International Chamber of Commerce (Category A)  
International Confederation of Free Trade Unions (Category A)  
World Federation of United Nations Associations (Category A)  
Inter-American Council of Commerce and Production (Category B)  
International Organization for Standardization (Category B)  
International Transport Workers' Federation (Category B)  
National Association of Manufacturers (USA) (Category B)

160. The non-governmental organizations represented at the meetings of ECLA have followed the work of the Commission with interest. On numerous occasions they have availed themselves of the facilities accorded to them by the Commission to submit statements and participate in the debates, as has been recorded in the Commission proceedings.

<sup>1/</sup> See Appendix D, Rules of Procedure, and in particular Chapter XI, Relations with Non-governmental Organizations in Categories A, B and C, as well as rules 5, 7, 8, 9, 44 and 47.

161. At its tenth session the Economic and Social Council revised the statute for consultative arrangements with non-governmental organizations which provided two systems for consultations with those organizations, one for the Council itself and another one for its functional commissions (Resolution 288 (X)).

162. In agreement with paragraph 7(b) of the Commission terms of reference, this action calls for the revision of its rules of procedure dealing with relations with non-governmental organizations and, with Council approval, the Commission will need to adjust its arrangements to conform with one or other of the new systems. The Executive Secretary intends to suggest to the Commission that the rules adopted for the functional commissions be adopted because they are simpler and more general than those of the Council itself, and would appear therefore more suitable.

APPENDIX A  
LIST OF STUDIES AND OTHER SUBSTANTIVE PAPERS  
PREPARED BY THE ECLA SECRETARIAT

<u>Title</u>	<u>Date Issued</u>	<u>Symbol</u>
Economic Survey of Latin America 1948	15 May 1949	E/CN.12/82 (Sales number: 1949.II.G.1)
Table of contents:		
Part one: Trends in Production		
Chapter 1 - Manufacturing		
2 - The Construction Industry		
3 - Mining		
4 - Agriculture		
Part two: Other Economic Aspects		
Chapter 5 - Population Characteristics		
6 - Transportation		
7 - Foreign Trade		
8 - Balance of Payments		
9 - The Inflationary Process		
10 - Latin American and European Recovery		
Agricultural Requisites in Latin America (Report of the Joint ECLA/FAO Working Party)	15 May 1949	E/CN.12/83 (Sales number: 1950.II.G.I)
Table of contents:		
Chapter I - General factors affecting the use of agricultural requisites in Latin America		
II - Farm Machinery		
III - Fertilizers		
IV - Pesticides		
V - Storage		
VI - Programmes for increasing the area under cultivation		
VII - Fisheries		
Preliminary Study of Needs for Technical Assistance in Latin America	5 May 1949	E/CN.12/84
Prospects for Trade Expansion	5 May 1949	E/CN.12/85
Prospects for Agricultural Development	5 May 1949	E/CN.12/86



<u>Title</u>	<u>Date issued</u>	<u>Symbol</u>
The Economic Development of Latin America and its Principal Problems	14 May 1949	E/CN.12/89 (Sales number: 1949:II.G.2)

Table of contents:

- I. Introduction
- II. The advantages of technical progress and the countries of the periphery
- III. Latin America and the high productivity of the U.S.
- IV. The problem of the dollar shortage and its repercussions in Latin America
- V. Capital formation in Latin America and the inflationary process
- VI. The limits of industrialization
- VII. Basis for the discussion of anti-cyclical policy in Latin America

Economic Survey of Latin America 1949	1 May 1950	E/CN.12/164
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Table of contents:

- Chapter I - Current Economic Developments in Latin America
- II - The Extension of Technical Progress in Latin America and the problems involved
  - III - The Weakening of Latin America's capacity to import during the past twenty-five years
  - IV - The extension of technical progress and the terms of trade
  - V - Contrasts and the differences in the process of economic development
  - VI - Consequences of the differences in income
  - VII - The economic development of Argentina
  - VIII - The economic development of Brazil
  - IX - The economic development of Chile
  - X - The economic development of Mexico

<u>Title</u>	<u>Date issued</u>	<u>Symbol</u>
Annex B - Agricultural development in Brazil		
C - Agricultural development in Chile		
D - Agricultural development in Cuba		
E - Agricultural development in Mexico		
F - Mining in Latin America		
H - Industrial development in Brazil		
I - Industrial development in Chile		
J - Industrial development in Cuba		
K - Industrial development in Mexico		
L - Public Finance		
Trade trends and Policies in Latin America	1 May 1950	E/CN.12/165
Economic and Legal Status of Foreign Investments in Selected Latin American Countries	1 May 1950	E/CN.12/166
Add. 1 - Foreign investments in Argentina		
2 - Foreign investments in Brazil		
3 - Foreign investments in Chile		
4 - Foreign investments in Colombia		
5 - Foreign investments in Cuba		
6 - Foreign investments in Uruguay		
7 - Foreign investments in Guatemala		
8 - Foreign investments in Mexico		
9 - Foreign investments in Venezuela		
Agricultural Credit in Central America	1 May 1950	E/CN.12/167
Add. 1 - Agricultural credit in Costa Rica		
2 - Agricultural credit in El Salvador		
3 - Agricultural credit in Guatemala		
4 - Agricultural credit in Honduras		
5 - Agricultural credit in Nicaragua		
Situation and Prospects of Immigration in Selected Latin American Countries	1 May 1950	E/CN.12/169
Add. 1 - Immigration in Brazil		
2 - Immigration in Chile		
3 - Immigration in Venezuela		

APPENDIX B

PRELIMINARY LIST OF RESEARCH AND OTHER PROJECTS, INCLUDING STUDIES AND OTHER  
REPORTS UNDER PREPARATION OR TO BE STARTED IN 1951 BY THE ECLA

Secretariat

1. Economic Survey of Latin America 1950

Preliminary Table of Contents

Part one: Recent changes in the economic situation of Latin America

Section one: Introduction;  
General analysis

- Chapter 1. Agriculture
- 2. Industry
- 3. Mining
- 4. Balance of Payments
- 5. Controls
- 6. Inflation
- 7. Consequences of the emergency situation

Section two: Country Studies

- Chapter 1. Argentina
- 2. Brazil
- 3. Bolivia
- 4. Colombia
- 5. Cuba
- 6. Chile
- 7. El Salvador
- 8. Guatemala
- 9. Peru
- 10. Venezuela
- 11. Mexico

(Country studies will consider the following subjects)

- a. Available goods and capitalization
- b. Development plans
- c. Production
- d. Foreign Trade
- e. Balance of Payment
- f. Money and prices
- g. Public finances)

/Part two:

Part two: Economic Development

(Continuation of the Country studies started in the  
1949 Survey)

- Chapter 1. Bolivia  
2. Cuba  
3. Guatemala  
4. Uruguay

2. Economic Survey of Latin America 1951.

3. Some Theoretical and Practical Problems of Economic Growth.

4. Cyclical Fluctuations in Latin America.

5. Study of Latin American European Trade.

Undertaken jointly by ECLA and ECE under resolution E/CN.12/200  
with the collaboration of FAO and the International Monetary Fund.

6. Brazil-Argentine Trade

First of a series of studies which will examine the problems of intra-regional  
trade in relation to complementary development of resources and industry within  
the region.

7. United States Capacity to Absorb Latin American Products.

8. Effect of the United States Defense Programme on Latin America.

9. Implications of the European Payments Union on Latin America.

10. Productivity of the Cotton Textile Industries in Selected Latin American  
Countries.

11. Iron and Steel Industry in Latin America.

12. Wood-pulp and Paper Industries in Latin America.

13. Agricultural Credit in Central American Countries.

Continuation of a series of studies started in 1949.

14. Legal and Economic Status of Foreign Investments in Latin American Countries.

Continuation of the series of studies started in 1949.

15. Study of the Relation between Economic Development and Immigration.  
Under preparation by ECLA's Economic Development and Immigration Committee comprised of members of Secretariat of ECLA, ILO, FAO and IRO.
16. Preliminary Survey of Major Inland Transport Problems in Selected Latin American Countries.
17. Inquiry on Facilities for the Training of Economists in Latin America.
18. Effects of emergency situation on the Economies of Latin American countries.
19. Economic Bulletin  
Publication of a review of current economic trends in the region on a quarterly or semi-annual basis.

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APPENDIX C

TERMS OF REFERENCE AS ADOPTED BY THE ECONOMIC AND SOCIAL COUNCIL  
ON 25 FEBRUARY 1948 (RESOLUTION 106 (VI)) AND AMENDED BY THE  
COUNCIL ON 12 AUGUST 1949 (RESOLUTION 234 B (IX))

The Economic and Social Council,

Having considered the report of the ad hoc Committee appointed to study the factors bearing upon the creation of an Economic Commission for Latin America, and Having noted General Assembly resolutions 119 (II) and 120 (II),  
Establishes an Economic Commission for Latin America with terms of reference as follows:

1. The Economic Commission for Latin America, acting within the framework of the policies of the United Nations and subject to the general supervision of the Council, shall, provided that the Commission takes no action in respect to any country without the agreement of the Government of that country:

(a) initiate and participate in measures for facilitating concerted action for dealing with urgent economic problems arising out of the war and for raising the level of economic activity in Latin America and for maintaining and strengthening the economic relations of the Latin-American countries both among themselves and with other countries of the world;

(b) make or sponsor such investigations and studies of economic and technological problems and developments within territories of Latin America as the Commission deems appropriate;

(c) undertake or sponsor the collection, evaluation and dissemination of such economic, technological and statistical information as the Commission deems appropriate.

2. The Commission shall direct its activities especially toward the study and seeking of solutions of problems arising in Latin America from world economic maladjustment and towards other problems connected with the world economy, with a view to the co-operation of the Latin-American countries in the common effort to achieve world-wide recovery and economic stability.

/3. (a) Membership

3. (a) Membership of the Commission shall be open to Members of the United Nations in North, Central and South America, and in the Caribbean area, and to France, the Netherlands and the United Kingdom. Any territory, or part or group thereof, within the geographic scope of the Commission's work, may, on presentation of its application to the Commission by the Member responsible for the international relations of such territory, part or group of territories, be eligible for admission by the Commission as an associate member of the Commission. If it has become responsible for its own international relations, such territory, part or group of territories, may be admitted as an associate member of the Commission on itself presenting its application to the Commission.
- (b) Representatives of associate members shall be entitled to participate without vote in all meetings of the Commission, whether sitting as Commission or as Committee of the Whole.
- (c) Representatives of associate members shall be eligible to be appointed as members of any committee, or other subordinate body, which may be set up by the Commission and shall be eligible to hold office in such body.

k. The geographical scope of the Commission's work is the twenty Latin-American States Members of the United Nations, participating territories in Central and South America which have frontiers adjoining any of these states, and participating territories in the Caribbean area.

5. The Commission is empowered to make recommendations on any matters within its competence directly to the Governments of members or associate members concerned, Governments admitted in a consultative capacity, and the specialized agencies concerned. The Commission shall submit for the Council's prior consideration any of its proposals for activities that would have important effects on the economy of the world as a whole.

6. The Commission shall invite any Member of the United Nations not a member of the Commission to participate in a consultative capacity in its consideration of any matter of particular concern to that non-member, following the practices of the Economic and Social Council.



7. <sup>1/</sup> (a) The Commission shall invite representatives of specialized agencies to attend its meetings and to participate, without vote, in its deliberations with respect to items on its agenda relating to matters within the scope of their activities; and may invite observers from such other inter-governmental organizations as it may consider desirable in accordance with the practices of the Council;

(b) The Commission shall make arrangements for consultation with non-governmental organizations which have been granted consultative status by the Economic and Social Council, in accordance with the principles approved by the Council for this purpose.

8. The Commission shall take measures to ensure that the necessary liaison be maintained with other organs of the United Nations and with the specialized agencies with special attention to the avoidance of the duplication of efforts.

9. The Commission shall co-operate with and take the necessary measures to co-ordinate its activities with the appropriate organs of the Inter-American System and as may be necessary with the Caribbean Commission to avoid any unnecessary duplication of effort between those organs and itself; to this end the Commission is empowered to and shall seek to make working arrangements with the appropriate organs of the Inter-American System regarding the joint or independent study or execution of economic problems within its competence, and the fullest exchange of information necessary for the co-ordination of efforts in the economic field. The Commission shall invite the Pan American Union to nominate a representative to attend meetings of the Commission in a consultative capacity.

10. The Commission may after discussion with any specialized agency concerned, and with the approval of the Council, establish such subsidiary bodies as it deems appropriate, for facilitating the carrying out of its responsibilities.

11. The Commission shall adopt its own rules of procedure, including the method of selecting its Chairman.

<sup>1/</sup> The wording of this paragraph was finally decided upon by the Council at its 164th meeting on 5 March 1948 (see E/SR.164).

12. The Commission shall submit to the Council once a year a full report on its activities and plans, including those of any subsidiary bodies.
13. The administrative budget of the Commission shall be financed from the funds of the United Nations.
14. The Secretary-General of the United Nations shall appoint the staff of the Commission, which shall form part of the Secretariat of the United Nations.
15. The headquarters of the Commission shall be Santiago de Chile. The first session of the Commission shall be held during the first half of the present year in that city. The Commission shall at each session decide upon the place of meeting for its next session with due consideration for the principle that the countries of Latin America be chosen in rotation.
16. Not later than 1951 the Council shall make a special review of the work of the Commission with a view to determining whether the Commission should be terminated or continued, and if continued what modification if any should be made in its terms of reference.

APPENDIX D

RULES OF PROCEDURE AS

ADOPTED BY THE COMMISSION AT ITS FIRST SESSION AND AMENDED AT ITS SECOND SESSION

CHAPTER I - SESSIONS

Rule 1

Sessions of the Commission shall be held

(a) on dates fixed by the Commission, after consultation with the Executive-Secretary, at previous meetings,

(b) within forty-five days of the communication to the Executive-Secretary of a request to that effect by the Economic and Social Council,

(c) at the request of the majority of the members of the Commission, after consultation with the Executive Secretary,

(d) on such other occasions as the Chairman, in consultation with the Vice-Chairman and the Executive-Secretary deems necessary.

Rule 2

The Commission shall at each session, with the concurrence of the Secretary-General, decide upon the place of meeting for its next session, with due consideration for the principle that the countries of Latin America be chosen in rotation.

Rule 3

The Executive-Secretary shall, at least thirty days before the commencement of a session, distribute a notice of the opening date of the session, together with a copy of the provisional agenda and the working documents.

Rule 4

The Commission shall invite any Member of the United Nations not a member of the Commission to participate in a consultative capacity in its consideration of any matter of particular concern to that Member.

#### Rule 5

The Commission shall invite representatives of specialized agencies to attend its meetings and to participate, without vote, in its deliberations with respect to items on its agenda relating to matters within the scope of their activities; and may invite observers from such other inter-governmental organizations as it may consider desirable in accordance with the practices of the Council.

#### Rule 6

The Commission shall invite the Inter-American Economic and Social Council to nominate a representative to attend meetings of the Commission in a consultative capacity.

### CHAPTER II - AGENDA

#### Rule 7

The provisional agenda for each session shall be drawn up by the Executive-Secretary in consultation with the Chairman and shall be communicated to the members of the Commission, to the specialized agencies, to the Inter-American Economic and Social Council, to the non-governmental organizations in Category A and to the appropriate non-governmental organizations in Categories B and C, together with the notice convening the Commission.

#### Rule 8

The provisional agenda for any session shall include:

- (a) consideration of the Report of the Executive Secretary referred to in Rule 23;
- (b) items arising from previous sessions of the Commission;
- (c) items proposed by the Economic and Social Council;
- (d) items proposed by any member of the Commission;
- (e) items proposed by a specialized agency in accordance with the agreements of relationship concluded between the United Nations and such agencies;
- (f) items proposed by the Inter-American Economic and Social Council;
- (g) items proposed by non-governmental organizations in Category A; and
- (h) any other items which the Chairman or the Executive-Secretary deems fit to include.

Rule 9

Before the Executive-Secretary places an item proposed by a specialized agency, or by the Inter-American Economic and Social Council, or a non-governmental organization in Category A on the provisional agenda, he shall carry out with the agency or organization concerned such preliminary consultations as may be necessary.

Rule 10

After the agenda has been adopted the Commission may amend it at any time.

CHAPTER III - REPRESENTATION AND CREDENTIALS

Rule 11

Each member shall be represented on the Commission by an accredited representative.

Rule 12

A representative may be accompanied to the sessions of the Commission by alternate representatives and advisers and, when absent, he may be replaced by an alternate representative.

Rule 13

The credentials of each representative appointed to the Commission, together with a designation of alternate representatives, shall be submitted to the Executive-Secretary without delay.

Rule 14

The Chairman and the Vice-Chairman shall examine the credentials and report upon them to the Commission.

CHAPTER IV OFFICERS

Rule 15

The Commission shall, at the commencement of each session, elect from among the representatives a Chairman, two Vice-Chairmen and a Rapporteur who shall hold office until their successors are elected. They shall be eligible for re-election.

Rule 16

If the Chairman does not attend a meeting, or absents himself from a meeting, one of the Vice-Chairmen shall preside. If, at a following meeting, the Chairman should again be absent, the other Vice-Chairman shall preside,

/the succession

the succession alternating in Spanish alphabetical order. The provisions of this Rule apply only to a single meeting or to a part thereof.

Rule 17

If the Chairman ceases to represent a member of the Commission or is so incapacitated that he can no longer hold office, one of the Vice-Chairmen shall be elected as Chairman for the unexpired portion of the term. The other Vice-Chairman shall continue to act in the capacity prescribed in the Rules of Procedure.

Rule 18

The Vice-Chairman acting as Chairman shall have the same powers and duties of the Chairman.

Rule 19

The Chairman or the Vice-Chairman acting as Chairman shall participate in the meetings of the Commission as such and not as the representative of the member by whom he was accredited. The Commission shall admit an alternate representative to represent that member in the meetings of the Commission and to exercise its right to vote.

CHAPTER V - SECRETARIAT

Rule 20

The Executive-Secretary shall act in that capacity at all meetings of the Commission and of its subsidiary bodies. He may appoint another member of the staff to take his place at any meeting.

Rule 21

The Executive-Secretary or his representative may at any meeting make either oral or written statements concerning any question under consideration.

Rule 22

The Executive-Secretary shall direct the staff provided by the Secretary-General and required by the Commission and any subsidiary bodies thereof.

Rule 23

The Executive-Secretary shall be responsible for the necessary arrangements being made for meetings.

At the beginning of the Session he shall present a report on the work

/programmes of

programmes of the Secretariat during the period between the previous and current sessions.

In the period between sessions, the Executive-Secretary shall see that, in-so-far as possible, the member governments are informed of the results of the work in progress and of the opinions expressed by the member governments regarding such results.

Rule 24

The Executive-Secretary in carrying out his functions shall act on behalf of the Secretary-General.

CHAPTER VI - CONDUCT OF BUSINESS

Rule 25

A majority of the members of the Commission shall constitute a quorum.

Rule 26

In addition to exercising the powers conferred upon him elsewhere by these rules, the Chairman shall declare the opening and closing of each meeting of the Commission, shall direct the discussion, ensure the observance of these rules, and shall accord the right to speak, put questions to the vote and announce decisions. The Chairman may also call a speaker to order if his remarks are not relevant to the subject under discussion.

Rule 27

During the discussion of any matter a representative may raise a point of order. In this case the Chairman shall immediately state his ruling. If it is challenged, the Chairman shall forthwith submit his ruling to the Commission for decision and it shall stand unless overruled.

Rule 28

During the discussion of any matter a representative may move the adjournment of the debate. Any such motion shall have priority. In addition to the proposer of the motion, one representative shall be allowed to speak in favour of and one representative against the motion.

Rule 29

A representative may at any time move the closure of the debate whether or not any other representative has signified his wish to speak. Not more than two representatives may be granted permission to speak against the closure.



Rule 30

The Chairman shall take the sense of the Commission on a motion for closure. If the Commission is in favour of the closure, the Chairman shall declare the debate closed.

Rule 31

The Commission may limit the time allowed to each speaker.

Rule 32

Upon a request of any member any motion and amendment thereto made by any speaker shall be given to the Chairman in writing and shall be read by him before any further speaker is called upon and also immediately before a vote is taken on such motion or amendment. The Chairman may direct that any motion or amendment be circulated to the members present before a vote is taken.

This rule shall not apply to formal motions such as one for closure or adjournment.

Rule 33

Principal motions and resolutions shall be put to the vote in the order of their submission unless the Commission decides otherwise.

Rule 34

When an amendment revises, adds to or deletes from a proposal, the amendment shall be put to the vote first, and if it is adopted, the amended proposal shall then be put to the vote.

Rule 35

If two or more amendments are moved to a proposal, the Commission shall vote first on the amendment furthest removed in substance from the original proposal, then, if necessary, on the amendment next furthest removed and so on, until all the amendments have been put to the vote.

Rule 36

The Commission may, at the request of a representative, decide to put a motion or resolution to the vote in parts. If this is done, the text resulting from the series of votes shall be put to the vote as a whole.

CHAPTER VII - VOTING

Rule 37

Each member of the Commission shall have one vote.

Rule 38

Decisions of the Commission shall be made by a majority of the members present and voting.

Rule 39

The Commission shall normally vote by show of hands. If any representative requests a roll call, a roll call shall be taken in the Spanish alphabetical order of the names of the members.

Rule 40

All elections shall be decided by secret ballot.

Rule 41

If a vote is equally divided upon matters other than elections, a second vote shall be taken at the next meeting. If this vote also results in equality, the proposal shall be regarded as rejected.

CHAPTER VIII - LANGUAGES

Rule 42

The final text of the Commission's Report to the Economic and Social Council and of its Resolutions shall be prepared in Spanish, French, English and Portuguese. The first three languages mentioned shall be the official and working languages of the Commission. <sup>1/</sup>

Rule 43

Speeches made in any of the working languages shall be interpreted into the other working languages.

CHAPTER IX - RECORDS

Rule 44

Summary records of the meetings of the Commission shall be kept by the Secretariat. They shall be sent as soon as possible to the representatives of members and to the representatives of any other government agency or organization which participated in the meeting concerned. Such representatives shall inform the Secretariat not later than seventy-two hours after the circulation of any summary records of any changes they wish to have made.

<sup>1/</sup> Approved by the Economic and Social Council in resolution 145 (VII) of 23 August 1949.

Rule 45

The corrected version of the summary records of public meetings shall be distributed as soon as possible in accordance with the usual practice of the United Nations. This shall include distribution to Associate Members if and when admitted, to the Inter-American Economic and Social Council, and on appropriate occasions to governments admitted in a consultative capacity.

Rule 46

The corrected version of the summary records of private meetings shall be distributed as soon as possible to the Members of the Commission, to Associate Members if and when admitted, to any government participating in a consultative capacity in the meeting concerned, to the specialized agencies, and to the Inter-American Economic and Social Council. They shall be distributed to all the Members of the United Nations if and when the Commission so decides.

Rule 47

As soon as possible the text of all reports, resolutions, recommendations, and other formal decisions made by the Commission, its sub-commissions or other subsidiary bodies and its committees shall be communicated to the Members of the Commission, to Associate Members if and when admitted, to all other Members of the United Nations, to the specialized agencies, to the Inter-American Economic and Social Council, to non-governmental organizations in Category A, and to the appropriate non-governmental organizations in Categories B and C.

CHAPTER X - PUBLICITY OF MEETINGS

Rule 48

The meetings of the Commission shall ordinarily be held in public. The Commission may decide that a particular meeting or meetings shall be held in private.

CHAPTER XI - RELATIONS WITH NON-GOVERNMENTAL ORGANIZATIONS IN CATEGORIES A, B AND C

Rule 49

Non-governmental organizations in Categories A, B and C may designate authorized representatives to sit as observers at public meetings of the Commission. Non-governmental organizations in Category A may circulate to the members of the Commission written statements and suggestions on matters within their competence. Non-governmental organizations in Categories B and C may submit such statements and suggestions to the Executive-Secretary. The Executive-Secretary will prepare

/and distribute

and distribute at each session of the Commission a list of such communications received, briefly indicating the substance of each of them. On the request of any Member of the Commission the Executive-Secretary will reproduce in full and distribute any such communication.

Rule 50

The Commission may at its discretion consult with non-governmental organizations in Categories A, B and C on matters in which the Commission regards these organizations as having special competence or knowledge. Such consultations may be arranged on the invitation of the Commission or on the request of the organization. In the case of non-governmental organizations in Categories B and C consultations might be effected either directly or through ad hoc Committees.

CHAPTER XII - SUB-COMMISSIONS, OTHER SUBSIDIARY BODIES AND COMMITTEES

Rule 51

The Commission may after discussion with any specialized agency concerned and with the approval of the Economic and Social Council, establish such continually acting sub-commissions or other subsidiary bodies as it deems appropriate for facilitating the carrying out of its responsibilities and shall define the powers and composition of each of them. Such autonomy as may be necessary for the effective discharge of the technical responsibilities laid upon them may be delegated to them.

Rule 52

The Commission may establish such committees and sub-committees as it deems necessary to assist it in carrying out its tasks.

Rule 53

Sub-Commissions or other subsidiary bodies shall adopt their own rules of procedure unless otherwise decided by the Commission.

CHAPTER XIII - REPORTS

Rule 54

The Commission shall submit to the Economic and Social Council once a year a full report on its activities and plans, including those of any subsidiary bodies, and shall make interim reports at each regular session of the Council.

CHAPTER XIV  
AMENDMENTS AND SUSPENSIONS

Rule 55

Any of these Rules of Procedure may be amended or suspended by the Commission provided that the proposed amendments or suspensions do not attempt to set aside the terms of reference laid down by the Economic and Social Council.

APPENDIX E

Excerpts from the Regulations of the Inter-American Economic and Social Council<sup>1/</sup>  
Approved at its Plenary Meeting Held on 14 December 1950

CHAPTER X - Relations of Co-operation with the Organs of the United Nations and with Official International Organizations

- Article 57 The Council may, in agreement with the Council of the Organization of American States, establish relations of co-operation with the organs of the United Nations or with official international organizations when such relations correspond to common spheres of action.
- Article 58 The purpose of the relations of co-operation of the Council with the organs of the United Nations and with the official international organizations will be the elimination of duplication of efforts and the collaboration in achieving common aims. These relations will be channeled principally through the Executive Secretary of the Council.
- Article 59 Whenever considered convenient, such relations will be established by means of written instruments which will be called Agreements of Co-operation.
- Article 60 The relations of co-operation may include, among other activities, the following:
- (a) Exchange of acts and resolutions;
  - (b) Exchange of studies and documents;
  - (c) Exchange of information on work undertaken and on projects of mutual interest;
  - (d) Carrying out of studies and investigations, either jointly or by one of the parties at the request of the other;
  - (e) Reciprocal communications, in the form of suggestions, of subjects to be included in the programmes of the conferences or sessions held by the parties concerned.
- Article 61 The Council may invite the organs of the United Nations or the official international organizations to send observers to its Extraordinary Sessions or to the Specialized Conference dealing with matters of competence of the Council, in accordance with Article 64(e) of the Charter of the Organization of American States.

<sup>1/</sup> Unofficial translation from the Spanish text.

With regard to specialized inter-American conferences, the organization of which is the responsibility of another organ of the Organization of American States, the Council may recommend to the latter that an invitation be extended to the organ of the United Nations or the corresponding official international organization in order that they may send observers. The recommendation will be made when the conference includes in its agenda any items within the competence of the Council.

The Council will request reciprocity in the matter dealt with in this article, when it deems it advisable.