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 MEETING**
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President: Mr. Hernán SANTA CRUZ (Chile).

Present: Representatives of the following countries: Australia, Belgium, Brazil, Canada, Chile, China, Denmark, France, India, Iran, Mexico, Pakistan, Peru, United Kingdom of Great Britain and Northern Ireland, United States of America.

Representatives of the following specialized agencies:

International Labour Organisation, Food and Agriculture Organization, International Bank for Reconstruction and Development, International Monetary Fund, World Health Organization.

Annual report of the Economic Commission for Latin America (E/1717, E/1717/Add.1 and E/1762) (concluded)

1. Mr. WALKER (Australia) said that the interest with which his delegation had examined the report of the Economic Commission for Latin America was all the greater since many of the problems facing Latin-American countries had their parallels in problems encountered by Australia in the past. He congratulated the secretariat of the Commission on the excellent studies which it had prepared for the United Nations.

2. He had been interested by the United Kingdom representative's remarks at the previous meeting concerning the possible dangers of forcing the process of industrialization and carrying it out with undue haste. Australia had attempted on several occasions to force the pace of its own economic development, with a considerable measure of success. For instance, the steel industry, which had been completely non-existent in the country before the First World War, had been developed during the inter-war period, with the result that by the time of the Second World War it had been possible to develop a large number of secondary industries on that basis. It was recognized in Australia, however, that the path of forced economic development presented many pitfalls. Australia had found it necessary to provide machinery for a critical examination through a Tariff Board of all new proposals for protective tariffs.

3. He had noted with satisfaction the arrangements made to ensure co-operation between the specialized agencies and the regional organizations concerned with economic questions in Latin America. In that connexion, he emphasized the usefulness of ensuring that the annual reports of regional commissions in that and other areas should not only deal with administrative arrangements for co-operation with the specialized agencies, but should also give a short survey of the work done in their particular areas by those specialized agencies. The question had been examined in the Co-ordination Committee, and he understood that the United Nations Secretariat would do its utmost to help.

4. When speaking as rapporteur at the previous meeting, the French representative had very rightly laid stress on the part which the regional commissions were already playing, and would play in the future, in the field of technical assistance. Their help would be most valuable in developing an understanding of the specific needs of various countries and advising them on the requests for technical assistance which they should make. He was certain that regional commissions would also play a very great role by ensuring the necessary liaison and co-operation with the specialized agencies and the United Nations as a whole.

5. In conclusion, he wished to express his satisfaction at the growing co-operation between the Economic Commission for Latin America and the Economic Commission for Europe.

6. Sir Ramaswami MUDALIAR (India) congratulated the Economic Commission for Latin America on its excellent report, which he had read with all the more interest as Latin-American and Asian countries were often facing similar problems and difficulties in the economic field.

7. He had been particularly impressed by the extremely moderate tone of the ten-section resolution on economic development and anti-cyclical policy, which had been very carefully drafted and was obviously based on a most careful study of the questions involved.

8. Section II, for instance, recommended to the Latin-American governments that they should "determine the specific goals of economic development and establish an order of priority for their realization"—in other words it stressed the need for careful planning and issued a warning against disorderly haste. It also stressed the point that the aim of such planning was to ensure that certain activities should not develop "to the detriment of others of greater advantage to the economy of each country". He questioned whether anything could be more reasonable than that.

9. Section III emphasized the point that full and productive employment should be achieved "through the development of industry in reciprocal co-ordination with technical progress in agriculture and other activities". It had been clearly realized, therefore, that agricultural and industrial development were interdependent and should go hand in hand. The resolution then stated that the aim of that development was "to meet the basic needs of the economy and the population of each country". Nothing, surely, could be less extravagant than to aim at meeting basic needs only. The resolution further stated that in doing so the countries concerned should preferably use their natural resources. That was a very important provision, since there had been instances in the past when, under the cover of high protective tariffs, countries had developed various industries by importing the necessary raw materials from abroad and later had not been able to compete in the industrial field with the countries producing those raw materials.

10. It was impossible to imagine anything more practical and moderate, at times even unduly moderate, than the recommendations contained in the ten-section resolution on economic development and anti-cyclical policy. That made it all the more surprising that several representatives at the previous meeting should have warned and advised Latin-American countries against what they had described as undue haste in the process of industrialization, pointing to all the evils of protectionism. It would seem unnecessary to issue warnings before any danger had arisen, or indeed before it was even likely to arise at a predictable time in the future. People were being told, apparently, not to run before they could even walk. Such an attitude was bound to give rise to some misgivings. He had not been surprised, therefore, when the Peruvian representative had expressed his belief at the previous meeting that the International Trade Organization might never come into being at all, because it would impose too many restrictions on under-developed countries. It was strange that industrialized countries should fear the industrialization of the under-developed areas, first, because even if the industrial production of those areas was doubled it would still amount to very little indeed, and, secondly, because it would never represent any danger of competition to the industries of the highly developed countries.

11. The question also arose whether there was any need for all those warnings. Indeed, it was well known that, the domestic resources of under-developed countries being pitifully inadequate, no industrialization could be carried out without the help of foreign financing either

through inter-governmental organizations or by means of private capital. Since the highly industrialized countries played a predominant role in such organizations as the International Bank for Reconstruction and Development and the International Monetary Fund, and since most of the international private capital was concentrated in their hands, it was obvious that the industrial development of under-developed countries depended largely on their good will. It was hard to understand, therefore, why the industrialized countries should fear that the process of industrialization should move so fast in the under-developed areas that it might threaten their own position in the economic field.

12. Referring to the resolution on immigration, he said that he had been struck by the lack of logic with which the industrialized countries urged under-developed countries to accept all their surplus population and, by advising them at the same time against speedy industrialization, made it impossible for those under-developed countries economically to absorb the influx of immigrants.

13. He also pointed out that substitute products represented a very great danger for the economy of countries exporting raw materials, by tending to deprive them of the small livelihood on which they depended. If under-developed countries were no longer able to export their primary raw materials, which were often the basis of their entire economic structure, they might be driven to regrettable action which, while it might injure them, would inevitably injure others too.

14. In conclusion, he emphasized the point that the United Nations was a joint undertaking which would lose its very meaning if countries did not make a sincere attempt to see one another's point of view. It was more than ever essential that the industrialized countries should appreciate the views and wishes of the under-developed countries.

15. Mr. LUBIN (United States of America) pointed out that, since the Economic Commission for Latin America had no standing committees or other subsidiary bodies, its report for 1949 was, in effect, a statement concerning the work of the secretariat between the Commission's second and third sessions, and a summary of the action taken at the third session in Montevideo in June 1950.

16. The main work of the secretariat during the year had been the preparation of the *Economic Survey of Latin America 1949* under the able direction of Mr. Prebisch. It included not only a report on economic conditions in Latin America as a whole in 1949, and special chapters on six selected countries, but also a theory of the whole process of world economic development and an interpretation, in the light of that theory, of the economic problems of Latin America. It was a first-class study and a valuable contribution to the understanding of Latin America's economic problems.

17. The fundamental ideas and the practical suggestions contained in the survey were not entirely new and had had wide currency in Latin America for some time. The survey had attempted to mould those ideas into a general theory of economic development and to give them greater validity by presenting them as the logical conclusions of the historic process of technical progress and world

economic growth during the previous century and even earlier.

18. He praised the high quality of the survey, but he did not by any means accept all its ideas and conclusions. Many of the observations concerning the process of technical progress and economic development seemed valid to his delegation, but it was not convinced that the survey had established fully its main thesis—namely, that exports from Latin-American countries were not, and were not likely to be in the future, sufficient to compensate for the increase in population and to pay for the imports needed for economic development. The conclusion to be drawn from that thesis was that there would continue to be a persistent tendency in Latin America towards disequilibrium. Indeed, the authors of the survey themselves found that their generalizations had to be considerably qualified when applied to the analysis of economic conditions in particular countries.

19. His delegation also questioned some of the comparisons in the survey between the economic development of western Europe and the United States, and that of Latin America. It believed that the survey, while postulating a rapid rate of economic development in Latin America, took for granted a high rate of population growth instead of investigating in more detail what the rates might be if the economic development of Latin America were to proceed in the same "organic" manner—to borrow a phrase from the survey—as that of western Europe and the United States.

20. Many other ideas in the survey were of great interest, especially those which had wide implications for international economic policy. Some of those ideas might be further examined by the Economic and Social Council during its discussions on full employment and world trade policy.

21. The question whether the analysis made in the survey was as yet sufficiently detailed and comprehensive to provide a guide for framing current policy arose as soon as one examined the resolutions adopted at the third session of the Economic Commission for Latin America, particularly the resolution on economic development and anti-cyclical policy, which was by far the most important of the sixteen resolutions adopted at the session, and which embodied a number of the ideas set out in the survey.

22. Those who had followed closely ECLA's work were familiar with the misgivings of the United States delegation to the third session of ECLA regarding the resolution on economic development and anti-cyclical policy. The United States delegation had stated in Montevideo, when that resolution had been under consideration in Committee I, that it contained statements of principle and policy which would require careful consideration by the United States Government. Finally, in the interest of achieving unanimity at the session, the United States delegation had approved the resolution "subject to study by its Government".

23. The United States Government had now carefully examined that resolution, which was, in fact, a series of related resolutions covering matters of considerable importance. Unfortunately, it could not agree with some

of the considerations and recommendations set forth in the resolution. Consequently, it did not wish its approval of the work of ECLA to be interpreted as an unqualified approval of the resolution in question as it stood.

24. Section III of the resolution, for instance, seemed to assume that technical progress in agriculture, in the absence of modern industry, meant unemployment. That was a debatable point. Such technical progress might mean greater output, higher levels of consumption, increased exports, an improvement in the balance of payments, and better living standards for agricultural labour as well as for other groups of labour.

25. Section IV of the resolution made no mention of the reduction of trade barriers as one way of expanding international trade. Neither, for that matter, did it give any indication of the fact that demand might be expanded by deepening as well as by broadening markets. Where there were no tariff laws to impede the free flow of goods, the experience of various countries showed that both expensive and cheap products could find buyers. Where markets had domestic depth, a greater percentage of the population was able to buy the products of domestic industry and domestic agriculture. If productivity increased, prices might fall and wages rise. In that way, a progressively greater portion of the domestic population was able to buy progressively more. It should be remembered that an expanding market might be attained, not only by extending its geographic length and breadth, but also by extending its domestic depth.

26. Section VI of the resolution was also obscure. The recommendation that the structure of imports should be altered in order to achieve the aims of economic development was not appropriate in all instances as, for instance, when prohibition of a luxury import merely diverted domestic resources to the home production of the same luxury article.

27. Section IX referred to the report *National and International Measures for Full Employment*, and implied that the measures proposed therein were not applicable to Latin America. There had already been an extensive discussion on that report. However, some of the measures suggested in that report applied far more directly to Latin-American countries than was indicated in that section of the resolution.

28. Resolution *b* dealt with technical assistance. It was the view of the United States Government that the considerable difficulties involved in co-ordinating United Nations and other technical assistance programmes made it imperative that the administration and planning of United Nations programmes should be concentrated at Headquarters. It was undesirable for the regional commissions to carry on independent technical assistance programmes. His delegation trusted that all such activities on the part of ECLA would be carried out under the direction of the United Nations Headquarters. His delegation regarded as impractical the specific ECLA recommendation that lists of experts should be obtained from Headquarters and the specialized agencies and circulated by the ECLA secretariat. In any case, he would like to interpret that recommendation as leaving with the United Nations Headquarters and the specialized agencies the ultimate decision concerning any expert

whom they might retain to serve on technical assistance missions.

29. The United States Government wished to express agreement with the aims of resolution *d* on immigration and wished to co-operate fully with ECLA, the International Labour Organisation and other specialized agencies dealing with that problem. At the meeting of Foreign Ministers in London in May 1950, the United States Government had participated in the establishment of a working group of experts to examine ways in which emigration from certain countries in Europe could be facilitated and increased, and it looked forward to the action which should follow the consideration of the experts' report at the next meeting of the Foreign Ministers.

30. Resolution *j* on trade with Europe requested the Executive Secretary of ECLA, in agreement with the Executive Secretary of ECE, to prepare a study on "ways and means to expand trade between Latin America and Europe on bases which are practicable and equitable to the interests of both groups of countries". Though he had no misgivings concerning the ability of the two secretariats to contribute to the understanding of that important problem, he was struck, in reviewing the reports of the regional economic commissions, by the growing emphasis laid upon problems the solution of which depended upon multilateral action outside the area of the commission concerned. He believed that, when the future of the regional economic commissions came up for review, the Council ought to consider carefully what types of economic problem, if any, were most appropriate for consideration by an inter-governmental regional body, which were more suitable for consideration by world-wide agencies, and which required collaboration at several levels.

31. He also referred to the fourth and fifth paragraphs of the preamble to resolution *j* on trade with Europe. The fourth paragraph made it appear that bilateral payment agreements were generally satisfactory arrangements, though not in all cases entirely satisfactory. He believed that that represented a very serious understatement of their shortcomings. The most that could be said was that in some cases they contributed to an improvement in the situation. Similarly, it would have been preferable in the fifth paragraph to attribute the trade difficulties in part, rather than entirely, to changes which had occurred in the structure of the foreign trade of Latin America and of Europe.

32. He noted that ECLA had attempted to establish a definite programme of work for its secretariat and to fix priorities for the agreed projects. While fully supporting that practice, he regretted that the proposed study on domestic capital markets was given seventh place in a total of eight studies. The United States Government would have preferred to give that study a higher priority, in accordance with the important part which domestic financial resources should play in the economic development of all under-developed areas.

33. Turning from matters of substance to one of procedure, he said that his delegation wished to draw the Council's attention to the change in ECLA's rules of procedure mentioned in part II, section C, *j*, of docu-

ment E/1717. The effect of the change was to make Portuguese an official language of the Commission. The United States representative had abstained from voting on that proposal, at the Montevideo meeting, stating that, while appreciating the reasons put forward for the adoption of Portuguese as an official language, he could not give his approval without further instructions from his Government. With only one Portuguese-speaking member of ECLA—and he appreciated the great importance of the contribution of Brazil to the work of that body—the United States delegation felt that the recognition of Portuguese as an official language would establish an undesirable precedent, which might lead to the request that several other languages should be adopted in other organs of the United Nations, with serious consequences for the total United Nations budget. His delegation regretted that it could not vote in favour of the proposed change.

34. In conclusion, he expressed his delegation's satisfaction with the progress made by ECLA in its research work, and particularly with the evidence brought forth in the survey of the economic progress which was being made by the peoples of Latin America. As he had already emphasized during the discussion on economic development and full employment, the United States Government was determined to do its part in facilitating the speediest possible realization of the full economic potentialities of the Latin-American region.

35. Mr. VALENZUELA (Chile) said that the interesting discussion which had taken place made it unnecessary for him to emphasize the quality of the work accomplished by the Economic Commission for Latin America; he would confine himself to a few brief observations.

36. The work of the Commission consisted of three main parts: theoretical studies; co-ordination with the specialized agencies and the Inter-American Economic and Social Council, and recommendations to governments.

37. The theoretical studies presented in a report of 650 pages gave extremely interesting data on the Latin-American countries and would be most useful to all member countries. It was unnecessary to reconsider the document in detail; it had been fully discussed by the Commission at Montevideo. But it might be well to point out that the so-called United Nations doctrine of economic development and full employment was the outcome of experience and not a series of principles applied *a priori*. Nevertheless, it was a good thing that the economic studies of the United Nations tried to keep to a uniform system, since that facilitated comparison between the various countries and studies.

38. The Commission's rapporteur had cited as two distinct criteria for the economic development of Latin America, stability in the balance of payments and the individual economic structure of the Latin-American countries. Those two criteria would appear to supplement rather than to exclude each other. Equilibrium in balance of payments was a necessity for under-developed countries, and it dictated their much-criticized policy of import quotas and exchange control. For an under-developed country it would be a backward step

to return to the pre-war stability which involved a very low standard of living.

39. The United Kingdom representative had pointed out that industrialization at the expense of the agricultural situation must be avoided, and he had indicated the danger of undue resort to high tariffs, quoting as an example the experience of Canada and New Zealand. The analogy hardly seemed applicable. The Latin-American countries had suffered severely in the past from the premature application of a policy of free trade, and it had to be remembered that in the under-developed countries in the past much of the natural wealth had not really belonged to the countries and had not contributed to their national income.

40. The studies carried out by the secretariat of ECLA on foreign investments in Latin America were most interesting, but it would be well to supplement them with an historical study of such investments, which would no doubt reveal that Latin America had been a very profitable proposition for the other continents. Such a study might also make more intelligible the logic behind the wish of the Latin-American countries to industrialize and to modernize their agriculture.

41. Turning to the resolutions in document E/1762, he said that the Chilean delegation warmly approved them, but he would like an explanation from the rapporteur on the apparent contradiction between sections VI and X of resolution *a* on economic development and anti-cyclical policy.

42. The resolutions of the Commission had dealt in a most helpful way with the problem of trade, both between the Latin-American countries themselves and between Latin America and Europe. The recommendations must not remain a dead letter, and positive results should be sought by direct contact between the Commission and the Economic Commission for Europe. Indeed, such collaboration should not be confined to Europe: relations between Latin America and Asia might be of prime importance. Significant results were to be expected from direct trade between the under-developed countries, a type of trade which at present was carried on through middlemen.

43. In the resolution adopted at its last session, the Commission had confined itself to the problem of relations between Europe and Latin America. But when the report of the Economic Commission for Asia and the Far East was presented for discussion, the Chilean delegation would support any proposal for the co-ordination of the work of the various regional commissions.

The meeting was suspended at 4.30 p.m. and resumed at 4.40 p.m.

44. Mr. MENDES-FRANCE (France), speaking as Rapporteur of the Commission, was glad to see that the various delegations had, to a large extent, approved the report; he wished merely to reply to a few reservations which had been made.

45. The Indian representative, commenting on the resolution relating to economic development, appeared to have found the "decalogue" unduly moderate, if not conservative. On the other hand, other delegations

had thought it too ambitious. Possibly the conclusion to be drawn from the contradictory criticisms was that the resolution had achieved a happy medium, and that its drafters had borne in mind the sometimes divergent interests of the various countries.

46. The Indian representative also appeared to have found excessive the caution shown in section III of the resolution on economic development. It urged the parallel development of industry and agriculture. The idea in the minds of those who had drafted the text had been the necessity for avoiding the development of dangerous competition between the Latin-American countries themselves. Hence that part of the resolution stressed the importance for the Latin-American countries of making use, in the first place, of their natural resources. Contrary to what the Indian representative appeared to think, where the resolution stressed the essential harmony between the industrial structure and the agricultural structure, there was no question whatever of discouraging the new countries from industrializing. The Commission had merely wished to avoid the repetition of mistakes sometimes made in the past by countries which had prematurely abandoned agriculture only to find their agricultural production decrease at the very moment when the drift of the population towards the towns necessitated an increase in the quantity of foodstuffs produced.

47. On the other hand, the Commission's resolutions had, of course, recommended that the countries importing raw materials should avoid any policy likely to damage the interests of the new countries. That recommendation would surely meet the objections of the Indian representative, who had referred particularly to the important problem of synthetic products.

48. The reason why the text submitted to the Council might have appeared too cautious to some people was probably that it suggested fixing immediate targets rather than long-term objectives. The development contemplated should, in the Commission's view, follow a logical order: maximum utilization of local resources; processing of certain local raw materials, implying the development of agriculture and industries to utilize their products; industrial development at the same time and in a systematic manner; organization of foreign trade with a view to making the countries less sensitive to cyclical crises.

49. Considerable time had been spent in drafting the text, which was the outcome of mutual concessions by the various delegations concerned. That was how the Commission had succeeded in achieving a logical and satisfactory structure.

50. In reply to the particular point raised by the Chilean representative, he pointed out that the apparent contradiction between section VI and section X of the resolution on economic development was due to a typing error. In the last paragraph of section VI the phrase "capacity to import" should read "capacity to export".

51. With regard to the organization of the Commission's work, he noted with pleasure that most speakers had expressed themselves satisfied both with the methods adopted and with the documentation provided by the

Commission. He supported the Australian representative's suggestion that the Research Centre's report should be printed, and he asked the Secretariat to make sure that a French translation of that important document should be made and distributed.

52. Some speakers had expressed the wish that the Economic Commission for Latin America should keep in touch with the specialized agencies. He would remind them that the Commission and the specialized agencies were already on the best of terms in regard to collaboration and that the same applied to relations with the Inter-American Economic and Social Council.

53. The reservations made by the representatives of the United Kingdom and of the United States of America with regard to the Commission's part in the development of technical assistance programmes appeared to be due to a misunderstanding, since all action in that field had to be co-ordinated, and final decisions taken, by the Secretary-General of the United Nations, who alone had available the necessary funds. It was essential, however, that the Executive Secretary of the Commission should always be kept informed as to the way in which decisions regarding technical assistance in Latin America were being put into effect, and there had been cases when he had not been properly notified. It was to be hoped that mistakes of that kind would not be repeated; that was why the third session at Montevideo had expressed the wish that the Economic Commission for Latin America should collaborate more intensively in technical assistance work, and that the countries concerned should be notified of the list of experts through the Executive Secretary, in accordance with the request put forward at the first session at Santiago de Chile.

54. The highly important question raised by the United States representative on the study of problems which applied to several regions of the world could be examined in 1951 when the problem of regional commissions came up for general review. But that must not be allowed to delay the urgent study, on which the Montevideo deliberations had focused attention, of the development of trade between Latin America and Europe.

55. In answer to an observation by the Canadian representative, he reminded the Council that the Economic Commission for Latin America was the least expensive of all the regional commissions. If the credits allocated to it were reduced at all, the result would be that the last items in its programme would simply have to be suppressed, in view of the established priority list.

56. Finally, he was glad to know that the suggestions made by the Commission at its third session had, on the whole, been given a favourable reception; that should encourage the Economic Commission for Latin America and its Executive Secretary to go forward with the task to which they were devoting their energies.

57. Mr. OWEN (Assistant Secretary-General in charge of the Department of Economic Affairs) said he was sorry that owing to illness it had not been possible for Mr. Prebisch, the newly appointed Executive Secretary of the Economic Commission for Latin America, to be present at the discussions of the Commission's report. He would arrive in Geneva shortly, and would then be

available for consultation. Mr. Owen would see that Mr. Prebisch received the summary records of the discussions and would emphasize certain points which had been made by those present at the debates and by the representative of Argentina.

58. Referring to a point raised by the rapporteur of the third session of the Economic Commission for Latin America, and by various other representatives, regarding the part to be played by ECLA in the technical assistance programme, he wished to distinguish, in discussing that problem, between the part to be played by the Commission, as such, and the part to be played by its secretariat. The Commission, together with the other regional commissions, could play an important part in reviewing the work of technical assistance done in the region by making recommendations to the Economic and Social Council and to its Technical Assistance Committee concerning the way the work should be organized and the relationship it should have with other wider plans for economic development of the region. ECLA had been helpful so far in that connexion, and he was sure that it would be helpful in the future.

59. As regards the secretariats of the regional commissions, he pointed out that they were part of the Secretariat of the United Nations and would therefore play an important role in the administration, organization and execution of technical assistance programmes. There might have been one or two cases in Latin America where there had been some lack of co-ordination between the work done at Lake Success and that done at Santiago de Chile, but he assured the Council that in connexion with the all-important technical assistance programmes the ECLA secretariat had been brought very closely into the picture. Mr. Martinez Cabañas, former Executive Secretary of ECLA, had been called to Lake Success to take up an important post in connexion with the central administration of the technical assistance programme, and he felt, therefore, that Latin-American interests would be watched over very carefully. So far as the general technical assistance was concerned, a very large proportion of expenditure to date had been devoted to Latin-American projects, and some 40 per cent of fellowships had gone to candidates coming from Latin-American countries.

60. The PRESIDENT declared closed the general debate on the report of the Economic Commission for Latin America, and drew the attention of the members of the Council to a revised joint draft resolution submitted by the delegations of Brazil, Chile, Mexico and Peru (E/L.90), which was an amalgamation of the two draft resolutions which had been distributed previously (E/L.88 and E/L.89).

61. Mr. VALENZUELA (Chile), referring to the fifth paragraph of the joint draft resolution, which noted the amendment of rule 42 of the rules of procedure of the Commission adding Portuguese to the official languages of the Commission, said his delegation strongly supported that amendment. Pointing out that in the past ECLA had used French as an official language as a matter of courtesy to Haiti and France, he said that the Portuguese language was used by the most densely populated nation

of the Latin-American Continent. The Chilean delegation therefore felt that Portuguese should be placed on an equal footing with the other official languages of the Commission.

62. Sir Ramaswami MUDALIAR (India) also supported the joint draft resolution.

63. Referring to the statements of the rapporteur of the third session of ECLA, he explained that in his remarks on the report of that Commission he had intended to convey his full support of all the resolutions adopted at the third session of the Commission. He had simply expressed his surprise that even such moderate resolutions as those adopted by ECLA should have met with criticism from certain representatives who had warned the Latin-American countries against making too rapid progress.

64. Referring to the joint draft resolution, he said he shared the apprehensions which had been expressed by the United States representative regarding the amendment of rule 42 of the rules of procedure. He had understood that French had been adopted as a working language of the Commission simply because English and French were the two working languages of the United Nations, and not as a concession to the Governments of Haiti and of France. A concession had been made when Spanish became a working language, and if Portuguese were also to be adopted as a working language he felt that a precedent might be set which other regional commissions, representing areas where many different languages were spoken, might seek to follow.

65. The PRESIDENT drew the attention of the members of the Council to the fact that the resolution adopted by the third session of ECLA contained a proposal that Portuguese should simply be adopted as an official language. It had not proposed that Portuguese should be adopted as a working language.

66. Mr. LUBIN (United States of America) said that his Government did not wish to oppose the joint draft resolution, but, as he had said previously, it could not support that part which approved the amendment of rule 42 of the rules of procedure of ECLA to add Portuguese to the official languages of the Commission. Nor could it support the last paragraph, which, even with the deletion of the paragraph approving Portuguese as an official language, would be interpreted as recommending that funds for that purpose should be allocated.

67. In connexion with the third paragraph of the draft resolution, he pointed out that it was the opinion of the United States delegation that the work to be done by the United Nations Secretariat during the following year, in conjunction with the resolution on full employment and the financing of economic development, would necessarily require each Member State to submit to the Secretary-General certain specific information dealing with balances of trade, movements of goods in different parts of the world, etc. In view of the fact that the resolution proposed that the ECLA secretariat should deal with the same problems, the United States Government was reluctant to approve the third paragraph as it stood.

68. He suggested, therefore, that the words "with approval" should be deleted and that the following

phrase should be added at the end of the third paragraph:

"and requests that such study be carried out in co-ordination with the studies to be made by the Secretary-General as outlined in the draft resolution on full employment and the financing of economic development".

69. Mr. WALKER (Australia) said that, in the circumstances, his delegation was not opposed to the use of the Portuguese language by ECLA, but he wished to reserve the position of his Government regarding the recommendation that the necessary funds should be allocated for that particular purpose, as he did not know what financial implications would be involved if an additional official language was adopted by ECLA.

70. The PRESIDENT pointed out that, according to the financial estimates submitted by the Secretary-General (E/1717/Add.1), the additional credit required to implement the decision to amend rule 42 of the rules of procedure of ECLA to include Portuguese as an official language would amount to about 7,200 dollars for each session of the Commission.

71. Mr. ENCINAS (Peru), referring to the amendment to the third paragraph of the joint draft resolution suggested by the United States representative, asked whether the words "in co-ordination with" meant that the studies to be undertaken by ECLA should be carried out at the same time as those undertaken by the Secretary-General, or whether ECLA should wait until such studies had been carried out by the Secretary-General.

72. Mr. MENDÈS-FRANCE (France), supporting the representative of Peru, agreed that it was essential to ensure that the same documentary information was not being sought through two different channels at the same time. He thought that that drawback could be avoided by adding to paragraph 3 of the draft resolution (E/L.90) the following clause:

"using, wherever possible, the information derived from studies to be made by the Secretary-General under the draft resolution on full employment and the financing of economic development".

73. Furthermore, the French delegation urged that the words "with approval" should be retained, for it was necessary that the Council should give explicit encouragement to the Commission in that direction.

74. In reply to the PRESIDENT, he stated that he was not moving a formal amendment, but reserved the right to do so at a later stage if he felt it necessary.

75. Mr. LUBIN (United States of America), referring to the Peruvian representative's question, said that he could not see how it would be possible for ECLA to undertake the studies suggested until the necessary data had been collected by the Secretary-General under the draft resolution on full employment and economic development. That resolution suggested that a questionnaire should be sent to each Member State by the Secretary-General, and the answers to that questionnaire would be basic to any study of the possibilities of expanding trade between Latin America and Europe.

76. Referring to the amendment suggested by the French representative, he said it was possible, though not probable, that as a result of the collection and analysis of material by the Secretary-General, an answer to the problems facing ECLA might be found when the Secretary-General's report was submitted. It would then be unnecessary for ECLA to make a similar study.

77. Mr. IVERSEN (Denmark) said that his delegation could not vote for the fifth paragraph of the joint draft resolution, as it feared the consequences of the suggested amendment to rule 42 of the rules of procedure of ECLA.

78. Mr. ENCINAS (Peru) thanked the United States representative for his explanation.

79. Referring to the United States amendment, he felt that the suggestion in the third paragraph of the joint draft resolution that a study should be made of the ways and means to expand trade between Latin America and Europe did not duplicate the suggestions made in the draft resolution on full employment and the financing of economic development. The joint proposal referred solely to Latin America, whereas the work to be carried out by the Secretary-General in connexion with full employment and the financing of economic development covered a much wider field. The resolutions were therefore complementary.

80. He regretted that the French representative had not deemed it necessary to move his amendment formally, as that would have enabled the information collected by the Secretary-General to be used for two purposes—namely, in connexion with the problem of full employment and the financing of economic development, and in connexion with the expansion of trade between Latin America and Europe. The French amendment would also meet the point raised by the United States representative.

81. Mr. MARTÍNEZ OSTOS (Mexico) said that, in view of the explanations given by the United States representative regarding his amendment, the Mexican delegation felt that, if the joint draft resolution were amended as suggested, the study it proposed might be delayed for several years. There should be co-ordination between the work undertaken by ECLA and that undertaken by the Secretary-General in connexion with full employment and the financing of economic development, but it should also be borne in mind that certain aspects of the study suggested in the joint draft resolution referred essentially to Latin-American and European problems.

82. Owing to the urgency which European and Latin-American countries attributed to the development of trade among themselves, both groups of countries would be willing to give ECLA and ECE, on request, the special data necessary for beginning the studies at once, included in the general data that they would submit to the Secretary-General under the resolution on full employment.

83. For those reasons, he also regretted that the French representative had not formally moved his amendment, which he himself could support.

84. M. MENDES VIANA (Brazil) supported the addition proposed by the representative of France and hoped that the United States representative would agree to it.

85. Mr. VALENZUELA (Chile) also supported the amendment suggested by the French representative and hoped that he would move it formally.

86. Mr. LUBIN (United States of America) emphasized, in reply to the fears which had been expressed that his amendment to the joint draft resolution would delay the studies suggested, the fact that the draft resolution on full employment and the financing of economic development specified that the data requested should be submitted to the Secretariat early enough for an analysis to be made in time for further discussion by the thirteenth session of the Economic and Social Council. That draft resolution also recommended that Member States should furnish the Secretary-General with quantitative estimates of the nature of their balances of payments for discussion by the Council in a year's time. There was nothing in the United States amendment that would prevent ECLA or its secretariat, in collaboration with the Secretary-General, from doing a great deal of preliminary work which was related to the type of work which the Secretary-General had been asked to carry out in connexion with the draft resolution on full employment and the financing of economic development.

87. Mr. OWEN (Assistant Secretary-General in charge of the Department of Economic Affairs) stated that it would be his responsibility to concern himself with all those studies—the one at present under discussion and the study under the draft resolution on full employment. The two inquiries would to some extent cover the same ground, and the work would be carried on both at Headquarters and by the staffs of the regional commissions. It would be his duty to get in touch with the executive secretaries of the regional commissions concerned to organize and co-ordinate the two programmes and to ensure that duplication and overlapping were avoided. With respect to the ECLA/ECE study, preliminary discussions had already taken place.

88. With regard to the second part of the United States amendment to the third paragraph of the joint draft resolution, he suggested that any suspicion that delay might result from any attempt to co-ordinate the two projects might be allayed if the words "carried out" were replaced by the word "organized".

89. Mr. MENDÈS-FRANCE (France) thought the explanations given by the United States representative and by the Secretariat showed that, in reality, there was no difficulty. In the light of those explanations, the text of the joint draft resolution (E/L. 90) seemed to be quite clear, and he thought that it could be adopted without any addition.

90. Mr. LUBIN (United States of America) said he preferred the words "carried out", but in view of the fears that had been expressed he suggested that the words in question should be followed by the words "and organized".

91. The PRESIDENT put to the vote the United States amendment to delete the words " with approval " from the third paragraph of the joint draft resolution.

The amendment was rejected by 6 votes to 3, with 6 abstentions.

92. The PRESIDENT put to the vote the United States amendment to insert an additional phrase at the end of the third paragraph of the joint draft resolution.

The amendment was rejected by 6 votes to 6, with 3 abstentions.

93. The PRESIDENT called for two separate votes, one on the fifth paragraph of the joint draft resolution, referring to the amendment of rule 42 of the rules of procedure of the Commission to add Portuguese to the official languages of the Commission, and the other on the final paragraph, which recommended that the necessary funds should be allocated for the purpose of implementing the decisions of the third session of ECLA.

The fifth paragraph was adopted by 8 votes to 2, with 5 abstentions.

The final paragraph was adopted by 11 votes to none, with 4 abstentions.

94. The PRESIDENT put to the vote the revised joint draft resolution submitted by the delegations of Brazil, Chile, Mexico and Peru (E/L.90) as a whole.

The resolution as a whole was adopted by 13 votes to none, with 2 abstentions.

95. Mr. MARTÍNEZ OSTOS (Mexico) thanked the Council, on behalf of the Mexican Government, for approving the paragraph of the joint draft resolution which referred to holding the fourth session of the Economic Commission for Latin America at Mexico City in May 1951.

Protest by the Chairman of the Council Committee on Non-Governmental Organizations in connexion with Press release No. ECOSOC/286

96. Mr. CORLEY SMITH (United Kingdom), Chairman of the Council Committee on Non-Governmental

Organizations, speaking on a point of order, made a formal protest against the inaccuracy of a Press release issued by the Information Centre at Geneva.

97. At its 87th meeting, the NGO Committee had heard statements by two trade union organizations in connexion with supplementary item No. 2 of the Council's agenda. In Press release No. ECOSOC/286, only one of those statements had been reported. There was no mention of the fact that a statement had been made by the International Confederation of Free Trade Unions. He felt, therefore, that any member of the Press who had to rely on the Information Centre for his facts would have been unaware that two statements had been made at the 87th meeting of the Committee.

98. The two statements made were absolutely opposed to each other. The International Confederation of Free Trade Unions had pledged its unqualified support of the United Nations; the other organization, as could be seen from the Press release, had been critical of the United Nations, the Security Council and the Unified Command.

99. The statement issued by the Information Centre was based almost exclusively on that part of the proceedings which he, as Chairman, had ruled out of order with the unanimous concurrence of the Committee. There were a number of things he would like to question in connexion with the Press release, but he had been unable to consult all the members of the NGO Committee.

100. He asked that a corrected Press release should be issued at once, and felt that the Council had the right to ask the Secretary-General to conduct a searching inquiry into the matter, and also to ask why such a low standard of reporting was tolerated in an international organization.

101. The PRESIDENT said that the case referred to by the Chairman of the NGO Committee was a serious one because of the repercussions it would have. He would take the matter up personally with the Information Centre, and would report back to the Council.

The meeting rose at 6.10 p.m.