



CONTENTS

Agenda item 7:	<i>Page</i>
Reports of the regional economic commissions (<i>continued</i>)	11

President : Mr. C. W. A. SCHURMANN (Netherlands).

Present :

Representatives of the following States: Afghanistan, Brazil, Bulgaria, Chile, China, Costa Rica, Denmark, France, Japan, Netherlands, New Zealand, Poland, Spain, Sudan, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Venezuela.

Observers for the following Member States: Argentina, Australia, Czechoslovakia, Mexico, Portugal, Romania, Turkey, United Arab Republic.

Observer for the following non-member State: Federal Republic of Germany.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, International Bank for Reconstruction and Development, World Health Organization.

AGENDA ITEM 7

Reports of the regional economic commissions (E/3320, E/3333, E/3340, E/3349; E/L.872) (*continued*)

1. The PRESIDENT drew the Council's attention to the draft resolution submitted by France, Spain, Sudan and the United Kingdom (E/L.872), which was intended to replace the draft resolution recommended by the Economic Commission for Africa (ECA) in part IV of its report (E/3320).
2. Mr. LESECHKO (Union of Soviet Socialist Republics) thought that the constructive role played by the regional economic commissions in developing international co-operation, irrespective of the structure or stage of development of individual countries, deserved to be stressed. Indeed, it was precisely for that reason that the Soviet Union supported their activities in general and took an active part in the work of the Economic Commission for Europe (ECE) and the Economic Commission for Asia and the Far East (ECAFE).
3. The importance of ECE lay largely in the fact that it ensured co-operation in the economic field between East and West, as Mr. Krushchev had emphasized in his message to the Commission at its fifteenth session (cf. E/3349, para. 242). The fact that its efforts to broaden

economic co-operation had given positive results was a matter of satisfaction to his delegation, as was also the fact that it was taking up topical questions. His delegation commended particularly its activities on the technical aspects of house-building and the seminars and study visits organized for the purpose of exchanges of experience in ways of relieving the acute shortage of housing. The Soviet Union had acted as host to one of those study groups.

4. A number of resolutions on important problems affecting the national economies had been adopted at the last session of ECE. Those resolutions, which reflected proposals made by the Soviet delegation, included decisions to initiate action on a number of aspects of housing, a matter on which there was a great need for more interregional co-operation so that resources might be utilized to the best advantage. The resolution on the exchange of technical and scientific experience (see E/3349, Part III, resolution 1 (XV)) constituted another outstanding example.

5. He was unable, however, to pass over in silence a matter which affected the Commission's effectiveness: namely, the fact that its membership did not embrace the whole of Europe. Some members were still maintaining their opposition to the admission of the German Democratic Republic, a sovereign State which had a right to take part in the Commission's work on an equal footing with the remainder of its members. His delegation trusted that ECE would be led to adopt a more constructive attitude in the matter in the future by following the principle of universality of membership.

6. His delegation noted with satisfaction that ECAFE, too, was directing its efforts towards the economic development of its member States. Constructive features at its sixteenth session included the decision to give more emphasis to the mutual exchange of information and experience, which would redound to the advantage of national plans for economic and social development. Again, however, the Soviet Union felt bound to deplore the fact that the People's Republic of China and other socialist States of Asia were not represented in ECAFE, which was damaging to its prestige and effectiveness. The sooner those States were admitted, the better ECAFE would be able to fulfil its functions.

7. The Economic Commission for Africa had undoubtedly done good work in the short period of its existence. The Soviet Government would continue to give ECA its fullest support in the endeavours to meet the vast economic problems facing the African States. All African States should be represented in ECA and the Council should also take steps to enable non-African States, capable of advancing economic development in the

continent, to be associated in its work. The German Democratic Republic was a case in point. It had broad potentialities for giving assistance by way of experts in industry, agriculture, transport and so on, and could receive students for training.

8. The Soviet delegation also commended the good work done by the Economic Commission for Latin America (ECLA), in particular its activities directed towards the creation of a common market throughout the region. While appreciating the aspirations underlying that action, the Soviet Union was at the same time ready to increase its trade with Latin America and to develop social and cultural co-operation, such as was already in being in Argentina, Mexico, Cuba and Brazil.

9. Strengthening of the regional economic commissions would be in the interests of every country of the world and would at the same time contribute to mutual confidence and understanding, an objective dear to the heart of the Soviet Union.

10. Mr. VIXSEBOXSE (Netherlands) welcomed the decision to discuss the reports of the regional economic commissions in plenary session as a mark of recognition of the increasing importance of the work they were doing. What the Council was endeavouring to do was to assess the value of that work and it was fitting that that should be done in plenary session rather than in committee.

11. The Netherlands delegation felt that the regional commissions were acting more and more as "economic parliaments", in which the member countries could give expression to their desires and expectations in the entire field of economic and related social activities. The result was the formulation of a considered public opinion representative of each region.

12. The emerging trend towards more operational activities was likely to have a lasting and beneficial impact on economic development, if guided in the right direction. The shift in emphasis would place an increasing responsibility on the executive secretaries of the regional commissions and indirectly on the Council. Quite apart from that trend, however, the work was bound to increase in the normal course of events. With the intervention of the United Nations Special Fund and the International Development Association, member countries would undoubtedly feel the need, as time went on, for advice on the planning and execution of projects within the purview of those two institutions, although the primary advisory responsibility lay with the specialized agencies. Such a development might be expected to result in some confusion in the delineation of competence, but the Netherlands delegation felt that in practice the advantages might well outweigh the disadvantages. Real or imaginary administrative obstacles should not be allowed to stand in the way of a legitimate expansion of regional activity.

13. In view of the growth of activities, the question arose whether the secretariats of the regional commissions were equipped to cope with the increasing workload. His delegation trusted that the Secretary-General would be able to make adequate provision in funds and staff to meet the more pressing needs of the moment.

14. The ECA had displayed a most impressive energy in tackling the immense tasks facing it. In the short time since its establishment it had succeeded in laying a firm foundation for its future work despite a limited staff, and the regular working contacts established with the specialized agencies would be helpful in the achievement of the necessary co-ordination of action.

15. The Netherlands delegation was glad once again to express warm appreciation of the work of ECLA. The conclusion of the Montevideo Treaty, whereby the Latin American Free Trade Association had been established, was a milestone in economic integration of which the significance could hardly be over-estimated. Another important activity of ECLA was its economic development training programme, conducted jointly with the United Nations Bureau of Technical Assistance Operations. The Netherlands deeply appreciated the assistance rendered to Surinam.

16. The Netherlands Government continued to support the work of ECE, even though its practical results were sometimes rather limited. It served a most useful purpose in helping to bridge the gap between eastern and western Europe. In that connexion, his delegation particularly welcomed the recent decision to arrange a meeting by senior government advisers (E/3349, part III; resolution 3 (XV)) so that basic issues which had hitherto obstructed progress might be tackled at an appropriate level.

17. Without going into detail on the activities of ECAFE, important as most of them were, he wished to comment on that commission's resolution 31 (XVI) on regional economic co-operation for development of trade and industries (E/3340, part III). The fundamental issues raised in that resolution deserved attention not only in the region but in the Council and elsewhere. Although not new, their formulation in the resolution was tantamount to a considered public opinion, representative of the whole region, and as such the message conveyed should not be ignored.

18. Mr. TSAO (China) commended the work of the regional economic commissions and their executive secretaries. With regard to ECAFE and economic co-operation in the ECAFE region, however, he was constrained to observe that a regional common market remained unattainable. The ECAFE should, however, be commended for promoting joint industrial projects. Given time for development, it would emerge as a strong factor making for regional economic co-operation. The Lower Mekong River Basin project was an example of the way in which such economic co-operation might be developed. His government had pledged a gift of 5,000 tons of cement at the sixteenth session of ECAFE. It was a symbolic contribution, but it testified to his government's enthusiastic moral support. The Bureau of Flood Control had for thirteen years been headed by his fellow-countryman, Mr. Shen, whose contribution to the work of flood control in general was well known. Mr. Shen was leaving to become Minister of Communications in his country's government, but his great experience would strengthen the relations between his country and ECAFE.

19. The representatives of Bulgaria (1113th meeting) and the Soviet Union had referred to the representation of his country in ECAFE. Since that had been pure political propaganda, he had decided not to reply, in order to contribute to the proper conduct of the Council's business.

20. Mr. AUBOIN (France) congratulated the four executive secretaries on the work done and remarked that, although their terms of reference were practically identical, the four commissions had successfully adapted themselves to the different regional conditions.

21. The four commissions were first and foremost tackling the essential task of providing the groundwork of statistical and other documentation which must be a prelude to action in the economic field. The excellent reports they were publishing each year were awaited with interest by economists and by the public. To choose between them would be invidious, but stress must be laid on the remarkable achievement represented by the *Economic Survey of Africa since 1950* (E/CN.14/28 and Corr.2). They were also responsible for the publication of documents and bulletins, meetings of technicians, and study tours, which went to form a dense network of international technical relations.

22. The regional commissions had another function: the training of the cadres necessary for modern economic life. The Economic Commission for Africa was right to accord high priority to that task. That was a matter of satisfaction to the French delegation, and it drew particular attention to the Commission's work in training African economists and statisticians. When a number of republics which were about to attain independence became members of the Commission, they would undoubtedly stress the importance of action in that field.

23. The regional commissions had also advisory functions. In fact they acted as counsellors to member States, to the region as a whole and to the United Nations. The Economic Commission for Latin America had been particularly outstanding in its role as adviser to member States, which it had guided not only in the field of international economic co-operation, but also in that of internal economic policy.

24. Finally, the regional commissions had an active part to play. According to the region, they might be engaged in conciliatory work of a legal nature, such as the work of ECE on arbitration, or in work of a technical character, on transport, for example. The most spectacular action was naturally that concerned with great projects of international importance. In that connexion ECAFE could justly be proud of its contribution to the project for the development of the Lower Mekong River Basin which was giving the whole world an example of regional co-operation. France, which had been the first country to support that scheme, would continue to give it moral, technical and financial support. Another project worthy of encouragement was that of the international Asian highway which was to link Iran to Vietnam.

25. Mention should also be made of the work of the regional commissions in the matter of economic and commercial co-operation between countries of the region.

A special tribute should be paid to ECLA, whose work had culminated in the signing of the Treaty of Montevideo, which marked a great stride towards the economic integration of Latin America. The French delegation, like the delegations of the six countries of the European Economic Community, had welcomed that historic document with interest and sympathy. In Europe the special features of the economic situation required other action on the part of the Commission concerned. The main problem was that of commercial relations between countries with a different economic structure. The French delegation drew the Council's attention to the potential importance of the work of ECE on the various ways of improving, on a multilateral basis, commercial exchanges and payments between countries with different structures (E/3349, part III, resolution 6 (XV)). The solutions found might be applicable not only to intra-European relations, but also to the world as a whole.

26. Mr. PHILLIPS (United States of America) said that much of the practical work of the United Nations was performed by the regional economic commissions. They had done excellent work in adapting their programmes to the various economic, social and political conditions prevailing in their regions. Despite that diversity, there were certain common trends visible, notably a growing recognition of the social implications of economic development and the trend towards regional and sub-regional integration, frequently in the form of common markets or free trade areas.

27. He had been interested to learn that ECAFE had unanimously endorsed a report by its Working Party on Economic Development and Planning, which had dealt with the problems of social development in relation to economic development. The Commission had concluded that the building of the social infrastructure, which would raise the levels of health, education, knowledge and skills, was, in the long run, a prerequisite for economic development. The Working Party's discussions had necessarily been of an exploratory nature, but intensive studies had been suggested on such topics as the pattern of, and the priority to be accorded to, social development in promoting economic development, the impact of progressive social policies on the cost of production and the co-ordination in each country of specific social programmes and social and economic development programmes.

28. It had been argued that the development of regional and sub-regional economic arrangements might divide as much as they could unite. While the existence of such a danger could not be completely excluded, the United States Government fully supported regional arrangements which were compatible with world-wide efforts to expand non-discriminatory trade and economic growth, since such arrangements would be of benefit not only to those countries which were members of the regional agreements but to other countries and regions as well. A common market or free-trade area, in which all sellers could sell freely to any buyer within the market and which did not raise unwarranted barriers, tariffs or other restrictions on trade with other areas, would increase trade, attract investment, improve efficiency through competition and reduce costs.

29. The work of ECA showed that member governments were striving earnestly to attack the tremendous problems faced by the region, which was at present undergoing such basic and revolutionary changes. The countries represented on the Commission were demonstrably aware of the need for closer co-operation among the countries and territories of the region. The ECA could encourage that trend; one step in that direction had been the adoption by ECA at its second session of resolution 8 (II) on intra-African trade and the convening of a conference of African business men in 1961 (E/3320, part III). That resolution had reflected an awareness of the actual and potential role of private enterprise in the economic revolution taking place in Africa.

30. The extensive work done by the United Nations Department of Economic and Social Affairs in the preparation of the *Economic Survey of Africa since 1950* was commendable, for that study could not possibly have been prepared by the still insufficient staff of the Commission. In that connexion, it was satisfactory to note that the Executive Secretary was taking pains to obtain highly qualified professional staff members. It was to be hoped that all posts approved for the 1960 budget would be filled by the autumn.

31. His delegation fully agreed with the view of ECAFE that stress should be laid on the continuing importance of increasing agricultural production side by side with industrialization — a sound concept of balanced economic growth. The most interesting items in the work programme of ECAFE were the implementation of the Asian Highway proposal and the work on the development of the Lower Mekong River Basin, both excellent examples of what might be called constructive regionalism. The United States stood ready to assist in any useful and sound co-operative effort among the countries of the region to accelerate economic development.

32. The work done by ECLA had been extremely useful. It had continued to maintain the closest liaison with other organizations in all work of mutual interest. That was particularly important in Latin America, owing to the role played by the Organization of American States (OAS) and the particular importance of trade problems in which other organizations, especially the secretariat of the Contracting Parties to the General Agreement on Tariffs and Trade (GATT), had major responsibilities. It was to be hoped that the Commission would be able to continue to work in close co-operation with other United Nations agencies, with the OAS and with the GATT secretariat in further activities relating to trade policy and to the proposed Latin American Common Market.

33. While the United States Government in general supported the work programme of ECLA, it had reservations with regard to certain financial implications. It had, in particular, noted that the Executive Secretary had indicated that an increase of five officers on the permanent staff of the ECLA secretariat, in addition to the five officer positions requested the previous year to work on the Latin American Common Market, would be required to perform the work to be undertaken for the Committee of the Free-Trade Area Association in connexion with the Montevideo Treaty (E/3333, paras. 236-

238). Under the terms of ECLA resolution 172 (AC.45) the work should include the "provision of technical advice"; it should not be extended into the field of operational activities and should be extended only as requested. Since the Treaty provided for its own administrative machinery, and since the Executive Secretary of ECLA had already requested and obtained additional staff to work on common market programmes, his delegation had serious doubts whether the second increase was warranted. The secretariat was performing valuable services in preparing the necessary studies for the signatories of the Montevideo Treaty. If, however, the signatories became completely dependent from the beginning upon the services of the ECLA staff, that might well create policy problems in addition to the financial implications.

34. The work of ECE had been, as usual, outstanding, especially in respect of the high quality of economic analysis contained in the *Economic Survey of Europe in 1959* (E/ECE/383 and Corr.1 and 2). His delegation supported the work programme of ECE and had been especially gratified by the unanimous approval of resolution 3 (XV), initiated by the United States delegation, concerning a meeting by senior government advisers, which would be most useful in achieving better understanding of certain subjects of mutual interest not covered by the committee structure of ECE. It was to be hoped that decisions on the subjects to be discussed would be reached soon enough for it to be possible for the meeting to be held profitably by the beginning of 1961.

35. It was gratifying to note the orderly progress in considering energy questions, and the indication in ECE resolution 6 (XV) of the consensus of opinion that work to explore on a practical level methods likely to improve the international trade and payments relations between ECE countries would proceed, within the framework of the Committee on the Development of Trade. The work in that field should be continued without impairing established forms of international co-operation and with due regard to safeguarding mutual advantages in trade among member countries.

36. Mr. MATSUDAIRA (Japan) said that his Government's interest in the work of the regional economic commissions was amply illustrated by the fact that, even prior to Japan's admission to the United Nations, it had closely followed those commissions' work. The individual character of the different commissions meant that their difficulties and achievements must be appraised in terms of varying backgrounds and objectives. Despite the tendency towards regional economic integration outside the framework of the United Nations, his delegation trusted that the United Nations role in regional economic matters would become progressively greater.

37. His delegation noted with satisfaction that every economic and social problem of regional importance was being appropriately tackled within the four regional commissions, that constructive and harmonious co-operation was assured with every other United Nations agency or body, and that serious efforts were being made to integrate the general international work effectively at the regional level.

38. The emphasis ECAFE was placing on projects of regional importance was a source of particular encouragement. The programme for the development of the Lower Mekong River Basin was an outstanding example of a co-ordinated and collective approach to a problem of common concern. Action of that kind would strengthen economic ties among the countries concerned, and at the same time promote closer relations with countries outside the region. The work on the Asian highway project and on the training of railway personnel was also illustrative of a trend worthy of encouragement.

39. The Conference of Asian Economic Planners, to be convened in 1962, was likely to bring beneficial results, while the Asian Population Conference to be held in 1961 would be the first serious attempt to consider one of the most difficult problems of the East on a collective basis. Japan was ready to participate actively in any efforts within the framework of ECAFE to promote regional co-operation.

40. The ECA had grown into an effective tool for serving regional economic unity in Africa. Its sober approach to the immediate problems was most commendable. In particular, its work on community development, statistics, exploitation of resources, collection of basic data and the training of national staff would help the countries of Africa in adjusting their economic growth to the increasing trend towards integration on a continent-wide basis in Europe and elsewhere.

41. The increasing emphasis given by ECE to integration of the European economy was noteworthy. Some of the technical aspects of the promotion of East-West trade — a long-standing problem — had been further clarified by the Special Meeting on the Organization and Techniques of Foreign Trade held in July 1959. As a partisan of free trade, Japan was interested in the latest decision to have the problem examined further at a meeting by senior government advisers of ECE countries. It was to be hoped that ECE would also pursue its efforts to promote trade and economic co-operation outside Europe.

42. The ECLA had been working steadily to further economic integration in Latin America. The Montevideo Treaty was a constructive move towards the founding of a common market in the region. His delegation trusted, however, that regional integration would not be utilized as a means of discrimination against other continents.

43. Mr. DUDLEY (United Kingdom) expressed the view that the fact that the reports of the regional economic commissions were being discussed in plenary session reflected their growing importance as part of the United Nations structure. It would obviously be impossible in the time available adequately to discuss all four reports. In view of the great diversity of subject matter, approach and techniques, only a few generalizations were possible. The Council session should be regarded as an opportunity to learn rather than to express views; indeed, members had already learnt much from the introductory statements by the executive secretaries. One of the most interesting features was, in fact, the diversity of approach. It was precisely because of the fact that circumstances differed so

much from one region to another that the regional economic commissions were needed. The central organs of the United Nations would never be able to grasp many problems which the regional commissions were capable of dealing with themselves.

44. There had been increasing evidence in the course of the past year that, despite the diversity and the considerable decentralization enjoyed by the regional commissions, they had proved a vital part of the United Nations machinery and had extended its work. Member States of the United Nations could bring to bear in local circumstances and on particular subjects points of view which they also expressed at United Nations Headquarters.

45. The Committee on Programme Appraisals had stressed the importance of co-ordinating the attitudes of representatives of any one country towards different projects (E/3347, paras. 363 *et seq.*). Such consistency of approach was essential in order to obtain coherent results and should apply especially to the regional economic commissions. The United Kingdom was a member of all the regional commissions and was well aware of the importance of consistency, but it was equally aware that thought bore fruit at various levels and that what a delegation did at the centre was greatly affected by what it had learnt in the regions. Consistency was not, therefore, sterile, but a principle of growth. It was satisfactory to note that that principle had been fully appreciated by the Secretariat and that professional officers were being interchanged between the centre and the regional commissions, as the Executive Secretary of ECA had aptly pointed out.

46. The reports of the regional economic commissions reflected a growing preoccupation with action of practical value, often highly technical and involving the services of experts from many countries. They also reflected a tendency to concentrate on large projects of major value to the regions concerned, such as development of the Lower Mekong River Basin, the Asian highways and the Latin American Common Market. Regional work was constantly being more closely integrated with certain global programmes at Headquarters, such as those concerning water resources and industrialization, both of which had been praised at the Council's twenty-ninth session. The Council had then decided (resolution 751 (XXIX)) that the Committee for Industrial Development should remain in liaison with the regional economic commissions, for in all regions, including Europe, industrialization continued to be of vital importance.

47. The territories associated with the United Kingdom had found that membership or associate membership in the regional economic commissions was extremely valuable. The United Kingdom Government's consistent policy had been to propose such territories for membership or associate membership whenever requested. The ECA had adopted a resolution (5 (II)) urging the Administering Powers to apply for membership on behalf of territories attaining independence. All the territories in Africa for whose external relations the United Kingdom was responsible had become members of ECA or in the cases of the Federation of Rhodesia and Nyasaland

and the High Commission Territories of Basutoland, Bechuanaland and Swaziland, had applications pending. Singapore and Brunei had become separate associate members of ECAFE and ECLA had admitted the Federation of West Indies and British Guiana. The United Kingdom Government was grateful to the Commissions for the action they had taken on these applications.

48. With regard to the draft resolutions submitted by the regional economic commissions, his delegation supported those from ECE, ECLA and ECAFE. It had been one of the sponsors of a slight modification of an ECA resolution (E/L.872), which had been redrafted, with a change of only two words, to bring it into conformity with the draft resolutions submitted by the other regional commissions and with Council resolution 723 D (XXVIII). The United Kingdom welcomed the proposed action with regard to the Federal Republic of Germany and the ECA.

49. Mr. ORTIZ MARTÍN (Costa Rica) felt that there was no need to fear the establishment of a common market in Latin America, for as trade in industrial products grew the countries of the region would be freed from the need for industrial imports which at the present time depleted their limited supplies of foreign currency.

50. Secondly, the Council was in duty bound to look into the matters raised in the report of ECLA, bearing in mind that the slow rate of economic and social development and the pressure of population in Latin America might lead to serious political disturbances if nothing were done to alleviate the situation.

51. Mr. PREBISCH, Executive Secretary, Economic Commission for Latin America, replying to the United States representative, said that he welcomed the opportunity, after so many years, to bring into the open the question of the budgetary burdens which the ECLA secretariat had had to bear in silence for so long in obedience to instructions from superior bodies with which he could not in his heart agree. The work of ECLA had entailed the heaviest sacrifices both for himself and for his immediate collaborators. The ECLA secretariat had done a tremendous amount of work for the economic integration of Latin America. That had entailed not merely studies and reports but continual personal explanations and arduous and extensive travel. On almost every occasion, he had had to fight for appropriations for travel expenses. He himself and three other officials had borne the entire responsibility for the work that had culminated in the Montevideo Treaty, after years of hard work. Now that the Treaty had come into being, the countries concerned were demanding continued collaboration from ECLA. He was asking for funds for a personal representative to remain at Montevideo. The increase in the budget was insignificant in proportion to the results he anticipated.

52. How could the ECLA secretariat withdraw, when the Montevideo Treaty had not yet been ratified and no organization had been set up to perform the work for the Committee of the Free-Trade Association? The Governments concerned had asked the ECLA secretariat to continue to work on the urgent and basic problems

involved, such as a forthcoming conference on customs nomenclature and common standards. He could not see how such a request could decently be refused. Such requests, too, would continue for a considerable time. The only alternatives, therefore, were either to abandon the whole matter or to ask for a small increase in the budget. The question was whether the Council wished the ECLA secretariat to jettison its work or to associate the United Nations with an achievement of the utmost importance for the whole of Latin America.

53. Another reason for asking for the increase was that, however active the new organization's secretariat became, it was bound to be immersed in day-to-day problems and would not be able to tackle the very serious general problems which required a broader view. In that respect the ECLA secretariat could continue to be of great value. It would have to continue to concern itself with broader projects, which might take from three to five years and would be beyond the range of a secretariat dealing with immediate commercial problems. That, of course, would cost money.

54. Again, there was a political aspect. The Latin American Common Market not only covered the South American countries but extended all the way north to Mexico, and the work involved could not be carried out by correspondence. He himself had had to visit Mexico for several months and was planning other visits. That required adequate staff and funds.

55. All those reasons justified a request for a moderate increase in staff and funds, made, as always, only after the most careful study.

56. It had been stated that ECLA should collaborate as closely as possible with the Organization of American States. In the studies connected with the establishment of the common market that collaboration had completely broken down. He had proposed that a joint commission should be established, headed by a person appointed jointly by both organizations. Nothing had come of his proposal. Duplication, naturally, had increased the expense.

57. Time after time, he had had to justify his budget before the Advisory Committee on Administrative and Budgetary Questions. He had told the Committee, as he now told the Council, that he was equally prepared to engage in practical work or to return to theoretical research. Practical work required funds; theoretical work could be carried out for almost nothing. He could not, however, take the responsibility for promising continued collaboration with the countries members of ECLA if he was unable to obtain even sufficient funds for the necessary travel or the requisite staff.

58. Mr. SCHWEITZER (Chile) remarked that, although it was true that machinery had existed in Latin America for co-operation in a number of spheres long before the United Nations and ECLA had come into existence, the creation of ECLA might be said without exaggeration to have changed the history of the continent. The benefits the small ECLA secretariat had been able to furnish to the individual Governments and peoples could not be measured in terms of money alone; their efforts over the past ten years and more, directed in conformity with

the spirit of the United Nations Charter, had changed the whole outlook. Every Government of the region owed a debt of gratitude to those devoted international officials.

59. In the circumstances, the greatest understanding should be shown to ECLA in meeting its legitimate demands for the financial and human resources needed to carry on its good work. The Council must realise the essential need for supporting the work of the regional economic commissions so that the principles embodied in the United Nations Charter might take on real meaning for the peoples everywhere.

60. Mr. PHILLIPS (United States of America) said that he was sorry if his earlier remarks had been open to misconstruction. He had in no way intended to show any lack of appreciation of the tremendous contribution the Executive Secretary of ECLA had made towards the conclusion of the Montevideo Treaty. On the other hand, he had not intended to start a discussion on budgetary questions; that was a matter outside the competence of the Council and might more appropriately be brought up in the Fifth Committee of the General Assembly.

61. His remarks had been directed primarily to the question of policy concerning the appointment of staff to provide assistance pending the setting up of permanent administrative machinery under the Montevideo Treaty. It was obvious that permanent appointments were not required for that purpose.

62. Mr. PANIKKAR, World Federation of Trade Unions (WFTU), speaking at the invitation of the Chairman, stated that the WFTU had consistently demon-

strated its interest in the work of all the regional economic commissions and the importance it attached to their activities through participation in their regular meetings.

63. The developing countries faced a multitude of problems in their efforts to speed up economic and social development. Apart from the necessary strengthening of the regional commissions, effective international aid on an increasing scale was essential if countries were to be given help commensurate with their growing needs. He trusted that the Council would give the matter its most serious attention. An appeal to the same effect had been made to the industrially advanced countries of the world by ECAFE in its resolution 31 (XVI).

64. Further measures of value to which consideration might be given included increased provision for regional projects, and steps to integrate more closely the work of the regional commissions and the United Nations programmes of technical assistance operations. By drawing on the experience of the regional commissions for planning purposes, it would be possible to effect savings in administrative costs in technical assistance, and the benefits from the joint work would be greatly enhanced.

65. The reports of the regional economic commissions reflected the growing urge in developing countries to break the vicious circle of dependence, under-development and poverty, in order to bridge the widening gap between their conditions and those of the more advanced industrialized countries. If that enthusiasm and energy were properly channelled through proper institutional adjustments the transformation might be quick and decisive. The Council should spare no effort in helping on that great work.

The meeting rose at 5.20 p.m.