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Report on the activities of the Economic Commission for Latin America

by

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I. INTRODUCTION

1. This report is the result of a study of the activities of the Economic Commission for Latin America (ECLA) and its sub-regional offices carried out by three members of the Joint Inspection Unit of the United Nations and specialized agencies[1/] over the period from the later part of October to the first week of December 1969. The members of the Unit spent about three weeks at ECLA headquarters at Santiago, where they acquainted themselves with the conditions prevailing in the Commission and had detailed talks with Mr. Quintana, the Executive Secretary of ECLA, Mr. Balboa, the Deputy Executive Secretary, heads of divisions, specialists and other officials of the Commission. They also had some extremely useful talks with Dr. Prebisch, former Executive Secretary of ECLA and now Director-General of the Latin American Institute for Economic and Social Planning, and his colleagues, who made informative and constructive comments on the activities and prospects of the Economic Commission for Latin America. The members of the Unit visited the Offices of ECLA at Rio de Janeiro, Mexico City and Port of Spain. They also held

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1/ The Joint Inspection Unit, the creation of which was recommended by the Ad Hoc Committee of Fourteen in para. 67B of its report to the General Assembly (document A/6343), came into existence on 1 January 1968 as a result of General Assembly resolutions 2150 (XXI) and 2360 (XXII). Apart from the United Nations, the following organizations participate in the inspection system by decision of their respective legislative or governing bodies: FAO, ILO, UNESCO, WHO, ITU, WMO, IMCO, IAEA, ICAO and UPU. The members of the Unit, from eight countries designated by the President of the General Assembly, were appointed by the Secretary-General of the United Nations after consultation with the other members of ACC. They are: Mr. Maurice Bertrand (France), Mr. L. Garcia del Solar (Argentina), Mr. Sreten Ilić (Yugoslavia), Mr. C. S. Jha (India), Mr. Robert M. Macy (USA), Mr. Joseph A. Sawe (Tanzania), Sir Leonard Scopes (UK) and Mr. Alexsei F. Sokirkin (USSR).

detailed discussions with the heads of the Bogota and Montevideo Offices of ECLA. They met and held useful exchanges of views with the representatives of the United Nations Development Programme (UNDP) and of the specialized agencies and with government representatives at Lima (Peru), Santiago (Chile), Buenos Aires (Argentina), Rio de Janeiro (Brazil), Caracas (Venezuela), Bogota (Colombia), Mexico City (Mexico) and Port of Spain (Trinidad and Tobago).

2. The members of the Joint Inspection Unit wish to express their deep appreciation and thanks to all those whom they met for their valuable and constructive co-operation.

Purpose of the inspection

3. The Economic Commission for Latin America is the third regional economic commission to be studied by the Joint Inspection Unit. The first two were the Economic Commission for Africa and the Economic Commission for Asia and the Far East, whose activities were examined by the Unit in June and July 1968 and March and April 1969 respectively (see documents JIU/REP/68/3 and JIU/REP/69/6).

4. As in the previous two cases, the task of the members of the Joint Inspection Unit was to seek out any difficulties and shortcomings in the activities of the Commission and to make an evaluation of its past and present activities and of its future role, particularly in the light of the evolving pattern of United Nations activities in economic and social development and in the light of the forthcoming Second Development Decade. Particular attention was paid to the specific circumstances in which the Commission functions.

II. ESTABLISHMENT AND DEVELOPMENT OF ECLA

5. ECLA was established pursuant to resolution 106 (VI), adopted by the Economic and Social Council on 25 February 1948. Like the earlier established Economic Commission for Europe and Economic Commission for Asia and the Far East, it was set up as a temporary body, being converted into a permanent regional commission in 1951.

Composition and sessions of ECLA

6. The members of the Commission are the Members of the United Nations in North, Central and South America, and in the Caribbean area, as well as France, the Netherlands, and the United Kingdom.

7. Sessions of the Commission are held every other year. Up to and including 1968, a Committee of the Whole was convened biennially in the intervening years to review the work of the Secretariat and its programme, to approve the annual report and to consider other matters. At its thirteenth session, in 1969, ECLA decided not to hold biennial sessions of the Committee of the Whole, on the understanding that the latter would be convened whenever the Commission was required to take an urgent decision.

Purposes of ECLA

8. In paragraph 1 of its terms of reference, the purposes of ECLA are defined as follows:

"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;

"(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;

"(f) In carrying out the above functions, deal as appropriate with the social aspects of economic development and the inter-relationship of the economic and social factors."

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 submits 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.

Main features of ECLA's work

9. Though ECLA's terms of reference were originally much the same as those of ECAFE and ECE, established about the same time, the nature and orientation of its activities as they have evolved, have been somewhat different from those of the other Commissions. First, ECLA's region was not been the scene of war, even though it suffered from the economic consequences of war. Second, the region was not embarking de novo on the task of regional co-operation since inter-American organizations had existed and functioned long before ECLA's formation. Third, the existence of a common language for most of the countries facilitated and stimulated regional co-operation.

10. Notwithstanding these favourable circumstances, Latin American countries were at first not overly orientated towards the concept of economic planning for facilitating the organization, acceleration and execution of economic development; nor had they then the trained personnel and infrastructures required for economic planning and execution of economic development projects. ECLA, with its broad terms of reference, came therefore at a timely and psychological moment. It is widely recognized that

ECLA contributed in large measure to Latin American countries becoming planning-conscious and to their policies being systematically geared towards economic development. It helped the creation of trained personnel for planning and development - many of them are at present occupying key positions of responsibility in the development field of their respective countries - and provided governments with an assessment of requirements in such spheres as industrial development, the introduction of techniques of economic planning etc. The Commission's ideas, though they at first met understandably with some resistance, eventually won recognition.

11. The following may be described as the main landmarks in the work of ECLA:

(a) In 1950, the situation of the Latin American economy was objectively analysed and the main lines of the Commission's work were laid down in the Commission documents "The Economic Development of Latin America and its Principle Problems" and "Economic Survey of Latin America 1949".

(b) At the third session of ECLA (1950), the Commission adopted a resolution in which the Governments of the Latin American countries were recommended to take steps to speed up the development of industry and to establish an order of priority for the realization of the specific goals of industrialization in each country. To protect developing industry, the Commission recommended the adoption of protective measures.

(c) At its fourth session (1951), ECLA drew attention to the need for establishing programmes for the economic development of the Latin American countries, and at the same time pointed out that domestic savings must become a main source of financing for economic development. At the same time, the Commission advocated a broad expansion of foreign investment.

(d) Also at the fourth session, a programme was adopted for the training of qualified personnel in the sphere of economic development. Many economists from the Latin American countries who have taken courses organized by ECLA under that programme now hold leading posts in their countries' governments. When, on its establishment in 1962, the Latin American Institute for Economic and Social Planning assumed responsibility for the training of economists, it considerably expanded the scope of the training and increased the number of those receiving it.

(e) In 1951, to promote the economic development of the countries of Central America, the Commission established the Committee for Economic Co-operation between the countries of Central America. One of the results of this Committee's work was the signature in June 1958 of the Multilateral Treaty on Free Trade and Central American Economic Integration.

(f) In 1955, the Trade Committee was established by decision of ECLA with a view to promoting and facilitating economic co-operation among the Latin American countries.

(g) In accordance with a decision taken by ECLA at its sixth session, a draft treaty on the organization of the Latin American Common Market was signed. Later on, as preliminary measures towards the establishment of the Common Market, sub-regional groups like the "Central American Common Market (CACM)" and the "Latin American Free Trade Association (LAFTA)" were set up.

(h) In 1962, the Latin American Institute for Economic and Social Planning was established under the auspices of ECLA in accordance with an ECLA resolution.

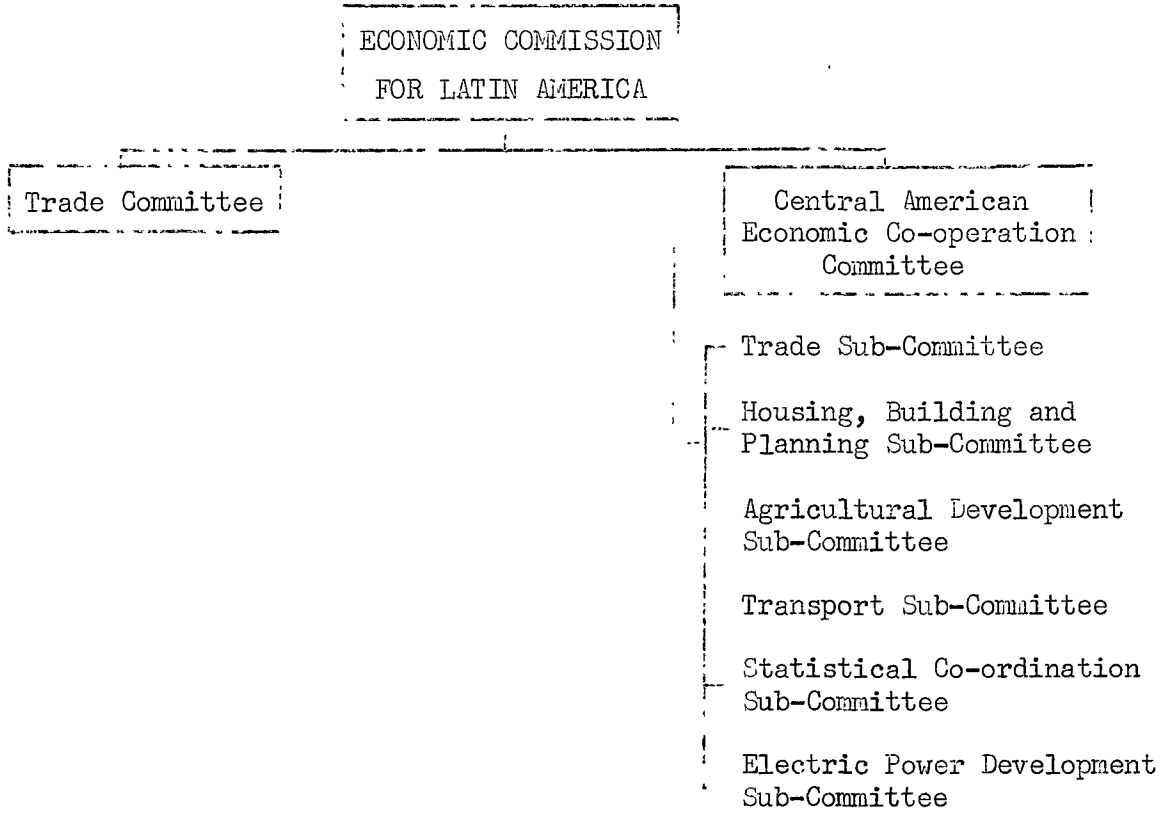
(i) During the last decade, the Commission has taken an active and direct part in all efforts to establish trade and economic relations and co-operation between the countries of Latin America, in line with the Commission's previously adopted programmes. The Commission's thirteenth session, held at Lima, in April 1969, should be regarded as a turning point in ECLA's work. It made a broad evaluation of the achievements and failures of the 1960's and set the guidelines for a UN Programme of Action and for the Commission secretariat's future work. Among matters which the Commission was to study in particular were far-reaching problems of economic integration, both at sub-regional and regional level, employment, population and social studies, absorption of external financial and technical co-operation, the development of production for export income distribution, mobilization of internal savings and transfer of technology.

III. INTERNAL ORGANIZATIONAL STRUCTURE OF ECLA

12. The members of the Joint Inspection Unit carefully studied the organizational structure of the Commission and of its secretariat, including the changes which have been made as their activities have expanded.

Structure of ECLA

13. Unlike the other regional economic commissions, ECLA has not established, in the course of its development, a sub-structure of committees and other standing subsidiary bodies for its various fields of work. The Trade Committee and the Central American Economic Co-operation Committee are exceptions in this respect, as is shown in the following diagram:



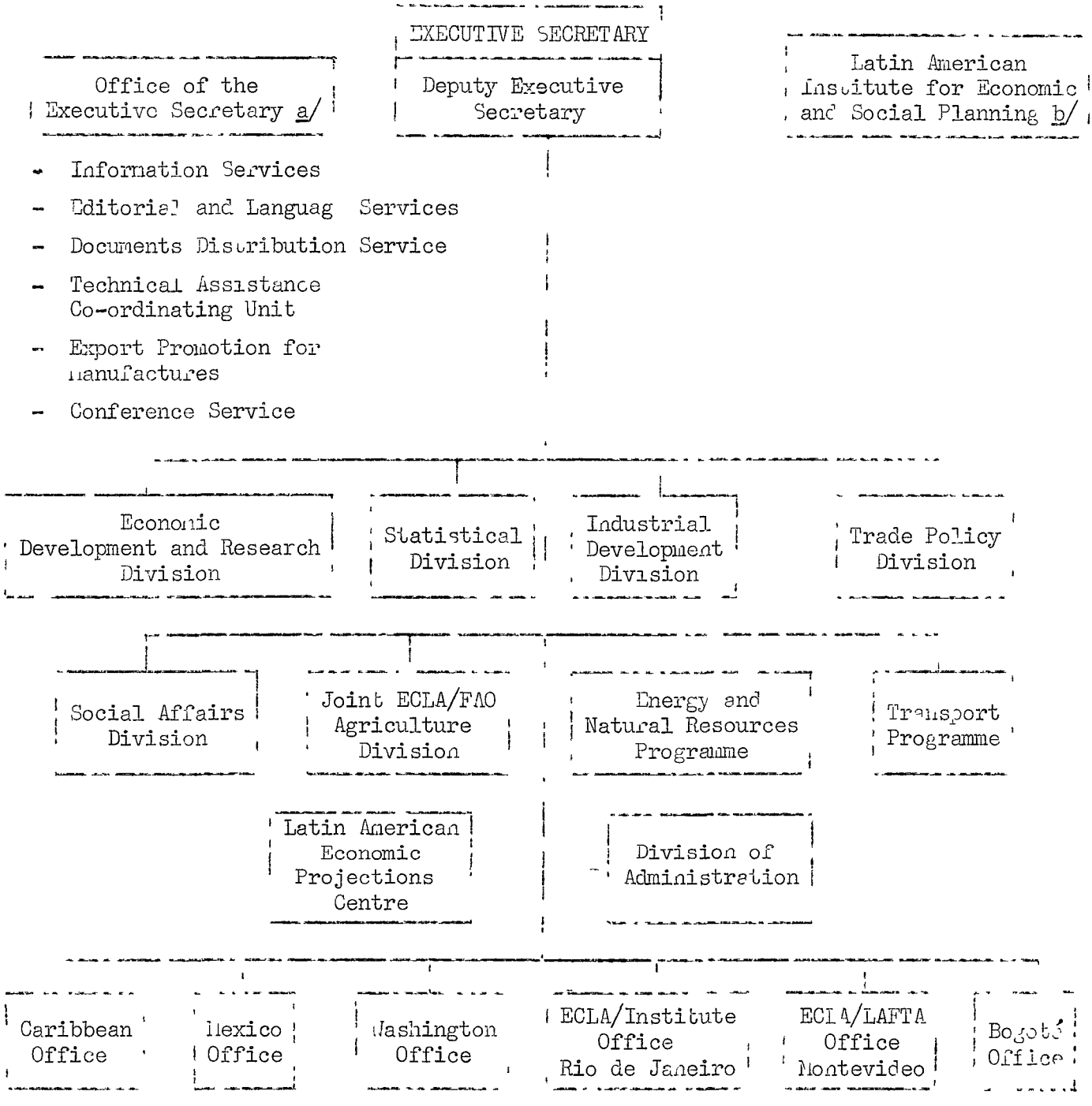
14. The Trade Committee was established in 1955 pursuant to ECLA resolution 101 (VI) and held sessions in 1956, 1959, 1961 and 1964. The Committee has not met since 1964, the main work on problems of trade being done by the secretariat of the Commission.

15. The Central American Economic Co-operation Committee was established in 1954. It held nine sessions, the last in January 1966. In the main, the work of this body has been carried out by various sub-committees and working groups: more specificially, the Regional Committee on Electrical Standards, the Regional Group of Electricity Rates, the Working Group on Maritime Transport and Port and Harbour Development, the Central American Statistical Co-ordination Sub-Committee, the Central American Housing, Building and Planning Sub-Committee, the Central American Transport Sub-Committee and the Water Resources Sub-Committee. These sub-committees and working groups have been serviced mainly by the Mexico Office of ECLA.

Organization of the secretariat - ECLA Headquarters

16. In order to service the sessions of the Commission and its subsidiary bodies and to carry out the tasks entrusted to the Commission, eleven divisions and six sub-regional offices have been established within the secretariat, as is shown in the chart below. In addition, the Latin American Institute for Economic and Social Planning works in close contact and co-operation with the secretariat.

17. The basic structure of ECLA is as follows:



a/ There is a post of Secretary of the Commission which is not included among the services coming under the office of the Executive Secretary.

b/ The United Nations, through the ECLA secretariat, acts for the Special Fund component of UNDP as executive agency for the Latin American Institute for Economic and Social Planning, established in 1962 under resolutions 199 (IX) and 220 (A.52) of the Commission.

18. We do not propose to comment on past changes in the internal organization of the Commission's secretariat. We fully understand that the effort to find the best forms of organization for a secretariat inevitably involves some experimentation, and that this may not always be successful. What matters is that, in the end, the most efficient forms of organization should be arrived at. We focused our attention, therefore, on the existing organization of the secretariat and the degree to which it meets requirements at the present time.

The secretariat's main functions are:

(a) Functional servicing and documentation of the Commission and its subsidiary bodies;

(b) Research, surveys, studies and other activities within the Commission's competence;

(c) Co-operation in the preparation and execution of technical assistance programmes.

19. Within the secretariat, the servicing of the Commission and its committees and sub-committees is organized as follows:

(a) The Commission, the Committee of the Whole and their subsidiary bodies are serviced by the Office of the Executive Secretary;

(b) The Trade Committee and other bodies dealing with inter-regional trade are serviced by the Trade Policy Division;

(c) The Central American Economic Co-operation Committee and its subsidiary bodies are serviced by the Mexico Office of ECLA.

20. As will be seen from the table below, the servicing of sessions of the Commission and its subsidiary bodies, groups of experts, seminars and so on does not take up much of the secretariat's time.

Year	Sessions				Meetings				
	Commission and its subsidiary bodies	Groups of experts and seminars	Meetings of other United Nations bodies	Total	Commission and its subsidiary bodies	Groups of experts and seminars	Meetings of other United Nations bodies	Total	Working days, total
1962	3	10	4	17	32	144	72	248	124
1963	1	8	1	10	24	90	10	124	62
1964	3	4	1	8	26	52	10	88	44
1965	1	3	2	6	18	44	40	102	51
1966	1	4	1	6	5	65	14	84	42
1967	1	10	3	14	22	160	49	231	115
1968	1	11	5	17	6	112	33	157	154
1969	1	7	7	15	18	81	130	229	114