THIRD ANNUAL MEETINGS OF THE INTER-AMERICAN ECONOMIC AND SOCIAL COUNCIL
AT THE EXPERT AND MINISTERIAL LEVEL

Introduction

The Third Annual Meetings of the IA-ECOSOC at the Expert Level and the Ministerial Level were held in Lima, Peru, from 30 November to 11 December 1964.

The Meetings were attended by delegations from all the Member States of the OAS and by observers from Canada, Trinidad and Tobago, Israel, Japan, and certain European countries. Representatives of ECLA, IDB, CIAP, and the Panel of Nine were present as special participants, and there were also observers from the specialized organs of the OAS and certain United Nations agencies. The Secretariat of the meetings was provided by the OAS.

As in previous years the purpose of the meetings was to make an annual review of the Alliance for Progress and to formulate policy and the general and specific recommendations for the ensuing year. On this occasion, because of the existence of the Inter-American Committee on the Alliance for Progress (CIAP) which was established at the meeting of the IA-ECOSOC held in São Paulo in 1963, the meetings in Lima differed somewhat from earlier ones. In the opinion of the Secretariat, CIAP had already done a large part of the work formerly assigned to the Special Commissions --one of which dealt with health matters-- and that, in addition, that body had already evaluated the status of the Alliance for Progress program, which would make it possible to reduce the reports, documentation, program analysis, and the agenda. There was also a clear desire to limit the contents of the Final Report and to reduce the number of resolutions adopted by IA-ECOSOC.

The agenda of the meeting at the ministerial level was as follows:

I. ANNUAL REVIEW OF THE ALLIANCE FOR PROGRESS

A. Recent trends in and projections of the economic and social development of the countries of Latin America.
B. Activities of and report by the Inter-American Committee on the Alliance for Progress (CIAP).

C. Special aspects of economic and social development.

D. The ideological advance of the Alliance for Progress.

II. FOREIGN TRADE AND LATIN AMERICAN ECONOMIC INTEGRATION

A. Results of prospects arising from the United Nations Conference on Trade and Development.

B. Activities of the Latin American Free Trade Association and the Central American Common Market and multinational projects.

III. SPECIAL DEVELOPMENT ASSISTANCE FUND

Draft Statutes of the Special Development Assistance Fund.

IV. PROGRAMS AND BUDGETS

A. Program and budget of the Pan American Union within the sphere of competence of IA-ECOSOC, 1965-1966.

B. Program and budget of the Special Development Assistance Fund.

C. Plan of activities and budget of the Technical Cooperation Program.

V. OTHER BUSINESS

In accordance with the nature and the agenda of the meeting, the discussions were focused on economic and political questions and the discussion of the program and budget. A summary of the main items discussed and the resolutions adopted is given below:

Economic development

The documentation and discussions indicate that the economic development in Latin America in 1964 shows signs of recovery although this must be taken with some reserves. Where as in previous years the rate of growth of the national product did not keep pace in most of the countries of the Hemisphere with population growth in 1964, it appears, the increase in per capita production will be about 3 per cent, or more than the average minimum growth established in the Charter of Punta del Este. Other positive factors cited were the national development plans submitted by nine countries to the Panel of Experts; the gradual introduction of structural reforms, which are creating economic and social conditions favorable to development, and the increase in value of exports during the past year.
Among problems that still exist mention was made of unfavorable foreign trade conditions as the most important factor for Latin American development; inflation, which in 5 countries has exceeded 25 per cent, in two has reached 48 per cent, and in one 87 per cent; agricultural production, which has remained stagnant for the last three years. In addition, there was still high short-term foreign indebtedness and a need for long-term foreign financial assistance.

Inter-American Committee on the Alliance for Progress (CIAP)

The meeting expressed its satisfaction with the work done by CIAP in its first year of existence. It praised the country studies made by this body, since they will make it possible to determine Latin America's need for external resources. The opinion was expressed that the preparation of country reviews should constitute the main activity of CIAP and the basis for the annual review of the Alliance for Progress; and that these studies could be strengthened if statistical services were improved and there was a more thorough analysis of operating and sectoral problems. It was recommended that, if CIAP considered it necessary, it should convene a meeting of the heads of national planning offices to study the methodological bases to be used in each country for the preparation of the annual country studies and recommended that, as it had been done in 1964, a general summary of the problems and prospects of the Alliance for Progress based on these studies, should be prepared and submitted to the next annual meeting.

The administrative situation of CIAP was discussed since it now serves as a Permanent Special Commission of IA-ECOSOC in multilateral representation of the Alliance for Progress. The result of these discussions was a decision to ask CIAP itself to prepare a report together with such recommendations as it deemed advisable to strengthen its activities. It was also authorized to engage a small group of highly qualified technical personnel and it was given new functions with respect to trade and development problems.

Special Development Assistance Fund

Approval was given to the statutes and budget of the Special Development Assistance Fund for financing the activities of the Alliance for Progress which should not duplicate or replace those that are already included in the regular program and budget of the General Secretariat or in existing programs of other agencies. The Fund, which is a multilateral one, will be financed by general contributions from the Member States of the OAS and other public and private sources or funds. At the meeting the following contributions were pledged: the five Central American republics, $125,000; Colombia, $150,000; Ecuador, $35,000; Peru, 60,000, and the United States of America up to $4.5 million dollars, with the provision that this amount must not exceed 66 per cent of the total fund.
The Fund will be organized by IA-ECOSOC and administered under its authority. It will be up to CIAP to establish standards and priorities within the framework of the policy established by IA-ECOSOC and to review the operation of the Fund.

Planning

The meeting discussed planning activities in Latin American countries. The view was expressed that planning had made it possible to obtain a better knowledge of the fundamental problems to be faced in economic and social development, a more effective use of available local resources and the channeling of external financing towards projects with the highest national priority. The plans prepared have not yet managed to coordinate all aspects of economic development with those of social progress. The content of the plans should be improved and the usual excessively broad goals and projections should be awarded; more importance should be given to sectoral analysis of the programs and it was important to overcome many defects still to be observed in the plans for the social sectors, particularly in those for health and education; in preparing general programs, greater attention should be given to the redistribution of income as one of the basic objectives of these programs.

Manpower resources

Bearing in mind that one of the main obstacles to development in Latin American countries is the shortage of properly trained personnel, it was recommended that OAS should intensify its assistance programs to member countries for programming available manpower.

Programs for community promotion of cooperation or community development

Considerable time was devoted to this subject and some delegations draw attention to the merits of these programs in promoting economic and social development in Latin America, even though not all the countries referred the same activities. The resolution approved at the Ministerial Meeting states in its operative part:

"1. To recommend that the Secretariat of the Organization of American States and the Inter-American Committee on the Alliance for Progress lend ample cooperation to those member states that may wish to carry out integral community development programs.

2. To augment in so far as possible direct technical assistance to those countries that are carrying out community development programs on a national level."

Resolutions relating to the health in the Americas

Only three of the 20 delegations of the Member States represented at the Meeting included representatives of the Ministries of Public Health. The main decisions taken with respect to health were as follows:
Foot-and-Mouth disease. The Meeting had before it two documents, one entitled "Importance and consequences of foot-and-mouth disease in the Americas, Report of the Pan American Foot-and-Mouth Disease Center on progress in planning and executing foot-and-mouth disease control campaigns" (Document IA-ECOSOC/644) and the other entitled "Evaluation of Project 77 of the Technical Cooperation Program of the Organization of American States" (Document IA-ECOSOC/648). The Meeting at the Expert Level adopted the following resolution, the operative part reads as follows:

"1. To recommend to the Pan American Sanitary Bureau that, acting through the Pan American Foot-and-Mouth Disease Center, it continues to give the countries all the cooperation and technical assistance in its power in the fight against foot-and-mouth disease and in the preparation of draft applications for loans from international credit agencies to implement the national campaign against foot-and-mouth disease that were presented and analyzed at the South American Conference in Rio de Janeiro.

2. To hold as soon as possible, in accordance with the proposal made by the Inter-American Committee on the Alliance for Progress in regard to Project 77 of the Program of Technical Cooperation (Document IA-ECOSOC/621) and approved by the Inter-American Economic and Social Council at the Third Annual Meeting at the Expert Level, the meeting proposed in the recommendation with the participation suggested in order to consider an expanded inter-American program with adequate financing and with multinational emphasis.

3. To recommend that the necessary measures be adopted at that meeting to increase, in the shortest possible time, the resources required by the Pan American Foot-and-Mouth Disease Center in order to meet the greater responsibilities that will result from the intensive development of national and multinational foot-and-mouth disease campaigns."

Rural and urban water supply. Two draft resolutions, one dealing with urban water supply and the other with rural water supply, were submitted. The operative part of both resolutions were incorporated in the Final Report of the Expert Meeting as follows:

"2. The IA-ECOSOC recommends that international credit agencies broaden their lending by the adoption of flexible financing systems, so as to intensify and extend the development of programs for supplying drinking water to urban communities.

3. Owing to the interest shown by the countries and by international financing agencies there has been a significant step-up in the installation of urban water supply systems in recent years. However, the supplying of drinking water to rural areas continues to be one of the most neglected fields in the field of public health. It is necessary that external loans be obtained under favorable conditions and that the active participation of communities in programs to overcome this deficiency be encouraged."
Health implications of investments. A resolution was approved on this subject, the operative part of which was included in the Final Report of the Expert Meeting and reads as follows:

"4. IA-ECOSOC suggests that, when studies are being prepared on settlement, urbanization, road building, and other programs, health service requirements should be taken into account and that when applications for international financing are made sufficient funds should be included to take care of the necessary expenses in this area. It would be advisable to use the technical resources of the Ministries of Health at the national level and the advisory services of the Pan American Health Organization in programming campaigns of investment in public health."

Regional Training Center for Technical and Administrative Personnel of Medical Care Institutions and Services in American countries. A draft resolution was presented on this subject, and the following was incorporated into the Final Report of the Expert Meeting:

"5. In the field of medical care, the ratio between hospital beds and population has, generally speaking, remained stationary. In some cases there has even been a falling off. Most of the training opportunities for medical and health officers are very limited. IA-ECOSOC thinks that consideration should be given to the possibility of establishing a Regional School or Center to meet this need. The General Secretariat of the Organization of American States might undertake a study on this matter."

Studies on economic development needs and social progress and their relation to population growth. A draft resolution on this subject was discussed, and the following was incorporated into the Final Report of the Expert Meeting:

"16. Bearing in mind the importance of problems arising from demographic growth, IA-ECOSOC believes that a study should be carried out to determine the requirements of economic development and social progress as related to the population increase. In such studies proper attention should be given to the fact that Latin American population consist of high percentages of children and adolescents. Consequently, IA-ECOSOC recommends that Latin American countries carry out such studies, and charges CIAP with coordinating them at an international level and with providing the countries with the necessary technical assistance in collaboration with international specialized agencies."

Other activities are mentioned in Chapter 6 of the Final Report of the Meeting at the Expert Level "Social Programs in Development"; the introduction contains certain considerations on the end and means of social policy and sub-chapter D deals with health:
"1. At Punta del Este the Latin American countries agreed to work to improve the health of their peoples and to increase life expectancy at birth by at least five years in the ensuing decade. Some progress has been achieved in this direction which, while it is still insufficient, shows the concern that exists in the fields of planning, improvement of health statistics, personnel training, improvement in the organization and administration of services, environmental sanitation, particularly as regards water supply and drainage, the fight against diseases, nutritional improvement and a rational organization of medical care services."

6. IA-ECOSOC has noted the progress made in the continental program for the eradication of malaria, in spite of the existence of certain technical problems in some of the countries. In addition, programs aimed at the eradication of smallpox and yellow fever have continued, together with the ones for the control of communicable diseases such as tuberculosis, polyomielitis, and others."

**Other resolutions.** Other resolutions adopted at the meeting call upon the Member Countries to adopt decisions aimed at achieving the goals of economic integration; to continue plans for agrarian reform; and to intensify the information program concerning the Alliance for Progress.

* * *

The Director of the Pan American Sanitary Bureau has the honor to present this Report to the Executive Committee so that it may adopt such resolution as it deems appropriate.