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OAS Official Records
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# ALLIANCE FOR PROGRESS

Official Documents
Emanating from the
Special Meeting of the
Inter-American Economic and
Social Council at the
Ministerial Level

Held in
Punta del Este, Uruguay
from August 5 to 17, 1961

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AN AMERICAN UNION
General Secretariat, Organization of American States
Washington, D.C., 1961

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# SUMMARY


| | Page |
|---|---|
| DECLARATION TO THE PEOPLES OF AMERICA | 1 |
| THE CHARTER OF PUNTA DEL ESTE | |
| Establishing an Alliance for Progress within the Framework of Operation Pan America | 5 |
| APPENDED RESOLUTIONS ON: | |
| A. Economic and Social Development | 27 |
| B. Economic Integration | 36 |
| C. Basic Export Commodities | 39 |
| D. Annual Review of Economic and Social Progress | 46 |
| E. Public Opinion and the Alliance for Progress | 48 |

# DECLARATION TO THE PEOPLES OF AMERICA

Punta del Este, Uruguay

August 17, 1961

# DECLARATION TO THE PEOPLES OF AMERICA

Assembled in Punta del Este, inspired by the principles consecrated in the Charter of the Organization of American States, in Operation Pan America and in the Act of Bogotá, the representatives of the American Republics hereby agree to establish an Alliance for Progress: a vast effort to bring a better life to all the peoples of the Continent.

This Alliance is established on the basic principle that free men working through the institution of representative democracy can best satisfy man's aspirations, including those for work, home and land, health and schools. No system can guarantee true progress unless it affirms the dignity of the individual which is the foundation of our civilization.

Therefore the countries signing this declaration in the exercise of their sovereignty have agreed to work toward the following goals during the coming years:

To improve and strengthen democratic institutions through application of the principle of self-determination by the people.

To accelerate economic and social development, thus rapidly bringing about a substantial and steady increase in the average income in order to narrow the gap between the standard of living in Latin American countries and that enjoyed in the industrialized countries.

To carry out urban and rural housing programs to provide decent homes for all our people.

To encourage, in accordance with the characteristics of each country, programs of comprehensive agrarian reform, leading to the effective transformation, where required, of unjust structures and systems of land tenure and use; with a view to replacing latifundia and dwarf holdings by an equitable system of property so that, supplemented by timely and adequate credit, technical assistance and improved marketing arrangements, the land will become for the man who works it the basis of his economic stability, the foundation of his increasing welfare, and the guarantee of his freedom and dignity.

To assure fair wages and satisfactory working conditions to all our workers; to establish effective systems of labor-management relations and procedures for consultation and cooperation among government authorities, employers' associations, and trade unions in the interests of social and economic development.

To wipe out illiteracy; to extend, as quickly as possible, the benefits of primary education to all Latin Americans; and to provide broader facilities, on a vast scale, for secondary and technical training and for higher education.

To press forward with programs of health and sanitation in order to prevent sickness, combat contagious disease, and strengthen our human potential.

To reform tax laws, demanding more from those who have most, to punish tax evasion severely, and to redistribute the national income in order to benefit those who are most in need, while, at the same time, promoting savings and investment and reinvestment of capital.

To maintain monetary and fiscal policies which, while avoiding the disastrous effects of inflation or deflation, will protect the purchasing power of the many, guarantee the greatest possible price stability, and form an adequate basis for economic development.

To stimulate private enterprise in order to encourage the development of Latin American countries at a rate which will help them to provide jobs for their growing populations, to eliminate unemployment, and to take their place among the modern industrialized nations of the world.

To find a quick and lasting solution to the grave problem created by excessive price fluctuations in the basic exports of Latin American countries on which their prosperity so heavily depends.

To accelerate the integration of Latin America so as to stimulate the economic and social development of the Continent. This process has already begun through the General Treaty of Economic Integration of Central America and, in other countries, through the Latin American Free Trade Association.

This declaration expresses the conviction of the nations of Latin America that these profound economic, social, and cultural changes can come about only through the self-help efforts of each country. Nonetheless, in order to achieve the goals which have been established with the necessary speed, domestic efforts must be reinforced by essential contributions of external assistance.

The United States, for its part, pledges its efforts to supply financial and technical cooperation in order to achieve the aims of the Alliance for Progress. To this end, the United States will provide a major part of the minimum of twenty billion dollars, principally in public funds, which Latin America will require over the next ten years from all external sources in order to supplement its own efforts.

The United States will provide from public funds, as an immediate contribution to the economic and social progress of Latin America, more than one billion dollars during the twelve months which began on March 13, 1961, when the Alliance for Progress was announced.

The United States intends to furnish development loans on a long-term basis, where appropriate running up to fifty years and in general at very low or zero rates of interest.

For their part, the countries of Latin America agree to devote a steadily increasing share of their own resources to economic and social development, and to make the reforms necessary to assure that all share fully in the fruits of the Alliance for Progress.

Further, as a contribution to the Alliance for Progress, each of the countries of Latin America will formulate a comprehensive and well-conceived national program for the development of its own economy.

Independent and highly qualified experts will be made available to Latin American countries in order to assist in formulating and examining national development plans.

Conscious of the overriding importance of this declaration, the signatory countries declare that the inter-American community is now beginning a new era when it will supplement its institutional, legal, cultural and social accomplishments with immediate and concrete actions to secure a better life, under freedom and democracy, for the present and future generations.

# THE CHARTER OF PUNTA DEL ESTE

Establishing an Alliance for Progress

within the Framework of Operation Pan America

-5

## CONTENTS


| | | | Page |
|---|---|---|---|
| PREAMBLE | | | 9 |
| TITLE I | - | Objectives of the Alliance for Progress | 10 |
| TITLE II | - | Economic and Social Development | 12 |
| CHAPTER I | | Basic Requirements for Economic and Social Development | 12 |
| CHAPTER II | | National Development Programs | 12 |
| CHAPTER III | | Immediate and Short-Term Action Measures | 13 |
| CHAPTER IV | | External Assistance in Support of National Development Programs | 14 |
| CHAPTER V | | Organization and Procedures | 15 |
| APPENDIX | - | Elements of National Development Programs | 17 |
| TITLE III | - | Economic Integration of Latin America | 18 |
| TITLE IV | - | Basic Export Commodities | 20 |
| CHAPTER I | | National Measures | 20 |
| CHAPTER II | | International Cooperation Measures | 21 |


Previous Page Blank

# THE CHARTER OF PUNTA DEL ESTE

## ESTABLISHING AN ALLIANCE FOR PROGRESS WITHIN THE FRAMEWORK OF OPERATION PAN AMERICA

## PREAMBLE

We, the American Republics, hereby proclaim our decision to unite in a common effort to bring our people accelerated economic progress and broader social justice within the framework of personal dignity and political liberty.

Almost two hundred years ago we began in this Hemisphere the long struggle for freedom which now inspires people in all parts of the world. Today, in ancient lands, men moved to hope by the revolutions of our young nations search for liberty. Now we must give a new meaning to that revolutionary heritage. For America stands at a turning point in history. The men and women of our Hemisphere are reaching for the better life which today's skills have placed within their grasp. They are determined for themselves and their children to have decent and ever more abundant lives, to gain access to knowledge and equal opportunity for all, to end those conditions which benefit the few at the expense of the needs and dignity of the many. It is our inescapable task to fulfill these just desires -- to demonstrate to the poor and forsaken of our countries, and of all lands, that the creative powers of free men hold the key to their progress and to the progress of future generations. And our certainty of ultimate success rests not alone on our faith in ourselves and in our nations but on the indomitable spirit of free man which has been the heritage of American civilization.

Inspired by these principles, and by the principles of Operation Pan America and the Act of Bogotá, the American Republics hereby resolve to adopt the following program of action to establish and carry forward an Alliance for Progress.

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# TITLE I

## OBJECTIVES OF THE ALLIANCE FOR PROGRESS

It is the purpose of the Alliance for Progress to enlist the full energies of the peoples and governments of the American republics in a great cooperative effort to accelerate the economic and social development of the participating countries of Latin America, so that they may achieve maximum levels of well-being, with equal opportunities for all, in democratic societies adapted to their own needs and desires.

The American republics hereby agree to work toward the achievement of the following fundamental goals in the present decade:

1. To achieve in the participating Latin American countries a substantial and sustained growth of per capita income at a rate designed to attain, at the earliest possible date, levels of income capable of assuring self-sustaining development, and sufficient to make Latin American income levels constantly larger in relation to the levels of the more industrialized nations. In this way the gap between the living standards of Latin America and those of the more developed countries can be narrowed. Similarly, presently existing differences in income levels among the Latin American countries will be reduced by accelerating the development of the relatively less developed countries and granting them maximum priority in the distribution of resources and in international cooperation in general. In evaluating the degree of relative development, account will be taken not only of average levels of real income and gross product per capita, but also of indices of infant mortality, illiteracy, and per capita daily caloric intake.

It is recognized that, in order to reach these objectives within a reasonable time, the rate of economic growth in any country of Latin America should be not less than 2.5 per cent per capita per year, and that each participating country should determine its own growth target in the light of its stage of social and economic evolution, resource endowment, and ability to mobilize national efforts for development.

2. To make the benefits of economic progress available to all citizens of all economic and social groups through a more equitable distribution of national income, raising more rapidly the income and standard of living of the needier sectors of the population, at the same time that a higher proportion of the national product is devoted to investment.

3. To achieve balanced diversification in national economic structures, both regional and functional, making them increasingly free from dependence on the export of a limited number of primary products and the importation of capital goods while attaining stability in the prices of exports or in income derived from exports.

4. To accelerate the process of rational industrialization so as to increase the productivity of the economy as a whole, taking full advantage of the talents and energies of both the private and public sectors, utilizing the natural resources of the country and providing productive and remunerative employment for unemployed or part-time workers. Within this process of industrialization, special attention should be given to the establishment and development of capital-goods industries.

5. To raise greatly the level of agricultural productivity and output and to improve related storage, transportation, and marketing services.

6. To encourage, in accordance with the characteristics of each country, programs of comprehensive agrarian reform leading to the effective transformation, where required, of unjust structures and systems of land tenure and use, with a view to replacing latifundia and dwarf holdings by an equitable system of land tenure so that, with the help of timely and adequate credit, technical assistance and facilities for the marketing and distribution of products, the land will become for the man who works it the basis of his economic stability, the foundation of his increasing welfare, and the guarantee of his freedom and dignity.

7. To eliminate adult illiteracy and by 1970 to assure, as a minimum, access to six years of primary education for each school-age child in Latin America; to modernize and expand vocational, technical, secondary and higher educational and training facilities, to strengthen the capacity for basic and applied research; and to provide the competent personnel required in rapidly-growing societies.

8. To increase life expectancy at birth by a minimum of five years, and to increase the ability to learn and produce, by improving individual and public health. To attain this goal it will be necessary, among other measures, to provide adequate potable water supply and sewage disposal to not less than 70 per cent of the urban and 50 per cent of the rural population; to reduce the present mortality rate of children less than five years of age by at least one-half; to control the more serious communicable diseases, according to their importance as a cause of sickness, disability, and death; to eradicate those illnesses, especially malaria, for which effective techniques are known; to improve nutrition; to train medical and health personnel to meet at least minimum requirements; to improve basic health services at national and local levels; and to intensify scientific research and apply its results more fully and effectively to the prevention and cure of illness.

9. To increase the construction of low-cost houses for low-income families in order to replace inadequate and deficient housing and to reduce housing shortages; and to provide necessary public services to both urban and rural centers of population.

10. To maintain stable price levels, avoiding inflation or deflation and the consequent social hardships and maldistribution of resources, always bearing in mind the necessity of maintaining an adequate rate of economic growth.

11. To strengthen existing agreements on economic integration, with a view to the ultimate fulfillment of aspirations for a Latin American common market that will expand and diversify trade among the Latin American countries and thus contribute to the economic growth of the region.

12. To develop cooperative programs designed to prevent the harmful effects of excessive fluctuations in the foreign exchange earnings derived from exports of primary products, which are of vital importance to economic and social development; and to adopt the measures necessary to facilitate the access of Latin American exports to international markets.

# TITLE II

## ECONOMIC AND SOCIAL DEVELOPMENT

### Chapter I. Basic Requirements for Economic and Social Development

The American republics recognize that to achieve the foregoing goals it will be necessary:

1. That comprehensive and well-conceived national programs of economic and social development, aimed at the achievement of self-sustaining growth, be carried out in accordance with democratic principles.

2. That national programs of economic and social development be based on the principle of self-help -- as established in the Act of Bogotá -- and on the maximum use of domestic resources, taking into account the special conditions of each country.

3. That in the preparation and execution of plans for economic and social development, women should be placed on an equal footing with men.

4. That the Latin American countries obtain sufficient external financial assistance, a substantial portion of which should be extended on flexible conditions with respect to periods and terms of repayment and forms of utilization, in order to supplement domestic capital formation and reinforce their import capacity; and that, in support of well-conceived programs, which include the necessary structural reforms and measures for the mobilization of internal resources, a supply of capital from all external sources during the coming ten years of at least 20 billion dollars be made available to the Latin American countries, with priority to the relatively less developed countries. The greater part of this sum should be in public funds.

5. That institutions in both the public and private sectors, including labor organizations, cooperatives, and commercial, industrial, and financial institutions, be strengthened and improved for the increasing and effective use of domestic resources, and that the social reforms necessary to permit a fair distribution of the fruits of economic and social progress be carried out.

### Chapter II. National Development Programs

1. Participating Latin American countries agree to introduce or strengthen systems for the preparation, execution, and periodic revision of national programs for economic and social development consistent with the principles, objectives, and requirements contained in this document. Participating Latin American countries should formulate, if possible within the next eighteen months, long-term development programs. Such programs should embrace, according to the characteristics of each country, the elements outlined in the Appendix.

2. National development programs should incorporate self-help efforts directed toward:

a. Improvement of human resources and widening of opportunities by raising general standards of education and health; improving and extending technical education and professional training with emphasis on science and technology; providing adequate remuneration for work performed, encouraging the talents of managers, entrepreneurs, and wage earners; providing more productive employment for underemployed manpower; establishing effective systems of labor relations, and

procedures for consultation and collaboration among public authorities, employer associations, and labor organizations; promoting the establishment and expansion of local institutions for basic and applied research; and improving the standards of public administration.

b. Wider development and more efficient use of natural resources, especially those which are now idle or under-utilized, including measures for the processing of raw materials.

c. The strengthening of the agricultural base, progressively extending the benefits of the land to those who work it, and ensuring in countries with Indian populations the integration of these populations into the economic, social, and cultural processes of modern life. To carry out these aims, measures should be adopted, among others, to establish or improve, as the case may be, the following services: extension, credit, technical assistance, agricultural research and mechanization; health and education; storage and distribution; cooperatives and farmers' associations; and community development.

d. More effective, rational and equitable mobilization and use of financial resources through the reform of tax structures, including fair and adequate taxation of large incomes and real estate, and the strict application of measures to improve fiscal administration. Development programs should include the adaptation of budget expenditures to development needs, measures for the maintenance of price stability, the creation of essential credit facilities at reasonable rates of interest, and the encouragement of private savings.

e. Promotion through appropriate measures, including the signing of agreements for the purpose of reducing or eliminating double taxation, of conditions that will encourage the flow of foreign investments and help to increase the capital resources of participating countries in need of capital.

f. Improvement of systems of distribution and sales in order to make markets more competitive and prevent monopolistic practices.

Chapter III. Immediate and Short-Term Action Measures

1. Recognizing that a number of Latin American countries, despite their best efforts, may require emergency financial assistance, the United States will provide assistance from the funds which are or may be established for such purposes. The United States stands ready to take prompt action on applications for such assistance. Applications relating to existing situations should be submitted within the next 60 days.

2. Participating Latin American countries should, in addition to creating or strenthening machinery for long-term development programming, immediately increase their efforts to accelerate their development by giving special emphasis to the following objectives:

a. The completion of projects already under way and the initiation of projects for which the basic studies have been made, in order to accelerate their financing and execution.

b. The implementation of new projects which are designed:

(1) To meet the most pressing economic and social needs and benefit directly the greatest number of people;

(2) To concentrate efforts within each country in the less developed or more depressed areas in which particularly serious social problems exist;

(3) To utilize idle capacity or resources, particularly under-employed manpower; and

(4) To survey and assess natural resources.

c. The facilitation of the preparation and execution of long-term programs through measures designed:

(1) To train teachers, technicians, and specialists;

(2) To provide accelerated training to workers and farmers;

(3) To improve basic statistics;

(4) To establish needed credit and marketing facilities; and

(5) To improve services and administration.

3. The United States will assist in carrying out these short-term measures with a view to achieving concrete results from the Alliance for Progress at the earliest possible moment. In connection with the measures set forth above, and in accordance with the statement of President Kennedy, the United States will provide assistance under the Alliance, including assistance for the financing of short-term measures, totalling more than one billion dollars in the year ending March 1962.

Chapter IV. External Assistance in Support of National Development Programs

1. The economic and social development of Latin America will require a large amount of additional public and private financial assistance on the part of capital-exporting countries, including the members of the Development Assistance Group and international lending agencies. The measures provided for in the Act of Bogotá and the new measures provided for in this Charter, are designed to create a framework within which such additional assistance can be provided and effectively utilized.

2. The United States will assist those participating countries whose development programs establish self-help measures and economic and social policies and programs consistent with the goals and principles of this Charter. To supplement the domestic efforts of such countries, the United States is prepared to allocate resources which, along with those anticipated from other external sources, will be of a scope and magnitude adequate to realize the goals envisaged in this Charter. Such assistance will be allocated to both social and economic development and, where appropriate, will take the form of grants or loans on flexible terms and conditions. The participating countries will request the support of other capital-exporting countries and appropriate institutions so that they may provide assistance for the attainment of these objectives.

3. The United States will help in the financing of technical assistance projects proposed by a participating country or by the General Secretariat of the Organization of American States for the purpose of:

a. Providing experts contracted in agreement with the governments to work under their direction and to assist them in the preparation of specific investment projects and the strengthening of national mechanisms for preparing projects, using specialized engineering firms where appropriate;

b. Carrying out, pursuant to existing agreements for cooperation among the General Secretariat of the Organization of American States, the Economic Commission for Latin America, and the Inter-American Development Bank, field investigations and studies, including those relating to development problems, the organization of national agencies for the preparation of development programs, agrarian reform and rural development, health, cooperatives, housing, education and professional training, and taxation and tax administration; and

c. Convening meetings of experts and officials on development and related problems.

The governments or abovementioned organizations should, when appropriate, seek the cooperation of the United Nations and its specialized agencies in the execution of these activities.

4. The participating Latin American countries recognize that each has in varying degree a capacity to assist fellow republics by providing technical and financial assistance. They recognize that this capacity will increase as their economies grow. They therefore affirm their intention to assist fellow republics increasingly as their individual circumstances permit.

Chapter V. Organization and Procedures

1. In order to provide technical assistance for the formulation of development programs, as may be requested by participating nations, the Organization of American States, the Economic Commission for Latin America, and the Inter-American Development Bank will continue and strengthen their agreements for coordination in this field, in order to have available a group of programming experts whose service can be used to facilitate the implementation of this Charter. The participating countries will also seek an intensification of technical assistance from the specialized agencies of the United Nations for the same purpose.

2. The Inter-American Economic and Social Council, on the joint nomination of the Secretary General of the Organization of American States, the President of the Inter-American Development Bank, and the Executive Secretary of the United Nations Economic Commission for Latin America, will appoint a panel of nine high-level experts, exclusively on the basis of their experience, technical ability, and competence in the various aspects of economic and social development. The experts may be of any nationality, though if of Latin American origin an appropriate geographical distribution will be sought. They will be attached to the Inter-American Economic and Social Council, but will nevertheless enjoy complete autonomy in the performance of their duties. They may not hold any other remunerative position. The appointment of these experts will be for a period of three years, and may be renewed.

3. Each government, if it so wishes, may present its program for economic and social development for consideration by an ad hoc committee, composed of no more than three members drawn from the panel of experts referred to in the preceding paragraph together with an equal number of experts not on the panel. The experts who compose the ad hoc committee will be appointed by the Secretary General of the Organization of American States at the request of the interested government and with its consent.

4. The committee will study the development program, exchange opinions with the interested government as to possible modifications and, with the consent of the government, report its conclusions to the Inter-American Development Bank and to other governments and institutions that may be prepared to extend external financial and technical assistance in connection with the execution of the program.

5. In considering a development program presented to it, the ad hoc committee will examine the consistency of the program with the principles of the Act of Bogotá and of this Charter, taking into account the elements in the Appendix.

6. The General Secretariat of the Organization of American States will provide the personnel needed by the experts referred to in paragraphs 2 and 3 of this Chapter in order to fulfill their tasks. Such personnel may be employed specifically for this purpose or may be made available from the permanent staffs of the Organization of American States, the Economic Commission for Latin America, and the Inter-American Development Bank, in accordance with the present liaison arrangements between the three organizations. The General Secretariat of the Organization of American States may seek arrangements with the United Nations Secretariat, its specialized agencies and the Inter-American Specialized Organizations, for the temporary assigment of necessary personnel.

7. A government whose development program has been the object of recommendations made by the ad hoc committee with respect to external financing requirements may submit the program to the Inter-American Development Bank so that the Bank may undertake the negotiations required to obtain such financing, including the organization of a consortium of credit institutions and governments disposed to contribute to the continuing and systematic financing, on appropriate terms, of the development program. However, the government will have full freedom to resort through any other channels to all sources of financing, for the purpose of obtaining, in full or in part, the required resources.

The ad hoc committee shall not interfere with the right of each government to formulate its own goals, priorities, and reforms in its national development programs.

The recommendations of the ad hoc committee will be of great importance in determining the distribution of public funds under the Alliance for Progress which contribute to the external financing of such programs. These recommendations shall give special consideration to Title I. 1.

The participating governments will also use their good offices to the end that these recommendations may be accepted as a factor of great importance in the decisions taken, for the same purpose, by inter-American credit institutions, other international credit agencies, and other friendly governments which may be potential sources of capital.

8. The Inter-American Economic and Social Council will review annually the progress achieved in the formulation, national implementation, and international financing of development programs; and will submit to the Council of the Organization of American States such recommendations as it deems pertinent.

# APPENDIX

## Elements of National Development Programs

1. The establishment of mutually consistent targets to be aimed at over the program period in expanding productive capacity in industry, agriculture, mining, transport, power and communications, and in improving conditions of urban and rural life, including better housing, education, and health.

2. The assignment of priorities and the description of methods to achieve the targets, including specific measures and major projects. Specific development projects should be justified in terms of their relative costs and benefits, including their contribution to social productivity.

3. The measures which will be adopted to direct the operations of the public sector and to encourage private action in support of the development program.

4. The estimated cost, in national and foreign currency, of major projects and of the development program as a whole, year by year over the program period.

5. The internal resources, public and private, estimated to become available for the execution of the programs.

6. The direct and indirect effects of the program on the balance of payments, and the external financing, public and private, estimated to be required for the execution of the program.

7. The basic fiscal and monetary policies to be followed in order to permit implementation of the program within a framework of price stability.

8. The machinery of public administration--including relationships with local governments, decentralized agencies and nongovernmental organizations, such as labor organizations, cooperatives, business and industrial organizations--to be used in carrying out the program, adapting it to changing circumstances and evaluating the progress made.

# TITLE III

## ECONOMIC INTEGRATION OF LATIN AMERICA

The American republics consider that the broadening of present national markets in Latin America is essential to accelerate the process of economic development in the Hemisphere. It is also an appropriate means for obtaining greater productivity through specialized and complementary industrial production which will, in turn, facilitate the attainment of greater social benefits for the inhabitants of the various regions of Latin America. The broadening of markets will also make possible the better use of resources under the Alliance for Progress. Consequently, the American republics recognize that:

1. The Montevideo Treaty (because of its flexibility and because it is open to the adherence of all of the Latin American nations) and the Central American Treaty on Economic Integration are appropriate instruments for the attainment of these objectives, as was recognized in Resolution No. 11 (III) of the Ninth Session of the Economic Commission for Latin America.

2. The integration process can be intensified and accelerated not only by the specialization resulting from the broadening of markets through the liberalization of trade but also through the use of such instruments as the agreements for complementary production within economic sectors provided for in the Montevideo Treaty.

3. In order to insure the balanced and complementary economic expansion of all of the countries involved, the integration process should take into account, on a flexible basis, the condition of countries at a relatively less advanced stage of economic development, permitting them to be granted special, fair, and equitable treatment.

4. In order to facilitate economic integration in Latin America, it is advisable to establish effective relationships between the Latin American Free Trade Association and the group of countries adhering to the Central American Economic Integration Treaty, as well as between either of these groups and other Latin American countries. These arrangements should be established within the limits determined by these instruments.

5. The Latin American countries should coordinate their actions to meet the unfavorable treatment accorded to their foreign trade in world markets, particularly that resulting from certain restrictive and discriminatory policies of extracontinental countries and economic groups.

6. In the application of resources under the Alliance for Progress, special attention should be given not only to investments for multinational projects that will contribute to strengthening the integration process in all its aspects, but also to the necessary financing of industrial production, and to the growing expansion of trade in industrial products within Latin America.

7. In order to facilitate the participation of countries at a relatively low stage of economic development in multinational Latin American economic cooperation programs, and in order to promote the balanced and harmonious development of the Latin American integration process, special attention should be given to the needs of these countries in the administration of financial resources provided under the Alliance for Progress, particularly in connection with infrastructure programs and the promotion of new lines of production.

8. The economic integration process implies a need for additional investment in various fields of economic activity and funds provided under the Alliance for Progress should cover these needs as well as those required for the financing of national development programs.

9. When groups of Latin American countries have their own institutions for financing economic integration, the financing referred to in the preceding paragraph should preferably be channeled through these institutions. With respect to regional financing designed to further the purposes of existing regional integration instruments, the cooperation of the Inter-American Development Bank should be sought in channeling extra-regional contributions which may be granted for these purposes.

10. One of the possible means for making effective a policy for the financing of Latin American integration would be to approach the International Monetary Fund and other financial sources with a view to providing a means for solving temporary balance-of-payments problems that may occur in countries participating in economic integration arrangements.

11. The promotion and coordination of transportation and communications systems is an effective way to accelerate the integration process. In order to counteract abusive practices in relation to freight rates and tariffs, it is advisable to encourage the establishment of multinational transport and communication enterprises in the Latin American countries, or to find other appropriate solutions.

12. In working toward economic integration and complementary economies, efforts should be made to achieve an appropriate coordination of national plans, or to engage in joint planning for various economies through the existing regional integration organizations. Efforts should also be made to promote an investment policy directed to the progressive elimination of unequal growth rates in the different geographic areas, particularly in the case of countries which are relatively less developed.

13. It is necessary to promote the development of national Latin American enterprises, in order that they may compete on an equal footing with foreign enterprises.

14. The active participation of the private sector is essential to economic integration and development, and except in those countries in which free enterprise does not exist, development planning by the pertinent national public agencies, far from hindering such participation, can facilitate and guide it, thus opening new perspectives for the benefit of the community.

15. As the countries of the Hemisphere still under colonial domination achieve their independence, they should be invited to participate in Latin American economic integration programs.

# TITLE IV

## BASIC EXPORT COMMODITIES

The American republics recognize that the economic development of Latin America requires expansion of its trade, a simultaneous and corresponding increase in foreign exchange incomes received from exports, a lessening of cyclical or seasonal fluctuations in the incomes of those countries that still depend heavily on the export of raw materials, and the correction of the secular deterioration in their terms of trade.

They therefore agree that the following measures should be taken:

Chapter I. National Measures

National measures affecting commerce in primary products should be directed and applied in order to:

1. Avoid undue obstacles to the expansion of trade in these products;

2. Avoid market instability;

3. Improve the efficiency of international plans and mechanisms for stabilization; and

4. Increase their present markets and expand their area of trade at a rate compatible with rapid development.

Therefore:

A. Importing member countries should reduce and if possible eliminate, as soon as feasible, all restrictions and discriminatory practices affecting the consumption and importation of primary products, including those with the highest possible degree of processing in the country of origin, except when these restrictions are imposed temporarily for purposes of economic diversification, to hasten the economic development of less developed nations, or to establish basic national reserves. Importing countries should also be ready to support, by adequate regulations, stabilization programs for primary products that may be agreed upon with producing countries.

B. Industrialized countries should give special attention to the need for hastening economic development of less developed countries. Therefore, they should make maximum efforts to create conditions, compatible with their international obligations, through which they may extend advantages to less developed countries so as to permit the rapid expansion of their markets. In view of the great need for this rapid development, industrialized countries should also study ways in which to modify, wherever possible, international commitments which prevent the achievement of this objective.

C. Producing member countries should formulate their plans for production and export, taking account of their effect on world markets and of the necessity of supporting and improving the effectiveness of international stabilization programs and mechanisms. Similarly they should try to avoid increasing the uneconomic production of goods which can be obtained under better conditions in the less developed countries of the Continent, in which the production of these goods is an important source of employment.

D. Member countries should adopt all necessary measures to direct technological studies toward finding new uses and by-products of those primary commodities that are most important to their economies.

E. Member countries should try to reduce, and, if possible, eliminate within a reasonable time export subsidies and other measures which cause instability in the markets for basic commodities and excessive fluctuations in prices and income.

Chapter II. International Cooperation Measures

1. Member countries should make coordinated, and if possible, joint efforts designed:

   a. To eliminate as soon as possible undue protection of the production of basic products;

   b. To eliminate taxes and reduce excessive domestic prices which discourage the consumption of imported basic products;

   c. To seek to end preferential agreements and other measures which limit world consumption of Latin American basic products and their access to international markets, especially the markets of Western European countries in process of economic integration, and of countries with centrally planned economies; and

   d. To adopt the necessary consultation mechanisms so that their marketing policies will not have damaging effects on the stability of the markets for basic commodities.

2. Industrialized countries should give maximum cooperation to less developed countries so that their raw material exports will have undergone the greatest degree of processing that is economic.

3. Through their representation in international financial organizations, member countries should suggest that these organizations, when considering loans for the promotion of production for export, take into account the effect of such loans on products which are in surplus in world markets.

4. Member countries should support the efforts being made by international commodity study groups and by the Commission on International Commodity Trade of the United Nations. In this connection, it should be considered that producing and consuming nations bear a joint responsibility for taking national and international steps to reduce market instability.

5. The Secretary General of the Organization of American States shall convene a group of experts appointed by their respective governments to meet before November 30, 1961 and to report, not later than March 31, 1962 on measures to provide an adequate and effective means of offsetting the effects of fluctuations in the volume and prices of exports of basic products. The experts shall:

   a. Consider the questions regarding compensatory financing raised during the present meeting;

   b. Analyze the proposal for establishing an international fund for the stabilization of export receipts contained in the Report of the Group of Experts to the Special Meeting of the Inter-American Economic and Social Council, as well as any other alternative proposals;

c. Prepare a draft plan for the creation of mechanisms for compensatory financing. This draft plan should be circulated among the member Governments and their opinions obtained well in advance of the next meeting of the Commission on International Commodity Trade.

6. Member countries should support the efforts under way to improve and strengthen international commodity agreements and should be prepared to cooperate in the solution of specific commodity problems. Furthermore, they should endeavor to adopt adequate solutions for the short- and long-term problems affecting markets for such commodities so that the economic interests of producers and consumers are equally safeguarded.

7. Member countries should request other producer and consumer countries to cooperate in stabilization programs, bearing in mind that the raw materials of the Western Hemisphere are also produced and consumed in other parts of the world.

8. Member countries recognize that the disposal of accumulated reserves and surpluses can be a means of achieving the goals outlined in the first chapter of this Title, provided that, along with the generation of local resources, the consumption of essential products in the receiving countries is immediately increased. The disposal of surpluses and reserves should be carried out in an orderly manner, in order to:

   a. Avoid disturbing existing commercial markets in member countries, and

   b. Encourage expansion of the sale of their products to other markets.

   However, it is recognized that:

   a. The disposal of surpluses should not displace commercial sales of identical products traditionally carried out by other countries; and

   b. Such disposal cannot substitute for large scale financial and technical assistance programs.

IN WITNESS WHEREOF this Charter is signed, in Punta del Este, Uruguay, on the seventeenth day of August, nineteen hundred sixty-one.

The original texts shall be deposited in the archives of the Pan American Union, through the Secretary General of the Special Meeting, in order that certified copies may be sent to the Governments of the Member States of the Organization of American States.

(Printed below are the names of the signatories)

FOR VENEZUELA:

Lorenzo Fernández
Manuel Pérez Guerrero
José Antonio Mayobre
Mercedes Carvajal de Arocha
Daniel Orellana
Virgilio Fernández

FOR COLOMBIA:

Hernando Agudelo Villa
Carlos Sanz de Santamaría
José Joaquín Gori
Santiago Salazar Santos
Gabriel Betancur Mejía

FOR GUATEMALA:

Joaquín Prieto Barrios
Julio Prado García Salas
Alberto Arreaga

FOR ARGENTINA:

Roberto T. Alemann

FOR BOLIVIA:

Alfonso Gumucio Reyes

FOR PERU:

Pedro Beltrán
Gonzalo N. de Aramburú

FOR MEXICO:

Antonio Ortiz Mena

FOR ECUADOR:

Jaime Nebot Velasco
Joaquín Zevallos Menéndez
Fernando Manrique
Atahualpa Chávez González
Julio Prado Vallejo

FOR THE DOMINICAN REPUBLIC:

Salvador Ortiz

FOR PARAGUAY:

Ezequiel González Alsina
José A. Moreno González
César Romeo Acosta
Julio C. Gutiérrez

FOR HONDURAS:

Jorge Bueso Arias
Roberto Ramírez
Carlos H. Matute
Lempira Bonilla

FOR PANAMA:

Gilberto Arias
Jorge R. Riba
Carlos Malgrat

FOR HAITI:

Vilfort Beauvoir
Gerard Phillipeaux
Henri Marc Charles

FOR COSTA RICA:

Manuel G. Escalante
Manuel Enrique Herrero
Antonio Orlich
Antonio Cañas
Mariano S. Sanz

FOR THE UNITED STATES OF AMERICA:

Douglas Dillon
Robert F. Woodward

FOR URUGUAY:

Juan Eduardo Azzini
Homero Martínez Montero
Nicolás Storace Arrosa
Modesto Rebollo
Héctor Lorenzo y Losada

FOR EL SALVADOR:

Manuel Francisco Chavarría
Víctor Manuel Cuéllar Ortiz
Francisco Monterrosa Gavidia
Luis Montenegro

FOR CHILE:

Eduardo Figueroa

FOR CUBA:

FOR NICARAGUA:

Juan José Lugo Marenco
Carlos J.C.H. Hueck
Guillermo Sevilla Sacasa
Francisco Urcuyo
Nasere Habed López

FOR BRAZIL:

Clemente Mariani Bittencourt
Arthur Bernardes Filho
E.P. Barbosa da Silva
Roberto de Oliveira Campos

## RESOLUTIONS APPENDED


Page

A. ECONOMIC AND SOCIAL DEVELOPMENT

1. Ten-year Education Program of the Alliance for Progress ..... 27
2. Ten-year Public Health Program of the Alliance for Progress ..... 30
3. Taxation Program ..... 33
4. Task Forces for Programming ..... 34

B. ECONOMIC INTEGRATION

1. Balance of Payments Credits for Economic Integration ..... 36
2. Studies on Latin American Ports ..... 37
3. Financing Studies of the Darien Region ..... 38

C. BASIC EXPORT COMMODITIES

1. Draft Declaration of Principles Recommended to the Coffee Study Group for Inclusion in the World Coffee Agreement..... 39
2. Internal Measures in Producing Countries for Regulating the Coffee Market ..... 40
3. Appointment of a Committee to Negotiate the Elimination of Restrictions on Coffee Consumption ..... 41
4. Facilities for the Export of Meat and other Primary Products ..... 42
5. Acceptance of Latin American Wools in European Futures Markets..... 43
6. Restrictive Practices Affecting Imports of Wool and Other Basic Products in Their Various States of Processing ..... 44
7. Tasks for the Secretariat ..... 45

D. ANNUAL REVIEW OF ECONOMIC AND SOCIAL PROGRESS AND ANNUAL MEETINGS OF THE IA-ECOSOC AT THE MINISTERIAL LEVEL ..... 46

E. PUBLIC OPINION AND THE ALLIANCE FOR PROGRESS ..... 48


25

# RESOLUTION A.1

## TEN-YEAR EDUCATION PROGRAM OF THE ALLIANCE FOR PROGRESS

WHEREAS:

The primary aim of education is the over-all development of each human being and, quite apart from its intrinsic value, the achievement of this aim is a decisive factor in a genuine economic and social development of peoples;

The low educational levels in Latin American countries are at the same time the result and the cause of their economic and social situation, and it is necessary to give educational services a vigorous impetus in order to break this vicious circle;

In recent years, Latin American countries have made considerable efforts to expand and improve their educational systems; however, their inadequacy is a serious obstacle to economic progress and social integration;

Under proper conditions, investments in education have the highest cultural, social and economic multiplier effect on national development;

It is essential to integrate educational development plans into the national development programs, in order to ensure the success of the Alliance for Progress and the maximum yield from the resources allocated to education;

The Organization of American States, through its services for education and scientific development, and the United Nations Educational, Scientific and Cultural Organization have encouraged a vigorous movement toward integral planning in education in the countries of Latin America, in accordance with the recommendations of the Second Inter-American Meeting of Ministers of Education; and

A Conference on Education and Economic and Social Development in Latin America, convoked by the United Nations Educational, Scientific and Cultural Organization, the Economic Commission for Latin America and the Organization of American States, will be held in Santiago, Chile, in December 1961, and the Third Inter-American Meeting of Ministers of Education will take place in June 1962, in Bogotá, Colombia,

The Special Meeting of the Inter-American Economic and Social Council at the Ministerial Level

RECOMMENDS:

1. That each country adopt an over-all education plan for the attainment of precisely defined goals within the next ten years, for the purpose of raising the cultural level of the peoples of Latin America and fitting them to participate constructively in economic and social development.

2. That the following goals be adopted for the Alliance for Progress in the field of education, to be attained within the next ten years:



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a. At least six years of elementary education, free and compulsory, for the entire school-age population. This would represent an increase in primary school registration from approximately 26 million children in 1960 to some 45 million in 1970;

b. Carrying out of systematic adult-education campaigns, directed toward community development, training of manpower, cultural extension and the eradication of illiteracy. In this manner it would be possible to bring over 50 million illiterate adults into minimum levels of effective participation in the cultural, social, and economic life of their countries;

c. Reform and expansion of intermediate education so that a much higher proportion of the new generation may enjoy the opportunity to continue their general education and receive some type of high-quality vocational or pre-professional training. This will represent a considerable increase over the present enrollment in intermediate schools, which amounts to 3.2 million;

d. Carrying out of studies to determine the varied needs for qualified manpower in industrial development, agrarian reform, agricultural development, social development programs and public administration at all levels, and establishment of emergency programs for accelerated training or education of such personnel;

e. Reform, extension, and improvement of higher education so that a very much higher proportion of young people may have access to it. In this manner a substantial increase in enrollment at the universities, which at present numbers 500,000 students, will be achieved;

f. Encouragement of the teaching of the sciences and of scientific and technological research, as well as intensification of the education and advanced training of scientists and science teachers;

g. Intensification of the exchange of students, teachers, professors, research workers, and other specialists, in order to encourage mutual understanding and the maximum utilization of the available facilities for training and research;

h. Development of public and school libraries as one of the most effective means of supplementing and strengthening education and of enriching and disseminating knowledge of the artistic and cultural heritage;

i. Reorientation of the structure, content, and methods of education at all levels, to better adapt it to the advance of knowledge, to scientific and technological progress, to the cultural needs of Latin American countries, and to their social and economic development requirements;

j. Establishment of scholarship programs and other forms of social and economic assistance to students, in order to reduce the practice of abandoning school, particularly in rural areas, and to ensure effective equality of opportunities for education at all levels; and

k. Development and strengthening of national and regional centers for education and advanced training of teachers, professors and specialists in the various aspects of planning and administration of the educational services required to attain the the foregoing goals.

3. That, to supplement available domestic resources to carry out the over-all plans for education, the Inter-American Fund for Social Development, the Inter-American Development Bank, and other sources of credit grant loans for well-conceived national and regional educational development projects, particularly those for school buildings and equipment.

4. That the Organization of American States, in cooperation with the specialized agencies of the United Nations concerned and other interested institutions provide technical assistance to countries that request it for the preparation, financing and execution of national plans and specific projects for the development of education.

5. That the Secretary General of the Organization of American States, in defining the mission of the Special Task Force on Education referred to in Resolution A.4, consider all the recommendations herein contained, and that the group carry out its activities in close cooperation with the appropriate national and international organizations.

6. That, with regard to the development of universities and scientific research, the conclusions and recommendations contained in the report to the Organization of American States by a group of experts about the needs in these fields, "Latin American Higher Education and Inter-American Cooperation" (Report and Recommendations), be carefully considered by the member states, the Secretary General of the Organization of American States, and the Special Task Force on Education.

7. That the Conference on Education and Economic and Social Development in Latin America and the Third Inter-American Meeting of Ministers of Education devote special attention to the following tasks: a) determining in specific detail the broad goals set forth in paragraph 2 of this resolution, b) setting priorities for the initial efforts, and c) recommending the most appropriate practical means of attaining the proposed goals.

# RESOLUTION A.2

## TEN-YEAR PUBLIC HEALTH PROGRAM OF THE ALLIANCE FOR PROGRESS

WHEREAS:

A mutual relationship exists between health, economic development, living standards, and well-being;

There is an agreement between the governments of the American states for the simultaneous planning of economic growth and social progress during the decade that began in 1960;

It is essential, for this purpose, that arrangements be concluded in advance for the preparation of national plans that contemplate the problems of primary importance to the societies;

Programs in process of execution should not be interrupted while these plans are being prepared, but should, on the contrary, be extended to other communities, and other plans having economic and social significance should be undertaken giving priority to emergency plans in some of the countries;

It is essential to coordinate the various activities that contribute to individual and collective well-being, not only in national plans but also in projects that are already being carried out and in those to be undertaken in the future;

The Group of Experts of the Organization of American States on Planning for Economic and Social Development in Latin America determined "that improvements [in health conditions] are desirable in themselves, that they are an essential prerequisite for economic growth, and that therefore, they must be an integral element in any meaningful development program for the region"; and

The Council of the Organization of American States recommended that governments, in planning and negotiating the financing of their economic development, should include public health programs essential and complementary to their economic programs, and also recommended the technical advisory services of the Pan American Sanitary Bureau for the fomulation of such programs (Resolution VII, Second Meeting of the Special Committee to Study the Formulation of New Measures for Economic Cooperation),

The Special Meeting of the Inter-American Economic and Social Council at the Ministerial Level

RESOLVES:

1. To recommend to the governments the following long-term measures for the prevention of diseases and the protection and recovery of health:

   a. To prepare national plans for the next 10 years.

   b. To create planning and evaluation units in the Ministries of Health, with appropriate representation at the national agencies for the over-all planning of economic development and social progress, to ensure due coordination.

c. To improve the collection and study of vital and health statistics as a basis for the formulation and evaluation of national health programs.

d. To give particular importance to the education and training of professional and auxiliary personnel to engage in activities related to the prevention and cure of diseases. To this end it will be necessary:

(1) To determine the number of experts required in the various categories for each activity or profession;

(2) To provide in-service training to present staff members, and progressively train a minimum number of additional personnel; and

(3) To expand or create the necessary educational centers.

e. To improve the organization and administration of national and local health services by combining the functions of prevention and cure; to obtain a better return from medical care services; to create the necessary services gradually; and to ensure financial accessibility to therapeutic agents and means for the prevention of disease.

f. To adopt legal and institutional measures to ensure compliance with the principles and standards of individual and collective medicine for the execution of projects of industrialization, urbanization, housing, rural development, education, tourism, and others.

g. To make the best possible use of knowledge obtained through scientific research for the prevention and treatment of diseases.

2. To recommend that the governments carry out the following measures to take immediate effect:

a. To complete projects that are now being executed, particularly those related to the control or eradication of communicable diseases, sanitation, nutrition, medical care, maternal and child care, health education, and other projects for the protection of health, giving due priority to the emergency programs of certain countries.

b. To formulate projects for gradual development for the following purposes:

(1) To supply potable water and sewage disposal for at least 70 per cent of the urban population and 50 per cent of the rural population during the present decade, as a minimum;

(2) To reduce the present mortality rate in children under five years of age by one-half;

(3) To eradicate malaria and smallpox from the Hemisphere and intensify the control of other common infectious diseases, such as enteric ailments and tuberculosis;

(4) To make substantial improvements in the feeding and nutrition of the most vulnerable sectors of the community by increasing the consumption of animal or vegetable protein; and

(5) To take measures for giving increasingly better medical care to a larger number of patients, by improving the organization and administration of hospitals and other centers for the care and protection of health.

3. To establish as a broad goal for health programs during the present decade an increase of five years in the life expectancy at birth of every person.

4. To recommend that governments, whenever they consider it advisable, utilize the technical advisory services of the Pan American Sanitary Bureau, Regional Office of the World Health Organization, in the preparation and execution of the aforementioned plans; and likewise to support the projects of that organization for establishing systems of health planning in the countries of Latin America.

5. To recommend, at the same time, the use of other means of technical assistance, whether multilateral or bilateral, available to the countries of this Hemisphere.

# RESOLUTION A.3

## TAXATION PROGRAM

WHEREAS:

Satisfactory progress has been achieved by the Pan American Union, the Economic Commission for Latin America, and the Inter-American Development Bank, in cooperation with the Harvard University Law School International Program on Taxation in carrying out a long-range program to strengthen tax systems;

The American states need to mobilize their domestic resources in order to fulfill the principles of the Act of Bogotá; and

The application of sound tax policy and administration facilitates the financing of economic development and contributes to social progress through more equitable distribution of income and the encouragement of more productive use of land,

The Special Meeting of the Inter-American Economic and Social Council at the Ministerial Level

RECOMMENDS:

1. That the governments of the member states encourage participation in the program that is being developed by these sponsoring agencies.

2. That the Pan American Union assist in carrying out training and research activities under the program developed by the sponsoring agencies.

3. That the governments of the member states facilitate attendance of national experts at the two conferences which are being organized under the program, the first, on tax administration, to be held in Buenos Aires in October, 1961, and the second, on tax policy, to be held in Santiago in 1962.

4. That the governments, through their Ministries of Finance or other appropriate government departments, cooperate in preparing working papers for these conferences, by providing basic data and fiscal statistics.

# RESOLUTION A.4

## TASK FORCES FOR PROGRAMMING

The Special Meeting of the Inter-American Economic and Social Council at the Ministerial Level,

RECOGNIZING:

That adequate national programming is essential in such basic fields as education and professional training, public health, labor standards and labor relations, marketing, cooperative movements, land use and land tenure, public administration, investment programming, mobilization of domestic resources, discouraging capital flight, incentives for suitable industrialization, housing and community facilities for low income groups, adequate credit facilities, and others;

That these subjects are of a highly specialized nature and need detailed consideration by experts;

That in many cases analyses based upon field investigations and careful evaluations by experts will prove invaluable to governments in the formulation of national plans and programs; and

BEARING IN MIND:

That the carrying out of these studies would be included as objects of the financing offered by the United States, referred to in Title Two, Chapter IV.3 of the Charter of Punta del Este,

RECOMMENDS:

1. That the Secretary General of the Organization of American States immediately establish task forces to undertake investigations and studies and, drawing on the experiences of the member states, to prepare reports and adopt conclusions of a general nature for Latin America in the fields of education, land reform and agricultural development, and public health that may serve as a basis for the member states in preparing their national development programs. It is understood that studies will not be initiated in any country without the prior consent of that country.

2. That the task force on education study the status of educational development programming and the best means for improving it; propose promising projects of a regional character; suggest appropriate guidelines for the best uses of external assistance to supplement local resources; appraise all potential sources of external support from international and private organizations and the unique capabilities and best potential contributions of each; and formulate conclusions with respect to means to secure a continuous, vigorous and well-coordinated total effort to advance educational, scientific, and cultural development throughout Latin America.

3. That the task force on land reform and agricultural development, in cooperation with the Economic Commission for Latin America, the Food and Agriculture Organization, and the Inter-American Institute of Agricultural Sciences, reach conclusions with respect to the best means of bringing about early and substantial increases in agricultural productivity and of assuring that the benefits of greater productivity will be available to those who work the land, and, in general, to attain the objectives set forth in Chapter I, paragraphs 5 and 6, of Title I of the Charter of Punta del Este.

4. That the task force on health, organized through the Pan American Sanitary Bureau, appraise prevalent problems and suggest general lines of action of immediate effect relating to: the control or eradication of communicable diseases; sanitation, particularly water supply and sewage disposal; reduction of infant mortality, especially among the new-born; and improvement of nutrition; and that it also recommend actions for education and training of personnel and improvement of health services.

5. That the General Secretariat, in collaboration with the Economic Commission for Latin America and the Inter-American Development Bank, identify additional subjects also needing most urgent attention at this time and which appear to offer the greatest possibilities for fruitful action, giving particular consideration to the topics listed in the first paragraph of the preamble.

6. That the General Secretariat organize for these subjects, or arrange to have organized, within the next six months, as many expert task forces as possible, consistent with the resources that can be allocated to these endeavors. Such task forces shall be composed of private specialists in each subject and of the government technicians deemed necessary, and shall undertake investigations and studies leading to the formulation of practicable recommendations.

7. That the task forces coordinate their efforts with the activities that are carried out by the United Nations and its specialized agencies in their respective fields of action.

8. That each task force submit a report to the Secretary General and to the Inter-American Economic and Social Council on its conclusions and such other reports as may be deemed appropriate.

9. That the Secretary General, through the Executive Secretary of the Inter-American Economic and Social Council, at the end of the six-month period, submit a report to the members of the Inter-American Economic and Social Council summarizing the progress made in carrying out this resolution.

10. That the Secretary General accept such resources as may be made available to the Organization of American States for the achievement of the aims and objectives of the Alliance for Progress and enter into agreements accepting contributions for specific activities.

11. That the contributions referred to in the immediately preceding paragraph be administered by the Secretary General in conformity with the authorization given him in Article 85 of the Regulations of the Pan American Union as special funds in separate accounts, and be utilized under the terms of such agreements and as directed by him.

# RESOLUTION B.1

## BALANCE OF PAYMENTS CREDITS FOR ECONOMIC INTEGRATION

WHEREAS:

Title III.10, of the Charter of Punta del Este states that steps should be taken to provide the means to solve temporary balance of payments problems that occur in Latin American countries as a result of the economic integration process,

The Special Meeting of the Inter-American Economic and Social Council at the Ministerial Level

RECOMMENDS:

That the governments of the member states of the Organization of American States instruct their representatives at the International Monetary Fund to request the Fund to consider establishing a system of credits with a view to solving any temporary balance of payments problems that occur in the Latin American countries as a result of the liberalization of their imports from within the economic integration regions that may be established, without prejudice to attention to other balance of payments problems in the region.

# RESOLUTION B.2

## STUDIES ON LATIN AMERICAN PORTS

WHEREAS:

One of the important factors hindering trade in Latin America is the inefficiency and high cost of operating many of its ports;

The Trade Committee at its Third Meeting adopted Resolution 15, in which it recommended that the Secretariat of the Economic Commission for Latin America give special consideration, in the work program of its Committee to problems related to the availability and operating conditions of transportation for Latin American trade commodities; and

This is a problem of common interest for all the Latin American countries that can be approached as a multinational project,

The Special Meeting of the Inter-American Economic and Social Council at the Ministerial Level

RESOLVES:

1. To request the Secretariat of the Economic Commission for Latin America working jointly with the General Secretariat of the Organization of American States to prepare a technical study on the ports in Latin America, with a pertinent evaluation of the necessary investments, having as its objective a greater efficiency in the operation of those ports, in order to lower costs and promote trade in Latin American products.

2. To request the Secretariat of the Economic Commission for Latin America to appoint, jointly with the General Secretariat of the OAS, a special working group for this purpose and request the collaboration of the interested countries, and of the Government of the United States, in order to obtain from them technical and financial assistance for the preparation of the program.

3. To recommend that the study made by the aforementioned working group be submitted to the governments and to the Eleventh Inter-American Conference.

# RESOLUTION B.3

## FINANCING STUDIES OF THE DARIEN REGION

WHEREAS:

Transportation, and especially construction of the Pan American Highway, is one of the main factors for the economic development of Latin America; and

The plan for financing studies of the Pan American Highway in the Darien Region, Panama, and adjacent areas in Colombia that was drawn up by the Eighth Pan American Highway Congress (Bogotá, 1960) in fulfillment of Recommendation No. 6 of the Inter-American Committee of Presidential Representatives (Washington, 1957), was referred to the governments by the Council of the Organization of American States, on the basis of a report submitted by its Committee on Program and Budget, at the meeting held on April 5, 1961, with the request that those governments that had not done so make known their observations on the matter as soon as possible and that the Secretary General of the Organization create a special fund to receive the contributions referred to in the plan,

The Special Meeting of the Inter-American Economic and Social Council at the Ministerial Level

RESOLVES:

To recommend that the American governments make their observations known and hasten their efforts to finance studies on the "Darien Gap", which will lead to initiating negotiations for long-term financing of a permanent road to unite the Americas and allow commercial, cultural, and tourist exchange among our countries.

# RESOLUTION C.1

## DRAFT DECLARATION OF PRINCIPLES RECOMMENDED TO THE COFFEE STUDY GROUP FOR INCLUSION IN THE WORLD COFFEE AGREEMENT

The Special Meeting of the Inter-American Economic and Social Council at the Ministerial Level

Declares its decision to support the meeting of the Coffee Study Group that is to be held in Washington in September, 1961, for the purpose of assuring the preparation, in the shortest time possible, of a long-term World Coffee Agreement. It therefore agrees on the following principles and recommends them to the Coffee Study Group for inclusion in the Agreement:

a. The widest possible participation of coffee producing and consuming countries.

b. Determination of export quotas and their periodic adjustment during the year, relating the total supply to world demand so as to assure fair coffee prices and to avoid any further weakening of world coffee markets.

c. Strengthening of the export quota system, when necessary, through the validation of customs documents by importing nations and through the imposition of import quotas on non-members of the Agreement; and, under appropriate conditions, imposition of import quotas on member nations that fail to fulfill their obligations.

d. Establishment of an international system for certification of the origin and quality of coffee.

e. Limitation of coffee planting and production, accompanied by international financing complementary to national efforts to assist economic diversification in coffee producing areas. Measures should also be taken to assure that adequate technical assistance is promptly given to achieve these purposes.

f. Stimulation of consumption in importing as well as producing countries, supported by an adequate fund for promotional purposes.

g. Taking of all necessary measures by producing nations as regards the production and orderly marketing of coffee throughout the year so as to guarantee strict compliance by each nation with its international obligations.

h. Preparation of a study to determine the possible means of establishing an international fund to supplement the national efforts called for in paragraph g.

i. Continuing study of the world coffee situation with a view to increasing the real income derived from export of coffee.

## RESOLUTION C.2

## INTERNAL MEASURES IN PRODUCING COUNTRIES FOR REGULATING THE COFFEE MARKET

The Special Meeting of the Inter-American Economic and Social Council at the Ministerial Level

RESOLVES:

To recommend that studies be made and negotiations undertaken on complementary systems of financing, as well as other measures for international cooperation in the appropriate administration of yearly quotas. In order to facilitate the aforementioned studies and negotiations, the Meeting urges the coffee-producing countries that are members of the Organization of American States to establish or improve as soon as possible, domestic systems or measures that regulate the market and guarantee compliance with existing pacts. Such plans should be completed before September 10, 1961.

# RESOLUTION C.3

## APPOINTMENT OF A COMMITTEE TO NEGOTIATE THE ELIMINATION OF RESTRICTIONS ON COFFEE CONSUMPTION

WHEREAS:

The heavy duties and taxes applied by several countries, mainly those in the European Common Market, encumber imports of Latin American coffee;

Such burdens greatly affect the cost of the product, seriously restricting consumption; and

This system of taxation discriminates against certain countries of Latin America by restricting their exports and their ability to trade with those markets,

The Special Meeting of the Inter-American Economic and Social Council at the Ministerial Level

RECOMMENDS:

1. That a Committee be set up, composed of five members appointed by the governments, two of them to be selected from among countries represented in the Federation of Coffee Growers of Central America and Mexico (FEDECAME), one from Brazil, one from Colombia, and one from Mexico, and that the concrete aim of this Committee be to negotiate with the countries that impose artificial restrictions on coffee consumption with a view to obtaining their gradual elimination.

2. That the Committee represent all member countries of the Organization of American States that have approved the resolution.

3. That the Committee carry out negotiations at the outset with the consumer countries through the Coffee Study Group, in Washington, and have the authority to maintain direct contact, when appropriate, with regional entities and authorities in Europe.

# RESOLUTION C.4

## FACILITIES FOR THE EXPORT OF MEAT AND OTHER PRIMARY PRODUCTS

WHEREAS:

It is necessary to strengthen the economies of the countries of the Americas in order to attain the objectives of the Alliance for Progress;

It is essential to promote an increase in their exports, since they are suppliers of basic commodities;

Meat and other primary products represent the most important source of income for some American countries; and

It is therefore advisable to adopt all measures tending to bring about an increase in the volume of exports of meat and other primary products, in the Hemisphere and abroad, by adopting measures to eliminate existing barriers,

The Special Meeting of the Inter-American Economic and Social Council at the Ministerial Level

RECOMMENDS:

1. That, in view of the present restrictions in force in the consumer markets of member countries that hinder access to them of meat and other primary products, the said countries adopt measures tending to eliminate undue restrictions that hamper such imports.

2. That, through the pertinent channels, the countries belonging to the European Common Market be informed of the deep concern existing in the American countries regarding the inclusion of meat and other primary products in the aforesaid common market, to the serious detriment of the countries exporting such basic products.

# RESOLUTION C.5

## ACCEPTANCE OF LATIN AMERICAN WOOLS

## IN EUROPEAN FUTURES MARKETS

WHEREAS:

It is advisable for a more active international trade that Latin American products be listed on the futures markets of the basic trade centers;

The Inter-American Economic and Social Council advocates the formation of a common front among its members that, among other tasks, should endeavor to find and obtain new markets for their products; and

Latin American wool is marketed in all international markets,

The Special Meeting of the Inter-American Economic and Social Council at the Ministerial Level

RECOMMENDS:

That futures markets in all basic trade centers accept quotations for Latin American wools.

# RESOLUTION C.6

## RESTRICTIVE PRACTICES AFFECTING IMPORTS OF WOOL AND OTHER BASIC PRODUCTS IN THEIR VARIOUS STATES OF PROCESSING

WHEREAS:

Various restrictions exist in member countries within and outside the area that impede the marketing of wool and other basic products in their various states of processing and that in some cases result in the consumption of synthetic in place of natural products, thus preventing the economies of member countries producing wool and other basic products from achieving sound growth, the basic objective of the Alliance for Progress;

In its recommendations on the expansion of the marketing possibilities for basic products, the Inter-American Economic and Social Council suggests that the member countries of the Organization "liberalize and eliminate the restrictions and limitations on the consumption and importation of primary products";

Similar recommendations are advanced to the effect that member countries make an effort, individually or collectively, to eliminate the obstacles to imports in other markets outside the area; and

The criterion is widely accepted in regard to the economic development of the Hemisphere, that the need exists to expand primary products markets and gradually improve their trade,

The Special Meeting of the Inter-American Economic and Social Council at the Ministerial Level

RESOLVES:

1. To urge the governments of the member states to review their domestic tariff, tax, and other policies that restrict imports of wool and other basic products in their various states of processing, and to re-establish competitive conditions in their respective markets to facilitate consumer choice without doing violence to natural trends.

2. To urge, likewise, a revision of restrictive policies affecting imports of wool and other basic products in their various states of processing from countries belonging to the community, by the European Common Market and other consumer centers, bringing to bear, individually or collectively, the influence of the Organization in achieving similar objectives to liberalize the consumption of natural fibers.

# RESOLUTION C.7

## TASKS FOR THE SECRETARIAT

WHEREAS:

There is a need to adopt measures for carrying out the general principles contained in Title IV of the Charter of Punta del Este concerning problems in the exportation of Latin American primary products,

The Special Meeting of the Inter-American Economic and Social Council at the Ministerial Level

RESOLVES:

1. To entrust the General Secretariat with the carrying out of studies to promote the placement of the export products of the Latin American countries in the international markets.

2. To likewise entrust the General Secretariat with taking appropriate steps for the execution of the studies foreseen in Title IV, Chapter II, paragraph 5, of the Charter of Punta del Este, for the establishment of an international fund for stabilization of export income.

3. To instruct the Committee on Basic Products of the Inter-American Economic and Social Council to consider, on its own initiative or at the request of one or more of the governments of the member countries, the studies prepared by the General Secretariat.

## RESOLUTION D

## ANNUAL REVIEW OF ECONOMIC AND SOCIAL PROGRESS AND ANNUAL MEETINGS OF THE INTER-AMERICAN ECONOMIC AND SOCIAL COUNCIL AT THE MINISTERIAL LEVEL

WHEREAS:

The cooperative efforts to accelerate the economic and social development of Latin America under the Alliance for Progress called for by the Charter of Punta del Este require periodic reviews of progress achieved, of problems encountered, and of the tasks ahead;

The first recommendation of Chapter IV of the Act of Bogotá proposes that the Inter-American Economic and Social Council organize annual consultative meetings to review social and economic progress;

The recommendations of the Special Meeting of Senior Government Representatives to Strengthen the Inter-American Economic and Social Council, approved by the Council of the Organization of American States, provide that the Inter-American Economic and Social Council normally hold annually only two meetings, of which the second would carry out the tasks referred to in the first recommendation of Chapter IV of the Act of Bogotá and would, if possible, be attended by representatives of ministerial rank; and

The Council of the Organization of American States has requested its Committee on Regulations and Procedure to study the abovementioned recommendations and submit the changes in the Statutes of the Inter-American Economic and Social Council that may be necessary to give effect to these recommendations,

The Special Meeting of the Inter-American Economic and Social Council at the Ministerial Level

RECOMMENDS:

1. To the governments of the member states the outline given following recommendation 3, below, of standards and procedures for the conduct of annual reviews of economic and social progress and for the organization of annual meetings of the Inter-American Economic and Social Council at the ministerial level.

2. To the Council of the Organization of American States that these standards and procedures be taken into account in revising, as necessary, the Statutes of the Inter-American Economic and Social Council and to the Secretariat that it be guided by this outline in its preparations for the annual meetings at the ministerial level.

3. To the Council of the Organization that it include in the revised statutes of the Inter-American Economic and Social Council a provision enabling the annual meeting of this Council, as an Organ of the Council of the Organization, to approve the budget of the Pan American Union in the economic, social, and statistical fields, subject only to final approval by the Council of the Organization under such procedures as will avoid excessive review and ensure prompt consideration and decision.

A. Annual Review of Economic and Social Progress

The second of the two annual meetings, which shall be called the Annual Meeting of the Inter-American Economic and Social Council at the Ministerial Level, shall conduct a review of economic and social progress in the Latin American countries. It shall

include the progress achieved each year in the formulation, implementation, and financing of national development programs.

B. Purposes of the Annual Review

The purpose of the annual review is to analyze and discuss the social and economic progress achieved by member countries and the problems encountered in each country, to exchange opinions on possible measures that might be adopted to intensify further social and economic progress, to prepare reports on the outlook for the future, and to make such recommendations as may be considered appropriate on policies and measures of a general nature to promote further economic and social development, in accordance with the Act of Bogotá and the Charter of Punta del Este.

The results of this review will be summarized in an Annual Report on Economic and Social Progress in Latin America, to be issued by the Meeting at the Ministerial Level. This report will cover the principal accomplishments and problems of economic and social development in Latin America, the future tasks that need emphasis, and the outlook for the area as a whole.

C. Preparatory Material for the Annual Review

1. In accordance with the Act of Bogotá, each country will submit a report on the status of its social and economic programs and their implementation, its problems in these fields and the outlook for the future. On specific request of a government, the General Secretariat will cooperate with it in the drafting of the report.

2. The country reports shall be made available to the General Secretariat for transmittal to the Meeting and the Secretariat will be invited to suggest topics and issues for discussion.

3. The General Secretariat will select for the Annual Meeting at the Ministerial Level summaries of reports on general economic and social problems prepared in the course of the previous year by various expert study groups.

The Secretariat will also prepare other appropriate analytical and statistical material for the information of the Meeting.

D. Organization of the Meetings

The Meeting may last about three weeks. The first two weeks would be devoted to work by government representatives who are experts in the technical matters to be discussed, and the final week to a review of the work of the experts by representatives who, if possible, will be of ministerial rank. In order to accomplish its work, it is recommended that the Meeting organize itself into committees.

E. Standards for Carrying out the Annual Review

1. The meetings should be conducted in an atmosphere conducive to a frank exchange of views and to this end it would be desirable to keep the number of resolutions and other formal agreements at a minimum.

2. The report prepared at the Meeting will not endorse or condemn the programs or policies of any particular country but should make generalized evaluations.

3. The sessions, other than the plenary meetings, should not be public, unless the Meeting decides othewise.

## RESOLUTION E

### PUBLIC OPINION AND THE ALLIANCE FOR PROGRESS

WHEREAS:

The Alliance for Progress pursues the noble aims of establishing social justice and guaranteeing the system of representative democracy in Latin America, by accelerating economic development in the Hemisphere;

In order to attain its goals this vast program demands understanding and active cooperation from all the peoples of America; and

In order to reach its objectives it is essential that public opinion be fully informed of the causes that have brought about this movement, of the goals it seeks, and of its successive achievements,

The Special Meeting of the Inter-American Economic and Social Council at the Ministerial Level

RESOLVES:

1. To recommend that the Council of the Organization of American States study the possibility of convoking, as soon as possible, a Special Meeting on Information Media, for the purpose of promoting the most appropriate action for informing public opinion on these development plans and mobilizing it in their favor.

2. To bring to the attention of the Council of the Organization of American States the necessity for having the Department of Public Information of the Organization give preferential attention to the dissemination of information on the efforts to be undertaken and, with the collaboration of the Inter-American Development Bank and the United Nations Economic Commission for Latin America, prepare a program whose main objectives would be:

a. To promote the creation or development of information media, for cultural and educational purposes, in those regions of the Americas where they do not exist, or where they are insufficient, using the native languages where necessary, and particularly encouraging the activity of national information agencies;

b. To promote the distribution and circulation among member countries of all documents and other information materials that tend to emphasize the urgency of complying with the objectives of the Alliance for Progress; to publicize its democratic ideals and achievements; and to obtain increasing support from the peoples of the Hemisphere for its program, particularly by strengthening the information services of regional offices of the inter-American organizations; and

c. To spread, among the peoples of the Americas, knowledge of each other and of the solutions they are finding to their problems, within the spirit of Operation Pan America and of the Alliance for Progress, promoting the exchange of persons at all social levels, especially of students and urban and rural workers.

3. To recommend that news agencies, the press, radio and television companies, and foundations direct and intensify their efforts toward ending the present ignorance on the part of the peoples of the Americas of each other and of the conditions prevailing in their countries.

4. To bring to the attention of governments and educators the need for educational centers to contribute to the dissemination of knowledge of the social and economic development inspired by the Alliance for Progress, and to provide those centers with adequate material for doing so.

5. To suggest to the Organization of American States and the governments of the member countries that they promote the holding of conferences, seminars, and round tables to report on and discuss the main economic and social problems of the Hemisphere and their possible solution within the framework of the Alliance for Progress.

6. To call upon the public opinion of the Hemisphere, and especially the trade unions, labor organizations, and student associations to become aware of the social implications of the Alliance for Progress and to take an active part in the dissemination of information on its objectives and in the discussion and execution of its programs.