

markets for basic commodities. The growth of international co-operation in this field is one of the more significant economic developments of the post-war period. The instability of commodity markets was a major problem before the war and the swings in prices frequently far exceeded anything we have experienced in recent years. However, in those days the nations of the world attempted to solve their difficulties by means of restrictions on imports or through bilateral trade arrangements or the formation of producers' marketing agreements. Not only did most of these expedients fail to provide the desired stabilization of prices but they also contributed to a shrinkage in world trade which had disastrous effects on employment and income the world over.

The nations have, in the last decade or so, been trying to apply the lessons which they learned in the hard school of the '30's. It became generally recognized that one of the best antidotes to commodity ills is high and expanding world demand and this lent impetus to efforts through the OEEC, the IMF and the GATT to reduce barriers to world trade and ensure that countries should not try to remedy their own troubles at the expense of their neighbours. At the same time there was much discussion of ways of dealing more specifically with fluctuations in the prices of individual commodities through international action. Even in the period of post-war shortages, when the prices of most foodstuffs and materials were rising, a number of study groups were set up to look into the position of such commodities as wool, tin, rubber, sugar, cotton, wheat and tea.

In 1947 the Economic and Social Council appointed the Interim coordinating Committee on International Commodity Arrangements which has performed a most useful function in convening international study groups, coordinating the activities of the various study groups and other organizations working in this field, and making recommendations to the Secretary-General. What we have been able to achieve in the commodities field during this period has been due in no small part to the skilful and experienced way in which the experts who have served on the Interim Committee have discharged their duties and they deserve our thanks for the services they have rendered to the United Nations.

In 1949 with the signing of the International Wheat Agreement the first success was achieved in bringing into being a practical agreement covering a major commodity and including the principal producers and consumers. Five years later in 1954 the International Sugar Agreement came into force. The third commodity agreement presently in existence, the International Tin Agreement, began to operate in 1956. Meanwhile, as a result of a feeling in the Economic and Social Council that progress in stabilizing the prices of basic commodities could be speeded up by approaching the problems on a broader front as well as on a commodity by commodity basis, the Commission on International