

Much can be learned from a study of international cooperation in the commodities field during the post-war period. Experience with the three International Wheat Agreements, the Tin Agreement and the Sugar Agreement seems to suggest that the results of a commodity agreement are closely related to the proportion of world trade in the commodity concerned which it covers. Consequently, there does not appear to be much point in taking any action to stabilize commodity prices which does not have the support of the principal producing and consuming countries. It is also of considerable significance that each of the three commodity agreements presently in existence is of a different type. The Sugar Agreement operates primarily through the establishment of export quotas and their adjustment in relation to changes in prices. The basis of the International Tin Agreement is the operation of a buffer stock to adjust the supply of metal to the market demand. The International Wheat Agreement is of the multilateral contract type. Any success these three agreements have achieved seems to be due in no small measure to the fact that they were tailored to the peculiar -- one might say unique -- conditions existing in the markets for the commodities concerned. We could see some value in having a study made of the application under different conditions of various methods of stabilizing prices, such as the establishment of a range within which prices may be allowed to fluctuate; the setting up of buffer stocks or the use of export quotas. However, commodity problems are of a highly complex character and can best be dealt with on a commodity by commodity basis. We would certainly not rule out the possibility that better progress might be achieved in dealing with certain aspects of commodity problems which are common to a number of items by discussing them in a wider forum. Nor would we deny that countries benefiting from the existence of one commodity agreement are under some obligation to help in bringing into being other agreements in which they are perhaps not so directly interested.

However, we do not think that there is any single panacea which will cure all our commodity problems. The experience of recent years has demonstrated that patience and a spirit of give and take are necessary if real progress is to be made in this field. Some times it is difficult to display these qualities when dealing with problems which are such importance and urgency to millions of people in so many countries. Our Delegation wishes to pledge itself to devote whatever time and efforts are necessary to explore any promising possibilities for improving international co-operation on commodity matters.