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REPORT OF THE ECONOMIC AND SOCIAL COUNCIL AND ECONOMIC
DEVELOPMENT OF THE UNDER-DEVELOPED COUNTRIES

Development of international trade and
international commodity problems

Argentina, Chile, France and Greece: joint draft resolution

The General Assembly,

Recalling its resolution 1324 (XIII) of 12 December 1958 and noting
Economic and Social Council resolution 726 (XXVIII) of 27 July 1959,

Convinced that economic and social progress throughout the world,
especially in the under-developed areas, depends largely on a steady increase
in international trade,

Bearing in mind that exports of a small number of products constitute
the main source of revenue for many countries, particularly in the under-
developed areas,

Considering that excessive fluctuations in commodity prices affect the
volume of export receipts and the budgetary resources of many countries, and
in the case of the under-developed countries are likely to hamper the sound
and stable development of the economy,

Convinced that a policy of economic assistance to the under-developed
countries will not be fully effective unless the excessive instability of
commodity prices is remedied, and that to seek a solution to this problem should
be one of the main concerns of all Member States,

Noting the approval by the Economic and Social Council of the programme of work of the Commission on International Commodity Trade, and in particular the detailed study of national and international measures to deal with fluctuations in primary commodity markets,

Noting further that the Contracting Parties to the General Agreement on Tariffs and Trade have undertaken a study of the problem of long-term expansion of trade and in particular of the exports of countries producing primary commodities,

Considering, however, that the procedures of multilateral financial assistance do not always enable countries that have suffered from a sharp and sudden drop in the prices of the raw materials they export to restore the deficit in their balance of payments rapidly without thereby hampering the execution of their development programmes,

1. Appeals anew to the Governments of Member States to continue their efforts to solve the problems relating to commodity production and trade, in particular by the negotiation of agreements between the principal producers and the principal consumers of the same product and by participation in international study groups;

2. Takes note with appreciation of Economic and Social Council resolution 726 (XXVIII) approving the report and programme of work submitted by the Commission on International Commodity Trade;

3. Invites the Governments of Member States to extend the greatest possible assistance to the Commission on International Commodity Trade so that it may carry out its programme of work quickly and effectively;

4. Further invites the Governments of Member States:

(a) To contribute to the greatest possible extent, either unilaterally or in the competent international organizations, to the progressive abolition of discrimination, quantitative limitations and other restrictive practices likely to hamper the development of international trade, particularly with respect to commodities;

(b) To take account in formulating their economic and financial policy of the effect that it may have on the exports of the primary producing countries;

5. Requests the Commission on International Commodity Trade to give particular attention, in carrying out its programme of work, to the study of the most suitable means of giving temporary assistance to countries encountering serious payment difficulties as a result of a sharp and sudden drop in the prices of their raw material exports, with a view to enabling them to take the necessary measures without thereby interrupting or delaying the execution of their economic development programmes.
