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President: Mr. George F. DAVIDSON (Canada)

Present:

Representatives of the following States: Brazil, Canada, Chile, China, Costa Rica, Finland, France, Greece, Indonesia, Mexico, Netherlands, Pakistan, Poland, Sudan, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Yugoslavia.

Observers for the following Member States: Argentina, Australia, Belgium, Bulgaria, Czechoslovakia, Ireland, Israel, Italy, Japan, New Zealand, Romania, Spain.

Observers for the following non-member States: Federal Republic of Germany, Holy See, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, International Bank for Reconstruction and Development, International Monetary Fund.

AGENDA ITEM 5

International commodity problems
(E/3118, E/3124; E/CN.13/27) (*continued*)

1. Mr. LESCURE (observer for Argentina), speaking at the invitation of the PRESIDENT, said that the general fall in commodity prices up to the end of the first quarter of 1958 had been the most significant recorded since the Korean war, and the terms of trade as between primary commodities and manufactured goods had never been so unfavourable since the end of the Second World War. In view of the surplus problem, the decline in economic activity in the industrial countries and the ever-increasing demands for the economic development of the under-developed countries, no early improvement in the situation could be expected. Clearly, commodity problems could only be solved by realistic and effective international co-operation.

2. His government therefore attached great importance to the work of the Commission on International Commodity Trade, and appreciated the value of the latter's fourth report (E/3124). It agreed with the Commission's conclusions concerning both the future work programme and the revision of the terms of reference. It particularly welcomed the conclusions set forth in part II of the report — on fluctuations in commodity prices and

volume of trade — and considered the methods of work suggested for future studies to be perfectly sound.

3. To be effective, the Commission needed the co-operation of all Members of the United Nations, and particularly that of countries of major importance in commodity trade, such as the United States of America and the United Kingdom; it also needed adequate resources and the services of highly qualified experts.

4. At the Commission's sixth session, the Argentine delegation, in conjunction with the delegations of Uruguay and Belgium, had proposed amendments to the terms of reference because it had been convinced that such a change would make it possible to secure the participation of more Member States — particularly the United States of America and the United Kingdom — in order to enlarge the scope of the Commission's activities (E/3124, part VI).

5. If the Council succeeded in reinforcing the Commission along the lines suggested, that would be one of its greatest achievements at the present session.

6. Mr. VASCONCELLOS (Brazil) said that — as the Under-Secretary for Economic and Social Affairs had stated at the 1033rd meeting — whereas measures for solving the difficulties of the industrial countries were universally recognized and accepted, the economic problems of the under-developed countries were still undeservedly controversial. The stability of commodity markets was a major international problem, and the capacity of the under-developed countries to ward off the harmful effects of fluctuations in the prices of and trade in primary commodities was limited. Although those countries were immediately vulnerable to such fluctuations, the consuming countries themselves might be equally affected at a later stage; as the Chilean representative had pointed out at the 1033rd meeting, the present recession had been touched off by a decline in the purchasing power of the primary producing countries, which had obliged them to place fewer orders for manufactured goods from the industrial countries. Hence, responsibility for finding solutions to commodity problems lay equally with the industrial countries.

7. Chapter 3 of the *Commodity Survey, 1957* (E/CN.13/27) showed that the dependence of under-developed countries on one or two commodities for the bulk of their foreign exchange earnings had been as great in 1953-1955 as in 1936-1938. In the case of the coffee-producing countries, coffee had accounted for a larger proportion of total exports in the former period than in the latter, as was proved by the figures for Brazil and Colombia in table 10.

8. At the 1033rd meeting, the Polish representative had mentioned the reduction in the exports of semi-industrial

countries caused by growing demand on the domestic market and the increased demand for foreign capital goods arising out of economic development. That argument was confirmed by the fact that the share of cotton in Brazilian exports had declined over the period 1953-1955 as compared with 1936-1938 precisely because of increased domestic demand.

9. After the collapse of the coffee economy which had followed the world crisis of 1929, it had become essential to diversify his country's economy in order to avoid the disrupting effects of cyclical commodity fluctuations and to achieve a reasonable degree of self-sufficiency in the consumer-goods sector, and the country had accordingly embarked on a programme of industrialization, which had made great progress since the war. Per capita income was still low for the country as a whole, but more advanced areas had reached higher levels; in the state of São Paulo, for example, with a population of over 11 million, the per capita income was approximately the same as in the Netherlands. Since domestic industrial output was mainly absorbed by the home market, and did not contribute significantly to exports, Brazil was still highly dependent on commodity trade for foreign exchange with which to finance industrial expansion. Therefore, it would be necessary for a number of years to come to import foreign capital to supplement domestic savings for investment; in particular, foreign public capital would be needed for investment in public utilities. The Brazilian Government had made a close estimate, in the light of its vast development programme in such sectors, of the domestic and foreign capital it would require to meet its minimum needs, and was therefore greatly concerned to see earnings from primary exports diminishing as a result of the increasingly unfavourable terms of trade and cyclical fluctuations. So long as the value of the Brazilian currency was at the mercy of fluctuations in the coffee trade, the benefits derived from the inflow of foreign capital would be greatly reduced, and industrialization plans would suffer accordingly.

10. Therefore, although it still regarded industrialization as the only practicable long-term basis for balanced economic development, his delegation recognized the need for international commodity agreements as a short-term and partial remedy for cyclical fluctuations. Brazil had been a party to the International Sugar Agreement, but had been obliged to leave it in 1956 because of its excessively rigid provisions, which should be thoroughly revised. Brazil was also a party to the International Wheat Agreement, and had played a leading part in drawing up the plans for the International Coffee Organization, which it was hoped would stimulate the consumption of coffee throughout the world. Earlier, an international coffee agreement had proved impracticable, because the consuming countries had not been prepared to join it; but since the establishment of the International Coffee Organization early in 1958, and as a result of a joint proposal by Brazil and Colombia, a working group — on which the leading consumer was represented — had been set up, and was at present studying the possibilities of an agreement. It was open to any country to join the working group.

11. Nevertheless, commodity agreements, whether bilateral or multilateral, were only one way of coping with

short-term fluctuations; they should therefore be supplemented by a system of automatic compensatory financing by an appropriate international body. The Commission on International Commodity Trade and the International Monetary Fund ought to co-operate closely in working out a generally acceptable plan along those lines. Similar suggestions had been made by groups of United Nations experts as far back as 1949.¹

12. It was the Council's duty to promote economic development through industrialization, commodity stability and financing, by thorough discussion and by recommending effective measures of international co-operation. One of its most important subsidiary organs was the Commission on International Commodity Trade. It had been suggested that the Commission's terms of reference should be modified to broaden its scope and secure wider participation in its work. However, the proposals submitted to the Council seemed to restrict rather than to enlarge its scope, the wider participation referred to amounting to nothing more than that two of the leading consuming countries had agreed to take part in the Commission's work provided the proposed changes were put into effect. It was certainly desirable that the Commission should show a more practical approach to its work, but the watering down of its main objective could result only in duplication of work being done by other bodies. The Brazilian delegation was in favour of wider participation in the Commission's work, but not at the expense of the Commission's *raison d'être*. The Commission's scope had been repeatedly defined and endorsed by the Council, and the latter should be careful not to make any change that would seriously curtail it. The Commission had been set up for the specific purpose of dealing with the problems of international commodity trade as they affected the economic development of the under-developed countries, and even those who wanted its terms of reference to be modified recognized the need for a comprehensive, joint study of commodity problems, terms of trade and economic development. The Brazilian delegation therefore considered it essential to keep the Commission as it had been established.

13. Mr. CHEN (China) said that, of the factors which the Commission on International Commodity Trade considered to be responsible for the fall in the prices of primary commodities, three — disposal of surpluses, increase in the growth of synthetic substitutes, and greater economy in the use of raw materials — could not for the moment be regarded as being as nearly so important as the other two — over-production and the slackening in demand. It seemed that the slight improvement in business conditions in the United States of America might encourage the demand for raw materials. Current quotations for lead and coffee suggested that the prices of those commodities were still below the very low 1957 level, but the prices of copper, zinc, wheat, cotton, wool and rubber had risen above the lowest point reached in that year. Commodity prices might have seen their worst and have turned the corner. There were, however, two influences that might check that improvement —

¹ See *Commodity Trade and Economic Development*, United Nations publication, Sales No.: 1954.II.B.1 (E/2519), especially paras. 120-123 and 235-240.

first, a possible slump in western Europe; second, competition from the Soviet Union, which had already made itself felt in the case of tin, aluminium and steel, and which might spread to other mineral and agricultural commodities. It should be remembered that, at the turn of the century, Russian wheat exports had bankrupted farmers in western Europe.

14. His delegation was satisfied with the progress made by the Commission in the past year, and was in favour of the proposed change in its terms of reference. Such a modification would strengthen the Commission; and he hoped that the Council would be able to agree on a generally acceptable formula.

15. Mr. SCOTT FOX (United Kingdom) said that international commodity problems were of great concern to most members of the Council — a concern with which his delegation fully sympathized. But it must be remembered that the Council was faced not with a single problem, but with a vast complex of problems. All countries were to some extent producers of primary commodities, but some were dependent on them to a much greater extent than others. Thus, the problems varied from country to country; similarly, each commodity had its own different problems.

16. Those problems affected all countries, including his own. The United Kingdom and its dependencies were major producers and consumers of primary commodities, and their experience with commodity problems was to be measured not in years, but in centuries. In the light of that lengthy experience, he wished to emphasize that it was futile to look for a general solution to such complex problems. The recent fall in prices and volume of commodity trade had meant a decline in the export income of a number of countries, which had seriously affected their balance of payments and their economic development programmes. However, the situation must be viewed in its proper perspective. Not all commodity prices had fallen, and the extent of the decline in others had varied, as had the impact on different countries. Moreover, some prices had fallen only from levels affected by abnormal factors — for example, temporary increases in demand due to stockpiling.

17. Turning to an analysis of the problems involved, he suggested that the first of them was the question of the level of demand. Primary commodities were particularly susceptible to changes in economic conditions. It was fair to remember that that cut both ways; if primary producers were apt to suffer particularly seriously during recessions, their gains in boom periods were usually equally marked. The Commission's fourth report showed that one of the main causes of the weakening of commodity markets during the previous eighteen months had been a declining or stagnant demand in the industrial countries at a time when the production of most primary commodities had still been rising. A resurgence of demand in the industrial countries would lead to an improvement in commodity markets; and he hoped that the measures described by the United States representative at the 1024th meeting would have the effect of accelerating economic recovery in that country.

18. Another problem was that of protectionism in the industrial countries, mainly — but not entirely — in the

agricultural field. Such policies might affect the stability of world prices by disturbing the pattern of international trade. In the agricultural field, most countries considered that some support of domestic production was necessary for strategic or social reasons, and national legislation often limited the extent to which subsidies or price supports could be cut. His delegation recognized that the problem was a serious one, and would be prepared to co-operate in international discussions on possible action to moderate protectionism and its adverse effects on world trade. The contracting parties to the General Agreement on Tariffs and Trade (GATT) had a useful role to play in dealing with the problem of restrictions on international trade resulting from protectionist policies.

19. A further problem concerned the disposal of surpluses and stockpiles. He agreed that it was important that they should not be disposed of in such a way as to upset commodity markets and distort normal patterns of trade. Consultation among governments on the matter was essential, and he paid a tribute to the work of the Food and Agriculture Organization (FAO) Sub-Committee on Surplus Disposal on the disposal of surpluses, especially of foodstuffs. The United Kingdom Government had decided to take no action for the time being to dispose of its strategic stockpiles.

20. Finally, there were the problems arising from excessive short-term price fluctuations. He agreed that they might prejudice the interests of both consumers and producers, and his government was prepared to take part in international discussions about the feasibility of reducing such fluctuations. It believed, however, that it was necessary to discuss each commodity separately. Experience with the existing international commodity agreements had shown that it would be unwise to underestimate the technical difficulties of price stabilization, which were demonstrated by the fact that it had so far been possible to negotiate only a few commodity agreements. If a particular agreement was to succeed, it must take account of the interests of both consumers and producers, and include all the major producers of the commodity concerned, including in many cases countries of the Soviet Union group. The present position with the International Tin Agreement showed the importance of that latter point. Similarly, successful stabilization measures must take account of long-term trends. Any other approach would not be in the interests of primary producers, especially in view of the increasing possibilities of using substitutes or synthetic materials. In the report of the Interim Co-ordinating Committee for International Commodity Arrangements (ICCICA), it was suggested that a further study of the problems set by the growth in the production of synthetic materials might be useful (E/3118, para. 93). There were, of course, other possible ways of dealing with short-term fluctuations than commodity agreements, and he endorsed the conclusion reached in paragraph 97 of the ICCICA report that study groups established on a long-term basis were a useful development. Such study groups might examine future prospects of supply and demand, and recommend improved methods of production and trade. He also referred to the usefulness of the domestic price stabilization schemes in some primary producing countries.

21. There was adequate international machinery for dealing with commodity problems, both as a whole and by commodities — in particular, FAO, GATT, ICCICA and the Commission on International Commodity Trade itself; he hoped that the last-named would be able to play an increasingly useful role in its proper sphere. With regard to the proposed change in its terms of reference, his delegation was aware that some States wished to see the United Kingdom resume its membership of the Commission. There were certain difficulties, but his delegation hoped that they could be overcome. The United Kingdom was in principle anxious to contribute to the Commission's work, if it could be persuaded that there was a useful contribution open to it to make.

22. His government's goodwill for trying to find a solution to the problems of commodity trade was manifest from the fact that it had joined the international agreements for sugar and tin, and belonged to all the international commodity study groups. It had announced its readiness to join the international olive oil agreement, and would shortly be acting as host for the international discussions on problems relating to non-ferrous metals. It had not been able to join the last two international wheat agreements, because it had doubted their ability to deal effectively with the problems involved, but it would be prepared to participate in the United Nations conference which was to discuss a new wheat agreement at the beginning of 1959.

23. Miss BLAU (Food and Agriculture Organization) said that, at the recent session of the FAO Committee on Commodity Problems, much concern had been expressed about some recent price developments and their effects on the economies of the primary producing countries. For certain foodstuffs, the situation was rather different from that of most raw materials, because drastic falls in prices had sometimes been checked by adaptations of national policy, though in some cases those policies had led to rigidity in the world market, which had simply shifted the instability from prices to the volume of supply, with consequent accumulation of stocks.

24. As the representative of an international organization, and not a government, she did not wish to influence the shaping of the Council's policy, but would attempt to present the problems in the light of FAO's experience. There was a general feeling that, while attempts to control price fluctuations should not be abandoned, there was little chance of achieving a comprehensive solution applicable to all commodities. It was not possible to rely on any easy formula. Much of the interest of the discussion lay in the approach via individual commodity agreements, but despite many years of effort few such agreements had been concluded, and even those which had did not cover a sufficiently large proportion of world trade in the commodities to which they related.

25. While the technical difficulties of negotiating a comprehensive system of such agreements should not be underrated, reference might also be made to other difficulties. Since the war, there had been general recognition of the fundamental principle that commodity agreements must be based on a balance between consumers' and producers' interests. That desirable principle

had been enshrined in the Havana Charter and also, indirectly, in FAO's Constitution. Its effect, however, was to make negotiation difficult, particularly when it was also recognized that international commodity agreements were essentially contracts of risk insurance, and that the risks were heterogeneous. Producers wished to insure themselves against low prices, consumers against high prices and consumers and producers alike against price fluctuations. Furthermore, it was important to insure against fluctuations, not only in money terms, but also in real terms. If a "risk table" showing the risks against which both sides tried to insure themselves were drawn up, it would be seen that they were not only numerous, but sometimes disconnected. Consequently, there was a tendency for those taking part in negotiating conferences to go to the other extreme and make the best bargain they could by concluding an agreement in which the long-term interests of stability might not be the foremost consideration, and in which the necessary short-term sacrifices might not be made at all. It was of the essence of international commodity agreements that no party should be given a permanent, long-term advantage, and that the aim should be merely to eliminate sharp and harmful fluctuations.

26. National policy could also make the negotiation of commodity agreements difficult, because it might exert a stronger influence than the existence of buffer stocks.

27. FAO was aware of those difficulties, and, while realizing that it might not be possible to evolve a widespread system of commodity agreements in the near future, considered that full use should be made of the method of consultations, which enabled governments to engage in the free give-and-take of discussion, and to adjust their national policies to international requirements.

28. FAO sought to promote the co-ordination of national policies, not only through its Committee on Commodity Problems, but also through specialized commodity study groups, of which there were four — on grain, rice, cocoa and coconut products respectively — as well as through *ad hoc* groups and panels which were set up as the need arose. The grain study group was an example of a body which was partly concerned with a commodity for which an international agreement existed, but in relation to which domestic policy and other factors played such a prominent part that it was useful to have supplementary consultations on matters not effectively governed by the agreement.

29. In all such groups, an effort was being made to develop the statistical services and knowledge which constituted the essential basis for the work. Thus, the rice group was studying the structure of the international rice market in order to ascertain the extent to which the trade moved mainly in channels where price was the dominant consideration; another subject of study was the interchangeability of different grades of rice. It had become clear to all concerned that more knowledge of the basic technical aspects was required, and some groups were at present concentrating on those aspects. Another example of the kind of work being done was provided by the group on butter problems recently established by the Committee on Commodity Problems, whose main conclusion had been that there

was a need for better international co-ordination of national dairy policies.

30. Besides the study-group method, there was the functional approach, of which the Working Party on Agricultural Support Measures, which examined national policies from the point of view of their ability to achieve the most flexible results, was an example. In the matter of surplus disposal, FAO was gradually evolving a code of international behaviour which had been accepted by all or most trading countries. The aims could not be too ambitious, for the highest common denominator of agreement was often rather low, and all that could be attempted was to raise it a little. The Committee on Commodity Problems had recently undertaken a thorough review of the principles of surplus disposal which had been in operation for a number of years, and its efforts had been supplemented by consultations in the Sub-Committee on Surplus Disposal, in whose work all interested governments could take part. That illustrated another aspect of FAO's work, for whereas discussion in the Committee on Commodity Problems was confined to its twenty-four members, discussions in the specialized commodity groups were open to all who were interested. The general discussion of commodity problems in the Committee, and the discussion in specialized groups of problems connected with individual commodities, were complementary approaches, for in a general discussion different commodity interests had the means of setting themselves against one another and finding the right kind of balance, whereas specialized groups might be too pre-occupied with their own interests.

31. FAO hoped to continue and develop its work on commodities and also to maintain its close co-operation with all the other international agencies concerned, including the Commission on International Commodity Trade. There were wider aspects of the problem, such as the general climate of economic activity and anti-cyclical measures, with respect to which FAO was looking for guidance to the more generalized international organs.

32. Mr. WILLIAMS (International Monetary Fund) said that the International Monetary Fund acknowledged that the instability of primary commodity prices constituted one of the most important causes of balance-of-payment difficulties for a goodly proportion of its members. The problem had been given the closest attention, not only in the Fund's regular consultations with its members, but also in its annual reports and other published policy statements. It was to be discussed at considerable length in the annual report now being prepared for consideration at the Annual Governors' Conference to be held in the autumn of 1958.

33. The current situation with regard to raw-material prices was not a recent phenomenon, for the prices of many industrial raw materials had been weakening since the second half of 1955. The causes of that trend had included rapidly expanding output and, in the case of certain products, increased competition from substitute materials or new products, such as synthetic rubber or textile fibres and aluminium. The great diversity of the circumstances in which prices moved up and down suggested that there was no easy solution to marketing

problems. A revival of industrial production and international trade would usually help primary producers, but even then some difficulties would remain which might require arrangements of various kinds in which both national and international action might play a part.

34. The great importance of the whole complex of problems involved was being increasingly recognized. The countries most immediately concerned were naturally anxious to diversify their economies, but, when foreign-exchange receipts declined, the financing of development plans became increasingly difficult. Even before the current contraction of economic activity, several countries had been beset by inflationary pressures, and in some there was still a danger that they might be allowed to get out of hand. Fortunately, in most countries there was a growing desire to restore stability, both internally and in the balance of payments. A number of countries were carrying through comprehensive stabilization programmes. Foreign financial assistance was often needed while the measures contemplated in those programmes were taking effect. The Fund had provided several such countries with financial resources as well as with extensive technical help.

35. By the end of May 1958, the Fund had made available to its members more than \$3,000 million, and another \$900 million had been available in standby credits. Of the total actually drawn by members, more than \$1,100 million had gone to countries which might be regarded as under-developed, and more than half of that amount to countries a large part of whose export trade was in one or two commodities. The Fund had concluded exchange transactions with thirty-six of its members, of which only ten had clearly not been in the under-developed category; and even with them, the transactions had in some cases covered exchange problems arising out of commodity trade.

36. In dealing with the problems of primary producing countries, the Fund could not act automatically, but was obliged to take into account all the reasons for the difficulties which had already arisen, as well as the way in which the authorities responsible were dealing with them. A country whose difficulties were attributable to a large and unforeseen decline in its export income, and whose domestic policies were satisfactory, obviously had a strong claim on the Fund's support. But the Fund also had to take into account the economic and monetary policies being pursued, and the question whether the fall in prices was truly temporary or was likely to prove permanent.

37. Various representatives had suggested that some way might be found of bringing the Fund's resources to bear more effectively on the commodity problem. The Fund had consistently given the closest attention to that problem, and had discussed with its members how best they could meet their difficulties. Where necessary, the Fund had even given technical assistance to those of its members which lacked sufficient experience in dealing with the side-effects of the difficulties involved. Where appropriate, the Fund had made financial resources available to tide members over periods of temporary financial stringency due to such circumstances. It would continue to help in that way, and if any member govern-

ments felt that the Fund's policy or techniques might be modified in order to make its work more effective, he could assure the Council that any suggestions they might care to make, either to the Executive Board of the Fund or at the forthcoming governors' conference, would receive sympathetic and careful consideration.

38. Mr. PHILLIPS (United States of America) said that it was generally recognized that the nations were living in an economically interdependent world, and that that interdependence was, in particular, typical of the relations between the under-developed and the industrial countries. Many of the latter had committed themselves to policies of maintaining stable economic growth with a high level of employment, which had met with remarkable success, and he was sure that further progress could be expected as knowledge grew. But the degree of success achieved in the case of primary-commodity prices had not been so great, and the under-developed countries had consequently been unable to achieve a comparable degree of stability. Their dependence on exports made them vulnerable to economic developments which were to some extent outside their control.

39. The fourth report of the Commission on International Commodity Trade gave a concise account of developments in the latter part of 1957 and the first part of 1958. The general decline in prices in the last quarter of 1957 had brought the index down to almost its lowest point since the outbreak of the Korean war. The Commission's report went into some of the causes of that decline, including the slowing-down of economic growth in the major industrial countries, though it was noted that owing to the sustained expansion of supply, the markets had begun to weaken well before the decline in industrial production had set in.

40. The long-term solution depended on the maintenance of stable economic growth in all countries, and on the diversification of the economics of the under-developed countries. Adequate market research was needed; and other measures could help to increase consumption through improvements in quality, the lowering of production costs, and research into alternative or new uses.

41. Policy measures directly designed to prevent or to damp down fluctuations should be treated with extreme caution, for they carried risks which must be carefully weighed against the potential gains. A smoothly functioning price system had a major part to play in the rational allocation of resources. Excessive price fluctuations were essentially the result of temporary conditions, and in seeking to prevent them care must be taken not to upset the basic trends that reflected basic developments

in supply and demand. Careful study was needed for each individual commodity. While study was not an alternative to action, it was a prerequisite if hasty and harmful measures were to be avoided.

42. It had sometimes been suggested that his government had stood aloof from the problem. The fact was that his country was a party to two of the three international commodity agreements so far concluded, and a member of practically all the commodity study groups which had been set up. It had taken part in *ad hoc* conferences, and intended to participate in the forthcoming meetings on copper, lead and zinc. His government also continued to pursue a policy of trade liberalization. Despite the recession, imports had generally been maintained at a high level. In the conduct of its stockpiling programmes, his government recognized its obligation to avoid action which would have disruptive effects on world prices, and in disposing of agricultural surpluses it had continued to take precautions against disturbing normal commercial trade. It was assisting the economic development and diversification of the under-developed countries through its financial and technical assistance programmes, and through its efforts to promote conditions favourable to an increased flow of private investment.

43. His delegation had noted the statements to the effect that the work of the Commission on International Commodity Trade could be made more effective by United States participation. His government was actively interested in the Commission's work, and welcomed the initiative taken by the delegations of Argentina, Uruguay and Belgium at the Commission's sixth session in proposing the amendment of the Commission's terms of reference, which, he hoped, would remove the obstacles to active United States participation in the Commission's work.

44. His government's interest in the Commission's work held no element of condescension, as had been suggested during the debate. The Commission could certainly play a more useful part than hitherto, and if his government felt that its participation would be regarded as limiting the Commission's usefulness, it would certainly not wish to make itself available for membership. United States policy in the matter of the under-developed countries was based on recognition of the need for assisting a high rate of growth, and for making that growth as continuous and stable as possible. His country's interests would be fully served if that policy succeeded in helping to achieve a more secure and abundant life for all.

The meeting rose at 12.25 p.m.