

was brought into being at Colombo, met at Sydney in May and took the process a long step further. The Governments of the Commonwealth countries in the area agreed to draw up a practical and realistic plan of development for a six-year period to run from the middle of 1951, and they put the preparatory work in hand at once. They also decided to provide funds for a technical assistance scheme for the area. This scheme, the detailed organisation of which was worked out at a meeting at Colombo in July, is outlined in Chapter IX of this Report.

12. In the meantime, in accordance with the decisions taken at Sydney, invitations were issued to the non-Commonwealth Governments in the area to join in the work of the Consultative Committee and to draw up six-year plans of economic development. In the event, however, it has not proved possible to secure the full participation of the non-Commonwealth Governments within the time originally envisaged, nor have they been able to prepare programmes of the kind presented to the Committee by the Commonwealth Governments. This Report has therefore confined itself in the main to the development programmes of the Commonwealth countries. It is, however, hoped that it will be possible for the non-Commonwealth countries to co-operate fully in the plan in the very near future and to prepare development programmes of their own which, when brought together with those of the Commonwealth countries, would provide the comprehensive survey of the needs of the area as a whole that was originally considered desirable.

13. The preparation of this Report is thus a further step in the process set on foot in Colombo. The idea conceived there has been given shape and content in the last eight months. The scale of the problem has been assessed, knowledge has been gained of the difficulties to be overcome, and the way has been prepared for further advance.

14. The purpose of the Commonwealth Governments in initiating the programme described in this Report is fully in accord with the principles of the United Nations. They intend that it should develop in harmony with the valuable work done in the area by the United Nations and its Specialised Agencies which have recognised the need for outside assistance for the development of under-developed territories.

15. These considerations form the background of this Report. The improvement in the welfare of the South and South-East Asian peoples is a vast human endeavour, and the community of free nations stands to gain immensely by it. The political stability of the countries of the area is possible only in conditions of economic progress, and a steady flow of capital from more highly developed countries is essential for this purpose. The conception of the Commonwealth countries' approach to the problem is that a fresh impetus should be given to economic development in South and South-East Asia in order to increase production, raise standards of living, and thus enlarge the volume of trade around the world from which all countries may benefit. It is because this is a world problem of the first magnitude and not a purely national or regional one, that the Commonwealth Governments have framed this Report for the world's consideration.