4. The present state of development in South and South-East Asia is probably as low as anywhere in the world. International comparisons are difficult and preclude precise conclusions, but it is possible to give a broad picture of the disparity between the national incomes of countries in the area and those of more advanced countries. From such information as is available, it appears that average national income per head in most of South and South-East Asia ranges around £20, whereas in the United Kingdom it is over ten times as large, and in the United States it approaches £400.

5. By far the largest element of national income in South and South-East Asia is derived from agriculture, which in all the countries provides the livelihood for more than half, and in some for as much as 80 per cent., of the population. The heart of the problem is the under-employment which results from the pressure of population on the land. In Ceylon, for example, there are nearly 1,200 people who depend upon agriculture for every 1,000 acres of cultivated land. This contrasts with about 60 in Great Britain.

6. What this difference means in terms of output can be illustrated by a comparison between India, with 306 million acres under cultivation, and the United States with 360 million. In India there are 73 million agricultural workers of all kinds, while in the United States only 8 million are actively occupied on the land. In spite of the much more intense application of manpower, agricultural yields per acre are far below those in the United States; for instance, the yield of wheat is less than 600 lb. compared with over 1,000 lb., and the yield of cotton is only 66 lb. compared with 313 lb. This disparity cannot be explained simply by natural differences of soil fertility; it is the application of capital which enables the farm worker in the United States to produce so much more than the peasant of South and South-East Asia. For example, in the United States there are over 2,400,000 tractors, whereas in India there are only 10,000. Again, the United States uses, on an area only one-sixth greater, over 13 million tons of fertiliser a year against some 200,000 tons used by India.

7. In communications, fuel and power, and industry the scope for development is illustrated by the comparative examples given in the following table:—

Table 3.—Levels of Economic Development in 1949: Comparative Indicators

	Unit per '000 population	*India*	*Pakistan*	*Ceylon*	*Malaya*	*United Kingdom*	*United States (a)*
Electricity production	'000 kWh	13	1·9	9·6	117	1,033	2,296
Coal consumption	tons	80	18	28	85	3,884	3,473
Petroleum consumption	tons	7·8	11	23	99(*b*)	327	1,638
Steel consumption	tons	3·8	1·3	6	16	194	364
Cement consumption	tons	7·2	3·6	19	25	148	229
Locomotives	nos.(*c*)	22	16	32	31	410	309
Carrying capacity of railway wagons	tons	10(*d*)	8·8	4·5	13	276	556
Rail freight	'000 ton miles	65	..	..	32	446	4,568
Load-carrying road vehicles	nos.	0·18	0·17	1·41	3	16	43
All-weather roads	miles	0·32	0·1	0·87	0·93	3·7	2·2
Telephones	nos.	0·37	0·21	2·2	7·7	98	261

(*a*) In most cases, figures refer to 1948.
(*b*) Excluding Service supplies and bunkers.
(*c*) Per million population.
(*d*) Excludes 16,516 wagons for which no carrying capacity is recorded.

8. The scope and the need for development are great, but so also are the potentialities of the region's underdeveloped natural resources. In India it is estimated that improvements in agricultural practices and technique alone, through the use of better seeds and fertilisers and through irrigation works, could by 1956-57 secure increases over the current estimated levels of production of 8 per cent. (3,000,000 tons) in foodgrains, 30 per cent. (195,000