

tons) in cotton, 50 per cent. (375,000 tons) in jute and 30 per cent. (1,500,000 tons) in oil-seeds. In Ceylon it would be possible in the long run to bring another 3 million acres of land under the plough, thus doubling the cultivated area. In Pakistan two irrigation projects at present in hand, at Thal and Kotri, will make an additional 4,800,000 acres available for cultivation, and a further 2,300,000 acres at present lying waterlogged in West Pakistan could be recovered by the construction of tube-wells to lower the water-table in the area. Similarly, in nearly all the other countries of the area the application of capital would enable large tracts to be brought under cultivation. This work, much of which will be accompanied by the development of hydro-electric power, is the first step towards that growth in productivity without which many of the ills which afflict South and South-East Asia—poverty, under-feeding, disease, illiteracy—cannot be relieved. The hydro-electric power resources of the area have hardly yet been tapped. Pakistan's potential, for instance, is estimated at over 5,000,000 kilowatts; the actual installed hydro-electric capacity is now 9,600 kilowatts, and in the next six years it is to be increased by 200,000 kilowatts. What is true of hydro-electric power is true also of the mineral resources of the area; in many of the countries the extent of these resources has not yet even been ascertained.

9. The human and material resources of the area are large enough to solve its problems. But if they are not brought into effective use, the position will become worse. Even the present inadequate standards of nutrition will not be maintained, for the pressure of increasing populations will bring them still lower, and this will make it all the more difficult to create the social services which are required to combat disease and to educate the millions who are still unable to read. The growth of productive power is a gradual process which must be spread over generations. The levels now reached in the advanced countries, which are themselves insufficient to satisfy their peoples' aspirations, are the result of 150 years of economic development. It is the early stages which are the most costly and difficult. Basic services—railways, roads, ports and harbours, electricity and irrigation—require a vast capital investment and must be undertaken before production can be increased significantly. In democratic countries a certain minimum of social services must be provided concurrently with programmes for economic development if these are to command the popular support without which they would be frustrated.

10. The countries in South and South-East Asia are at very different stages of development, but none has passed the period at which heavy expenditure on basic services is required. Once the process of development gets under way its effects are cumulative and the difficulties become less. This is illustrated by the experience of these countries so far. In India the production of iron and steel increased from an almost negligible amount in 1914 to 400,000 tons in 1925, and to 800,000 tons in 1939; in the next ten years there was a further increase to 1,100,000 tons. In the same way it was possible to expand the production of cement, already doubled in the five years before the war, by another 47 per cent. between 1939 and 1949.

11. The most effective and efficient pattern of development is different for each country. There is no standard formula which can be universally applied. There are, however, no grounds in experience for the view that development implies uneconomic national self-sufficiency. In fact, the countries in South and South-East Asia with specialised economies heavily dependent upon international trade have the largest national incomes per head. In the ordinary way the growth of national income brings with it automatically an increase in trade. The United States, which has the widest and most complete natural resources of any advanced country, and which could be virtually self-sufficient if it wished, has a foreign trade per head some twenty times as great as that of India.