

exports of the area is subject to extreme fluctuations, as is illustrated by the following table:—

Table 22.—*London Prices of South and South-East Asia Export Commodities*

Commodity	Basis of prices	1920-29		1930-39		1940-49(a)	
		High	Low	High	Low	High	Low
Tea ...	pence/lb.	20 $\frac{3}{4}$ (b)	15 $\frac{3}{4}$ (b)	18 $\frac{1}{2}$	11 $\frac{1}{2}$	36 $\frac{1}{4}$ (c)	14 $\frac{1}{4}$ (c)
Rubber ...	pence/lb. (d)	35	9 $\frac{1}{4}$	9 $\frac{1}{2}$	2 $\frac{1}{4}$	18	11 $\frac{3}{4}$
Tin ...	£ per ton	419(b)	139(b)	311	100	757	209
Copra ...	£ per ton	30	21	23	9	47(c)	19(c)
Jute ...	£ per ton	78	15	56	14	115	21

(a) The period 1940-49 was marked by a general upward trend in prices.

(b) 1922-29 only.

(c) Average f.o.b. contract prices; the free market price for copra was substantially higher.

(d) Average annual London prices.

The national incomes of these countries, their balance of payments and, in particular, their dollar earnings are thus at all times vulnerable even to relatively minor fluctuations in world business activity. In working out their programmes Commonwealth countries have assumed a relatively high level of world demand for their basic exports. If this assumption were not fulfilled, their ability to carry out these development programmes would be gravely impaired.

Conclusion

26. The conclusion is reached that the development programmes have been framed on a realistic basis. They are designed to provide the foundations for future progress rather than early dramatic results. They are consistent with the concept of an expanding world economy, but are very vulnerable to changes in the level of business activity throughout the world. There are two limitations upon the size of the programmes—the shortage of trained men, and the shortage of capital, both internal and external. The latter shortage is the more serious. Even these programmes, though limited in the results which they will achieve immediately, are more than the countries can sustain from their own resources. Their economies need support to carry the programmes through. The next two chapters describe the size and nature of the support which they require.

CHAPTER IX

THE NEED FOR TRAINED MEN

1. The development programmes described in the preceding chapters involve the application of modern technology and skills to the under-developed and traditional economies of the countries of South and South-East Asia. This process is not new, but has been proceeding at varying rates in the different countries throughout the past hundred years. With the help of administrators, scientists and technicians from overseas, and increasingly from their own peoples, the countries have been equipping themselves to use the recent advances in science and technology which, applied to the tasks of peace, can bring incalculable material benefits to all in South and South-East Asia.

2. The ability of these countries to raise the living standards of their peoples depends on the success they have in raising the productivity of the individual worker. The increased use of capital equipment, whether in the form of irrigation works, power stations or farm tractors, will only be possible and can only bring its full benefits if the knowledge and skills of the peoples