

The Colombo Plan is based on the conviction that the people of South-East Asia can, by their own determined effort and with some help from outside, achieve a sustained rate of economic growth that will yield them a fuller and more fruitful life.

The urgency of the problems to be faced in Asia may be readily apparent, but the things that need to be done make a very long list. Only a few of the major problems can be mentioned here.



*Indian worker extracting rice with a pedal thresher.*

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In the area covered by the Colombo Plan, agriculture is the predominant source of livelihood, and therefore economic progress must start in the rural areas. But agricultural yields are far below those in countries like Canada and the United States, population density is often high, and the land cannot provide an adequate living for the very high proportion of the population that is dependent upon it. Food shortages and hunger on a large scale are one of the tragic features of this situation. To improve agricultural production, better farming techniques, better seed, fertilizer, irrigation and drainage, mechanical equipment and many other things requiring capital, skill and training are needed. At the same time, through the development of industry, for example, alternative employment must be found for millions of workers who cannot earn an adequate living from the land.

The countries of South and South-East Asia have considerable natural resources. Some of these resources are developed, and for generations certain products of the area have been important in world trade. Rubber, tin, jute, tea, cotton, spices, timber, for example, are shipped in large quantities to other parts of the world. But most of the countries are heavily dependent on exports of a few primary products, and fluctuations in the prices of these products can quickly cause severe economic hardship. The countries of the area need to develop other resources as yet unused and to diversify their economies so that their people are not dependent on only one kind of market.