

# The Colombo Plan Conference in Seattle

The Consultative Committee of the Colombo Plan for Co-operative Economic Development in South and Southeast Asia met in Seattle, Washington, from November 10 to 13, 1958. This was the tenth meeting of the Consultative Committee, created at Colombo, Ceylon, in 1950 to "survey the needs, to assess the resources available and required, to focus world attention on the development problems of the area, and to provide a framework within which an international co-operative effort could be promoted to assist the countries of the area to raise their living standards".

Eighteen member countries were represented at the Seattle Conference: Mr. John Foster Dulles, the leader of the United States Delegation, was Chairman. The Canadian Delegation was led by Mr. Sidney Smith, Secretary of State for External Affairs, and included Mr. Louis Couillard, Ambassador Designate to Venezuela, Mr. John Teakles and Miss Lois Hill of the Department of External Affairs, Mr. D. W. Bartlett of the Department of Trade and Commerce, and Mr. L. D. Hudon of the Department of Finance.

## Review of Progress

Each year the Consultative Committee reviews the progress made, the problems encountered and the tasks that lie ahead in the effort to accelerate economic development in South and Southeast Asia. The focal point for these discussions is the annual report drafted at a preparatory meeting of officials for the consideration of the Ministers. After full consideration, agreement was reached at the Seattle meeting of the Consultative Committee on the seventh annual report, which was subsequently released in all member countries.

Reviewing economic development in the region as a whole, the Consultative Committee noted in its report that while significant progress continued to be made during the year, the rate of progress was somewhat less than in previous years. The report continued:

It appears that the rate of growth in per capita real income in the region mentioned in previous reports was not maintained. In some countries of the region, adverse weather and a decline in food production, inflationary pressures and heavy imports accompanied by a decline in export earnings, and other factors, occasioned setbacks. Nevertheless these setbacks are not likely to reverse the forward movement of economic development as a whole. Progress continued to be made at a substantial rate in such vital economic sectors as industrial capacity and improvement of basic facilities, including roads, irrigation and land reclamation.

The Consultative Committee noted that economic difficulties in the area were particularly marked in countries where large development programmes were under way:

Export earnings did not keep pace with the increase in import expenditures. This in part reflects the fact that an increasing proportion of the imports of these countries consists of capital goods or raw materials for the manufacture of capital goods. It is difficult to abandon projects once started and equipment ordered cannot always be cancelled.

Some of the difficulties which affected some of the countries of the region during the period under review (such as the world economic situation, the fall in the terms of trade, the variations in the supply positions in some of the more important export commodities, and the unfavourable weather conditions) were outside the control of the