

PARTICIPATING COUNTRIES

The Colombo Plan began as an initiative of Commonwealth countries, but it was understood from the beginning that non-Commonwealth countries in the area should be invited to participate. It was also agreed at an early stage that non-Commonwealth countries outside the area which had an important contribution to make would be welcome, and therefore the United States and Japan became participants. The following is the present list of participating countries, with the year they became members:

Australia (1950)	New Zealand (1950)
Burma (1952)	North Borneo (1950)*
Cambodia (1951)	Pakistan (1950)
Canada (1950)	Philippines (1954)
Ceylon (1950)	Singapore (1950)*
India (1950)	Sarawak (1950)*
Indonesia (1953)	Thailand (1954)
Japan (1954)	United Kingdom (1950)
Laos (1951)	United States of America (1951)
Federation of Malaya (1950)*	Viet-Nam (1951)
Nepal (1952)	

* Malaya, Singapore, Sarawak and North Borneo joined as Associate Members with the United Kingdom in 1950. Malaya became a full member in 1957 and Singapore in 1959.

THE NATURE OF THE PROBLEM

In economic terms, South and South-East Asia is one of the so-called "underdeveloped" or "less-developed" areas of the world. This means, among other things, that production is at a low level compared with more highly developed areas and therefore individual incomes are also low. The average annual per capita income over large parts of the area is less than \$100 a year. Because incomes are so low, savings are generally not available to invest in improvements in production, and the cycle of economic activity remains at little more than a subsistence level for most of the people. Somehow, this cycle must be broken and a developing, expanding economy substituted.