

EXTRACTS FROM THE REPORT

1. SOUTH AND SOUTH-EAST ASIA IS AN AREA WHICH IS VITAL TO WORLD STABILITY, YET ECONOMICALLY BACKWARD

The peoples of Asia have long felt the pressure of poverty and hunger. While the realization of self-government could not of itself relieve this situation, it has made possible a new approach to the problem of raising living standards through the vigorous development of national resources.

The region with which this Report is concerned comprises the countries of India, Pakistan, Ceylon, the Federation of Malaya, Singapore, North Borneo, Sarawak, Brunei, Burma, Thailand, the Associate States of Cambodia, Laos and Viet-Nam and Indonesia. Its 570 million people make up one-quarter of the population of the world.

Despite the abundance of human resources, the considerable natural wealth of the area has not in the past been developed rapidly enough to ease the increasing pressure of population upon the land. There is, therefore, great poverty among millions and an unceasing struggle for existence.

In India at present the people's diet consists almost entirely of cereals, and in the rationed urban areas they consume only about 12 ounces of food grains a day. In Pakistan, with its wide range of temperature, 9 yards of cotton cloth have to suffice for one man during the year.....

The same general picture, with local variations is presented by every country in South and South-East Asia. In these circumstances the urgent need of these countries is to develop their economies in order to increase food production and consumption and raise the real income of their peoples.

During the past five years political events have moved fast in South and South-East Asia. Changes have taken place on a scale hardly preceded in world history. Independent governments have come into being, supported by democratic institutions and imbued with enthusiasm for the future welfare of their countries.

The horizon of thought and action in the economic as well as the political field has been greatly extended, and governments are grappling with the problem of promoting the economic improvement which is indispensable to social stability, and necessary to strengthen their free institutions.

It is of the greatest importance that the countries of South and South-East Asia should succeed in this undertaking. The political stability of the area, and indeed of the world, depends upon it, and nothing could do more to strengthen the cause of freedom.

2. CAPITAL DEVELOPMENT IS NEEDED TO PREVENT FURTHER DEPRESSION OF LIVING STANDARDS.

The area is a major source of the food and raw materials consumed throughout the industrialized world.

Before the war it provided almost all the world's exports of jute and rubber, more than three-quarters of the tea, almost two-thirds of the tin and one-third of the oils and fats. These key products have