

Ceylon. Malaya, where the situation is now better - although communist bandits, and it is right to call them that in Malaya, are doing their best to dislocate economic life - is moving ahead to ordered independence under the fine and distinguished leadership of a man we know both well and favourably here in Ottawa, Right Hon. Malcolm MacDonald.

In Burma, which is now free, but which is rent, not by civil war but by civil wars, the position is difficult indeed. Indonesia now free, and recognized by Canada as a free state, is being attacked by forces from the right and forces from the left. It is having a difficult time. Then there is Indo-China which I propose to discuss separately, because it is a very important point in that part of the world.

It seemed to all of us at the conference that if the tide of totalitarian expansionism should flow over this general area, not only will the new nations lose the national independence which they have secured so recently, but the forces of the free world will have been driven off all but a relatively small bit of the great Eurasian land mass. In such circumstances it would not be easy to contemplate with equanimity the future of the rest of the world.

That, then, was the background against which we held our discussions in the lush and lovely island of Ceylon. Now a few words, if I may, about the understandings and conclusions we reached as a result of those discussions.

In the first place we agreed at Colombo that the forces of totalitarian expansionism could not be stopped in south Asia and southeast Asia by military force alone. They cannot be checked, if through stupidity or short-sightedness on the part of the democratic powers, totalitarianism is able to ally itself successfully with the forces of national liberation and social reform. If southeast Asia and south Asia are not to be conquered by communism, we of the free democratic world, including the Asian states themselves which are free, must demonstrate that it is we and not the Russians who stand for national liberation and economic and social progress.

The problem, then, for these states is to demonstrate that they can improve, by democratic methods, the standard of living of the masses of their people. That is their problem - one of self-help. But there is also our problem, that of mutual aid.

The conference discussed that problem. We agreed, for instance, to recommend financial help for the state of Burma which had been a subject of discussion among the sterling countries before the conference met. The Canadian government was not included in that earlier discussion. The question is one of a sterling loan to strengthen the financial position of the Burmese government. We are now considering here the position of dollar Canada in relation to that sterling loan. Our special position in this regard was recognized at the conference.

One of the important developments of the conference was the recommendation to set up a Commonwealth consultative committee for south and south-east Asia. I was vividly impressed during my brief transit across this area after the conference, by the need for capital development in all the countries stretching from Pakistan to Indonesia. There was a great need to increase agricultural yields through the introduction of irrigation systems and the greater use of fertilizer; also for the establishment of at least some new industries. I was impressed also by the very great need for technical help in those countries.