

ing the war years. By specific agreements with the United Kingdom, these countries anticipate that they will utilize roughly the equivalent of \$700 million of these reserves in their development efforts over the Colombo Plan period. This was the British contribution to the Plan, and, considering the financial state of Great Britain over the last few years, it was a particularly generous one.

Turning now to the countries which have made grants, and converting those grants to their dollar equivalents for easier understanding, Australia has promised the equivalent of \$75 million over the six-year period of the Plan, about \$20 million of which she has already made available. New Zealand will give the equivalent of \$9 million for a period of three years, and has already made about \$3 million available. Canada contributed \$25 million during the fiscal year 1951-52, and has now contributed \$25 million for the present fiscal year, making a total of \$50 million so far.

In addition, the International Bank has made development loans to India and Pakistan amounting to roughly \$45 million. United States assistance has aggregated about \$250 million, which includes the emergency wheat loan to India amounting to \$190 million. The United States has also granted assistance to Burma, Cambodia, Laos and Viet Nam, amounting to \$40 million for 1951-52. The Ford Foundation began operations in the area during 1951-52, and anticipates, I understand, an annual expenditure of about \$5 million for a period of some years.

Foreign financial assistance, therefore, to Ceylon, India, Pakistan, other Southeast Asian countries and the United Kingdom colonial territories has thus amounted to very roughly \$400 million during the period covered by the first year of the Colombo Plan.

Why the Colombo Plan At All?

I think the next question we have to ask ourselves is why we engaged in this operation at all, and it is a question which is very frequently thrown at me.

It has been said that a nation cannot exist half-slave and half-free. World events today show that a free democratic world cannot exist half-fed and half-starved, and once again we are much concerned with the maintenance of a free democratic world. To maintain such a world, we fought two world wars, which contributed their own quota to the dislocation and chaos of our established social and economic systems.

Twice we have determined upon noble ventures in international co-operation. In the case of the League of Nations, our efforts failed and the result was World War II. The terrible results of that war are still so evident that I need not go into them today.

But it is well that we pause here to reflect on the fact that although we defeated in

those two wars the particular brand of totalitarianism we were fighting at that time, we have since found no effective way of coping with the much more sinister, diabolical, world-wide totalitarian force which bedevils the affairs of the world at the present time. It is well also that we remember that the free world has lost Poland, Hungary, Rumania, Czechoslovakia, Bulgaria, Albania and East Germany in Europe; and that Communism has made a great inroad in Asia by taking over the 500 million people of China, and is busy day and night softening up, and preparing, other populations ready for the day when they too can be made satellites of an ever-growing world of terrible totalitarian slavery of the human mind and body.

New Menace to Democracy

At San Francisco in 1945, we started out with great hopes on the new endeavour, not realizing that although we had destroyed the power of two successive waves of totalitarianism, a third was rising which would be an even greater menace to democracy and human freedom. We have now been reluctantly compelled to admit that the present totalitarians have no intention of co-operating with us in the foundation of the kind of world that we want, but which, quite obviously, they do not want at all, and we face the fact that the world once more has to be made safe for free men; that, insidiously, this terrible force is creeping up on us, and that, for the most part, we sit helpless when we need not be helpless, failing to come to realistic grips on a world scale with this clever, diabolical network of lying propaganda, of insidious intrigue which will destroy our free civilization unless we combine together all the remaining forces for good in the world, and go to work realistically to combat the ever-growing influence of totalitarian force.

When China moved behind the Iron Curtain and allied herself to the forces of totalitarianism, the free world lost a population of roughly 500 million lovers of freedom who could, and should, have been part of our free world, who should have developed the resources of their notoriously hard-working people in the development of a free people co-operating with a free world. That world absolutely cannot afford losses on this scale and if it is to survive, we must recognize that Asia, and particularly Southeast Asia, stands today at the crossroads as never before in history, that they are for the most part sovereign nations who can still control their own destinies, and that the manner in which they control them is of no less consequence to us than it is to them. Once more the cause of human freedom is at stake. Within the last few years millions of men and women have been deprived of their liberty, torn from their homes and families, tortured and worked to death in labour camps. Once more totalitarians lust after world domination and have shown clearly