

causing alarm within the Commonwealth where India, Pakistan and Ceylon - all members - were struggling alone with the problems of their newly independent states.

As we have seen, the United States was occupied in Europe and it was decided that the Commonwealth Foreign Ministers should hold a meeting in Colombo to review the desperate situation of the South-East Asian Commonwealth countries. Thus, in January 1950, the Colombo Plan was born.

The objective of the meeting was to review the broad economic aspects of the international situation with special regard to South and South-East Asia. It was pointed out that the area comprised at least 600 million people, which was one-quarter of the population of the world, and that those people had long felt the pressure of poverty and hunger. It was felt that the realization of self-government in the area made possible a new approach to that problem and that the new sovereign governments, through a vigorous development of all their resources, could obtain a fuller life for their people. The various governments of the area, and particularly India, Pakistan and Ceylon, had prepared development plans which formed a basis for action.

It was recognized from the outset that the funds which were required for the effective development of the area were considerably more than could come from the area itself or from Commonwealth countries only outside the area. Plans were drawn up for development over a six-year period from the middle of 1951. These plans were for capital development in the area and for a technical assistance scheme.

This Colombo meeting had considerable significance. It was the first time that all the Foreign Ministers of the Commonwealth had met in Asia, and it was the first time that India, Pakistan and Ceylon attended such a meeting on a basis of complete equality and with a background of absolute sovereignty and self determination.

The Colombo Plan, as envisaged, called for five billion dollars of capital over the six-year period of the Plan and at least three billion dollars of that had to come from outside the area.

The donor Commonwealth countries agreed to make capital contributions towards this three billion dollars. Over the six-year period, the UNITED KINGDOM agreed to assist by the release of blocked sterling balances held by the receiving countries; it is estimated that these releases will amount to roughly 42 million pounds a year. AUSTRALIA agreed to contribute at least seventy five million dollars over the six-year period. NEW ZEALAND said she would put up the equivalent of three and one-half million pounds over the first four years of the Plan, and has since continued to contribute. CANADA agreed to give twenty-five