

ECAFE and Economic Cooperation in Asia¹

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A. INTRODUCTION

1. At the 16th session of the United Nations Economic Commission for Asia and the Far East (ECAFE), held at Bangkok in March 1960, a resolution was passed unanimously (Annex I) urging greater cooperation among countries of the ECAFE region in order to achieve accelerated economic and social development. This might well be regarded as a historic landmark: while regional cooperation had been taking place already in some measure through the forums of ECAFE and other international or regional bodies, never before was the desire for it voiced in such unambiguous and concrete terms. It is, therefore, appropriate and timely to study the past efforts and future possibilities of such cooperation.

2. If, in recent history, the reaction of the Asian countries to any positive form of regional cooperation was generally one of apathy, the attitude was understandable, even if not commendable. Most ECAFE region countries² have been colonies of Western metropolitan powers, so that economically as well as politically they were linked to countries thousands of miles away, rather than to each other. Even the old caravan routes had fallen into disuse and there was no incentive to forge new links. A painful manifestation of this can be found in the fact that at present if a cable is sent from Bangkok to Saigon, it goes first to Paris or Singapore and is then relayed to Bangkok, and similarly a cable sent from Bangkok to Rangoon goes first to London or Singapore and is then relayed to Bangkok. There are few telephone links between neighbouring countries. Even in these days of jet travel it may take days to get from one capital to another.³ Although coun-

¹. While the writer has inevitably drawn upon his knowledge acquired as Deputy Executive Secretary, ECAFE, the responsibility for all views expressed (as well as facts stated) is his own and ECAFE is in no way bound by the suggestions made or the arguments used. The author, at present, is a member of the Central Board of Revenue of Pakistan.

². Countries of ECAFE region which have attained independence since the end of the Second World War are: Burma (1948), Cambodia (1954), Ceylon (1948), Federation of Malaya (1957), India (1947), Indonesia (1945), Korea (1948), Laos (1954), Pakistan (1947), Philippines (1946) and Viet-Nam (1954). The other countries of the region are Afghanistan, China, Iran, Japan, Nepal and Thailand.

³. The Executive Secretary of ECAFE had to proceed once urgently from Bangkok to Kuala Lumpur (capital of adjoining country): there was no direct air service on that date, and he had to go to Singapore first and then travel throughout the night by road back to Kuala Lumpur.

tries have now become politically independent and have been able to establish their own administrative machinery and diplomatic contacts, the old pattern of economic relationships has more or less continued. Superimposed on the colonial relationships of trade and of currency areas (sustained sometimes by preferences and other devices) are the new relationships of aid, so that countries have continued to cast their eyes more in these directions than toward their neighbours; and the persistent balance of payments difficulties have not been conducive to wider contacts. Political or defence alignments with countries outside the region have worked the same way, reinforced by the cold war between the 'West' and the 'East'. Many tensions were left in the wake of withdrawal by colonial powers. For some reason or other (disputed lands or rivers or temples, ideological differences or racial jealousies), immediate neighbours have found it difficult to get along together. In any case, there has been too much preoccupation with internal problems and national development. There is also the fact that while nationalism is easy to understand and grasp, wider forms of cooperation require greater comprehension of their working and benefits. And if there is such a thing as an Asian mind, it is fond of tradition and individualism and shows strong resistance to any movement for change and cooperation.

3. For these reasons, the community of interest and the sense of regional unity, of the type which has taken roots in Western Europe⁴, or which has manifested itself recently in Latin America,⁵ did not develop in Asia. Indeed, the Asian scene showed more diversity than homogeneity—in historical associations, political links, racial composition, religion. No institutional arrangement for cooperation existed in Asia. In the post-war years, however, apart from the continuing forums for regional cooperation provided under the United Nations' auspices, several platforms emerged, *e.g.*, Colombo Plan, Asian-African Conference, SEATO, CENTO and recently ASAS (further details given in Annex II). But, it cannot be said yet that regional cooperation has become an operative force. The Colombo Plan is essentially a bilateral platform. The Asian-African Conference did not continue beyond one session. SEATO is limited to three countries in the

4. Leaving aside political associations, which, however, have considerable impact on economic thinking, the economic cooperative organizations which have developed in the post-war period are Organization for European Economic Cooperation or OEEC (April 1948); Council for Mutual Economic Aid of East European Countries (January 1949); Benelux Customs Union (March 1949); European Coal & Steel Community (July 1952); Euratom (March 1957); European Economic Community or EEC (March 1957); European Free Trade Association or EFTA (November 1959) and Organization for Economic Cooperation and Development which has replaced OEEC (December 1960).

5. In Latin America, the major organizations are Inter-American Economic & Social Council of Organizations of American States or OAS (April 1948); Organization of Central American States (December 1957); and Latin American Free Trade Association or Montevideo Treaty (February 1960).

region (the other five members are outside). Similarly, CENTO is limited to two countries in the region. ASAS is yet to take shape.

4. The ECAFE resolution, therefore, represents a major development in the thinking of Asian countries. Such a resolution could not be sponsored—much less passed unanimously—a few years ago. It is an evidence of the maturity of thinking which has developed slowly but surely.

5. Let us examine what regional cooperation can mean, and how ECAFE has helped, and may help further, to promote it. Regional cooperation can have the following stages or aspects:

- (a) sharing of knowledge;
- (b) joint deliberations;
- (c) unilateral adaptations;
- (d) common standards;
- (e) joint action.

B. EXISTING FORMS OF REGIONAL COOPERATION

6. **Sharing of knowledge**, or exchange of experience and views among countries of the region is the simplest and least demanding form of cooperation. The various forums of ECAFE⁶ and the studies of ECAFE secretariat have played a great role in promoting this form of cooperation. At the meetings, country delegates have met and benefited from the pool of knowledge available by word of mouth and in documents. The periodical bulletins and other publications issued by the secretariat have served the same purpose. The statistical compilations, economic surveys and other reviews have attempted to describe and analyse the position of individual countries as well as the region as a whole. The benefit which a country can have by drawing on the experience of another country, similarly placed, is immense, and such experience is often more relevant than the example of advanced countries elsewhere. Research undertaken or studies made by one country may be of very considerable use to others, who need not cover the same ground again.

⁶. Besides the annual sessions of the Commission (which until April 1961 had met 17 times since its birth in March 1947), the following bodies meet periodically (number of meetings held up to April 1961 are shown in brackets): Committee on Industry and Natural Resources (13) and its Sub-Committees, *etc.*—on Metals and Engineering (9), Electric Power (7), on Mineral Resources Development (4), of Senior Geologists (4); on Small-Scale Industries (6), on Housing and Building Materials (6); Committee on Trade (6), Intra-regional Trade Talks (3 series), and Working Party on Customs Administration (2); Inland Transport and Communications Committee (9) and its Sub-Committees, *etc.*—on Highways (5), on Inland Waterways (5), on Railways (6), on Telecommunications (1); Working Party on Economic Development and Planning (6); Conference of Asian Statisticians (7); and Regional Conference on Water Resources Development (4).

7. Mutual technical assistance arranged under the United Nations, Colombo Plan, or other auspices, has given impetus, in a more practical manner, to this sharing of knowledge. The visits by actual operators in a country to other countries of the region to see similar operations in similar conditions and with more or less similar mechanical equipment and human material, need to be multiplied. For instance, visits to industrial units in other countries of the region would materially help in avoiding mistakes committed in similar circumstances.

8. The exchange of cultural visits—by teachers, historians, men of letters, exponents of fine arts—creates the right atmosphere for cooperation. Such activities, however, do not fall within the purview of ECAFE.

9. In view of the organized effort at development and at optimum use of resources on the part of almost all countries of the region, ECAFE could do well to consolidate information on the administrative machinery evolved in different countries of the region for preparing period plans and annual development programmes, for coordination between planning organizations and ministries of finance, for executing projects in different sectors, for watching progress of implementation, for evaluating results, and so on.

10. **Joint deliberations:** This is another form of cooperation which has been most successfully promoted by ECAFE, through its various forums.⁷ Proceeding further from the exchange of experience, conclusions are reached and recommendations made by country delegates, almost always unanimously indicating future lines of action.

11. Such joint deliberations should continue, as they are the surest means of reducing international misunderstandings and fostering a common approach, which is the basis for regional cooperation in its higher forms. Immediately, their result is the voluntary adoption by individual countries of measures beneficial to them (in recommending which they themselves had participated).

12. **Unilateral adaptations:** This is allied to the 'sharing of knowledge' and 'common deliberations', and may be their direct or indirect result. While no specific recommendations may be made on a subject, the mere knowledge of what is happening elsewhere and how may lead a country to adapt its programmes and policies accordingly. For instance, if the development plans of all countries are made known, a particular country, on its own, may review its thinking on producing or not producing a commodity. There is

⁷. The forums are listed in footnote 6 on page 3.

no attempt at this stage at 'integration' of production on a regional basis or 'regional coordination of plans', and yet there may be favourable results. The idea is that countries should not bury their heads ostrich-like but might well look around to take note of happenings elsewhere.

13. ECAFE could help in this by publicising for each sector the plans and policies, as also the progress and achievements of various countries, in a consolidated fashion. For example, at the Committee of Industry, the individual plans of various countries during the same period could be described for each major industry, and attention drawn to inconsistencies and conflicts. Again, in the Sub-Committee on Metals and Engineering, the need for coordinating the production of various types of metals could be brought out. The same applies to agriculture, mining and other sectors.

14. **Common standards:** This is a phase of cooperation where some adjustment (not yet *sacrifice*) may be involved on the part of individual countries for the common benefit of all. It consists mainly of the acceptance of common definitions, concepts and standards, though it may extend occasionally to regulatory measures. ECAFE has already done a fair amount of work in this, e.g., standard terms of hydrology, standards for methods and records of hydrologic measurements, convention for the measurement and registration of vessels for inland navigation (six countries only), uniform system of buoys and shore marks in inland waterways, proposed classification of inland waterways, etc. For the Asian Highway, codes for road signs and signals, and for road traffic have been evolved. In customs administration, a code of common practices has been adopted. ECAFE has also stimulated the introduction of economic reclassification of budgetary heads and the adoption of Standard International Trade Classification.

15. A water code for the development of water resources is in view. For general power consumption, the adoption of 220 volts and 50 cycles has been suggested. The use of metric system has been urged for the future. A uniform design for pellets and containers for use in the railways has been proposed. A prototype vessel for use in coastal shipping is being evolved. A regional standards organization has been suggested to evolve common standards for the railways of the region.

16. This field is generally dealt with (and understandably so) on a global basis⁹. However, ECAFE could do more work in certain directions, and in further amplification of global definitions and standards to suit ECAFE

⁹. The global intergovernmental organizations mainly concerned with prescribing standards and operational practices are IPU, ITU, ICAO, WMO, IMCO and GATT. There are also several non-governmental organizations with similar objective.

region countries.

C. REGIONAL COOPERATION THROUGH JOINT ACTION

17. This is the higher form of regional cooperation and the one specifically sought and urged in the Bangkok Resolution mentioned earlier. It will mean a little *sacrifice* on the part of countries for the common good, but for their own benefit in the long run. Compromise is the essence of collective gain; no country can have everything and yield nothing. It has been often said that ECAFE countries do not have complementary economies and, therefore, the scope for joint action among them is limited. This is not only not correct but also not quite relevant. In the ECAFE region at least one country is highly industrialized but lacking in raw materials, some are semi-industrialized, and the others are largely suppliers of primary commodities. In Western Europe where they have made such remarkable advance in regional cooperation all the countries are highly industrialized. In fact, their economies are highly competitive which should normally have been an obstacle to cooperation. Underdeveloped areas have an advantage in this respect, as the lines of their industrial growth are not yet rigidly fixed and there is greater room for compromise. As it is, 25 to 30 per cent of the trade of ECAFE countries is intra-regional and this is not a meagre proportion. With further growth of the economies, greater complementarity could develop. However, the factors impelling regional cooperation are not necessarily related to existing complementarity of economies. And, there is no merit in intra-regional trade as such, unless it means overall expansion of trade and greater satisfaction of development needs. If it were otherwise, Latin America would not have sought and established a common market.⁹

18. While for some time a country may continue developing in isolation, for long-term growth in the modern age, greater regional (and international) cooperation is necessary. Gunnar Myrdal said in 1958: "Though . . . for the time being, nothing else than national autarkic planning is practical or even possible in India and other countries of this tropical region. . . . I am firmly convinced that in twenty years' time and perhaps fifteen or ten years' time the problem of close economic cooperation between the countries in the region will stand out as an eminently practical and important problem."¹⁰ Another practical economist has said in the context of Latin America: ". . . Latin America will have to take vigorous steps to promote

⁹. Intra-regional trade of Latin America is only 11 per cent. In the case of Western Europe it is now about 60 per cent.

¹⁰. Gunnar Myrdal, in an address, on "Indian Economic Planning" to members of the Indian Parliament on April 22, 1958.

tion already, in other fields there is gross under-production.

21. If all individual plans were based on self-sufficiency it can be bad enough, for with any easing of the balance of payments position, external pressures from cheaper products will arise. But if these plans are based on exports and count the same markets again and again, it would be suicidal.¹² For this reason, the exchange of literature relating to development plans, actual implementation and evaluation of progress among countries of the region, directly or through ECAFE secretariat, is most essential. If the co-ordination of plans embracing the entire region is not feasible, coordination might well be attempted initially for a limited number of countries and for individual sectors or industries. The idea should appeal particularly to smaller countries (although in the ECAFE region no country is yet big in terms of consumption market¹³ and contiguous countries or countries endowed with complementary resources.

22. In Europe, it was possible to establish a European Coal and Steel Community several years ago, because the inevitable consequence of economic forces was well appreciated. In Asia, the Colombo Plan is sometimes mistaken as a regional plan, but in fact it means nothing more than the stringing together of the plans of different countries and all thinking and action proceeds on a national basis. As things are, any attempt at regional planning could be misunderstood. For instance, no Asian rice community or jute community could probably be organized at present.¹⁴

23. For 1961, ECAFE has proposed the convening of a Conference

¹² It is said that in the case of textiles, Japan, India, Pakistan and China (Taiwan) have planned an export of 2700 million yards whereas the present level of exports within the region is about 800 million yards and outside the region about the same. And the setting is that all importing countries are keen to reach self-sufficiency in textiles themselves, and chemical fibres are continually gaining ascendancy. Similarly, in the case of fertilizer, the total planned production by new units in the region is about 20 million tons whereas the consumption, though rapidly expanding, is not likely to reach that level for some time. Rice is another obvious case—the total planned exports of the regional countries in 1966 (4.2 million tons) will exceed planned imports of deficit countries by 2 million tons. On the other hand, it appears that planned imports of raw cotton and iron ore exceed the production targets of countries in the region. Similar shortages may be expected in cement, paper and tea.

¹³ Gunnar Myrdal, *op. cit.*: "And from a cold economic point of view, India, in spite of its huge population, is still—and will for many five-year plans ahead remain—a rather small country economically, with a market size comparable to that of one of the smaller countries in the north western European region, of whom none would think of the possibility to expand further on a basis of self-sufficiency in industry".

¹⁴ The Prime Minister of Malaya, in his opening address to the 1958 ECAFE Session: "Each government, while free to interpret the interests of its people as it chose, should bear in mind the repercussions of its policies on other countries. Measures which seemed natural, harmless and promising on the basis of narrow national economy would take on a completely different aspect when examined from an international point of view".

of Asian Planners. Such a forum could perform a most useful function by educating all concerned in the need for mutual consistency of plans. And it might gradually create an atmosphere conducive to joint planning. It would be very educational, for instance, if the future export estimates of various countries (taking into account destinations) could be put together and inconsistencies brought out, even in a setting of expanding markets. A similar study about future import estimates might also bring out interesting results.

24. One vital function that ECAFE (and other United Nations bodies) could undertake is to make long-term projections of demand of various primary commodities and such industrial goods as are of special interest to countries of this region, *i.e.*, market research on a global and regional basis. Special conferences have been convened by ECAFE jointly with FAO in respect of timber and paper, where such projections have been publicised. A mission on fertilizers with similar objective was organized by FAO some time ago. Even if such special meetings or special missions are not possible for each item, projections need to be made otherwise.

25. Another useful measure would be the establishment of an Asian Study Centre at ECAFE headquarters, where facilities would be provided to economists and other students from all countries of the region to draw upon the literature available, in order to make studies on various aspects of Asian economy. Scholarships and fellowships may be offered. No such research or study centre, available to private persons, exists at present for Asia. The ECAFE Library might provide a good nucleus, and could be expanded and reorganized for the purpose.

26. **Joint action in training and research:** ECAFE has already done substantial work in this direction and has helped to make the region training-minded. Four regional training centres—one for railway operating and signalling at Lahore (Pakistan), one for diesel marine mechanics at Rangoon (Burma), and two for housing at Bandung (Indonesia) for humid climates and at Delhi (India) for dry climates—have been established on a permanent basis. There have been temporary training centres, seminars and study tours, organized with the same objective. An in-service training course in economic planning has been instituted recently at the ECAFE Secretariat. Other training centres in view are petroleum institutes, geological survey centre, groundwater development centre, transport institute, railway research institute, customs training centres, productivity institute, industrial research institutes, management training institute, regional testing laboratories, *etc.* To the extent these centres provide facilities, in conditions special to the region, which individual countries cannot afford, they meet a real need. It might not, however, be feasible or desirable always to establish new regional

centres, and advantage should be taken of existing national institutes, their facilities being expanded and thrown open on a regional basis. This has already been done in some cases, *e.g.*, demographic training centre at Bombay (India), water resources centre at Roorkee (India), railway (permanent way) school at Poona (India), and statistical institutes at Calcutta (India) and Manila (Philippines). In view of the very large geographical area covered by ECAFE, there may well be need for more than one regional centre in certain fields.

27. In some fields, the provision of technical services and advice on the spot may be desirable. For instance, ECAFE has arranged a team of census experts who have gone round the countries and helped the officials concerned in the actual organization of census operations, designing census forms and compilation of census results. Apart from their basic experience, they profit by the knowledge of difficulties and solutions in one country and use it in others. Similar teams are contemplated in the fields of rural electrification, railway operations and inland water transport. This type of activity could be expanded with great advantage.

28. In some cases, ECAFE has helped by preparing manuals of instruction for the use of professional people, *e.g.*, for road maintenance, for motor drivers and mechanics, for formulating river development schemes, *etc.* In the field of general planning, a manual on programming techniques was prepared in 1959, and this has been followed up by similar manuals for the industrial sector and the agricultural sector. Further work in this direction could be usefully undertaken.

29. A systematic study needs to be made of the availabilities and deficiencies of training arrangements within the region, in the various fields of economic activity. ECAFE has made surveys of available training facilities in the fields of railways, highways, telecommunication and agricultural economics and further surveys are scheduled for training facilities in general economics and mineral engineering.¹⁵ Attention should be given not only to training, but also to research. In fact, the latter may be more worthwhile, considering that outlays on research are not regarded as having much urgency by many countries because of limited financial resources and other pressing demands. Besides, smaller countries cannot afford extensive or intensive research programmes. Research needs to be conducted not only for the adaptation of industrial processes to Asian conditions, but also for new and expanded uses of primary products. Research institutes and other arrange-

¹⁵ It is understood that a systematic survey is being undertaken under the auspices of the Colombo Plan Bureau of Technical Co-operation in respect of the technician level training needs and facilities

ments appear to provide a most valuable avenue for joint action on regional basis.

30. When surveying the needs for training and research, the requirements of administrative and management training (as distinguished from professional and technical training) should not be forgotten.

31. **Joint action in trade:** One of the most serious problems of ECAFE countries relates to the marketing of their exportable surpluses at fair and stable prices. The primary commodities produced by them represent their main wealth and foreign exchange earning capacity, which sustains the import of development (as well as consumer) goods. Their future growth, therefore, depends in a considerable measure on a satisfactory solution of this problem. However, there has been a decline in the demand for primary products and due to the unpredictable behaviour of international markets, mainly influenced by industrialized countries, there are also fluctuations in demand. Occasionally, restrictive import practices have been adopted by the industrialized countries, leaving the producers of primary goods and simple manufactures even more helpless. The foreign aid offered has been largely undone by the loss of purchasing power of exports, and every succeeding year the countries tend to be poorer despite all their development effort.

32. The stabilization of commodity trade is a problem which must essentially be solved on a global basis. However, the deliberations in various international forums have produced no final solution. Some international commodity agreements have been evolved, but they relate only to a few items and do not go far enough. There has been also talk of buffer stocks, compensatory financing¹⁶, joint fund to support floor prices, *etc.* ECAFE, being close to the primary producers and their plight, is expected to take practical interest in the problem.

33. In the ECAFE resolution mentioned earlier, a commodity-by-commodity approach has been suggested. For instance, the Philippines Delegation to the ECAFE session proposed the immediate formation of a Copra Board. It is true that Commodity Groups have been constituted under FAO to consider the problems of production as well as marketing, but they seem so far away. In terms of the ECAFE resolution, it would be appropriate to organize commodity-wise discussions, not only to enable ECAFE countries to coordinate their views on the solution of the problems of production, marketing and prices, but to present them more forcefully at international forums. There are certain commodities, the bulk of whose

¹⁶ A group of experts, appointed by the UN Secretary General, has recently (April 1961) submitted a report on the feasibility of compensatory financing.

production or trade is accounted for by the ECAFE region.¹⁷ Discussion could be arranged under the ECAFE forum of Intra-Regional Trade Promotion Talks, or expert groups could be appointed for the purpose. In either case, however, fairly detailed background studies should be provided to enable realistic and meaningful deliberations. Another fruitful line of activity would be to have joint research centres both for the investigation of additional uses for a primary commodity and for the exploration of new and expanding markets. The resources of each producing country may not be enough for the purpose; in any case, common objective could well justify common endeavour.

34. The promotion of intra-regional trade (in the context of overall trade expansion) has been an objective of ECAFE from the beginning. Apart from the studies made of trade with Japan and of intra-regional trade in specific commodities, the forum of Trade Talks enables countries of the region to meet once a year to conduct, as it were, bilateral trade negotiations, and facilitates and expands mutual trade. There is no slogan "Buy Asian Goods" nor is there any price "preference", but an effort is made to review what goods are coming from outside the region and to buy and sell some Asian goods. This need not mean displacement of non-Asian suppliers, in view of the rising consumption and demand of goods, though it should help the Asian to share the larger market. The results have not been very encouraging so far—the volume of intra-regional trade was 34 per cent in 1948, 36 per cent in 1953 and 32 per cent in 1959. Adverse factors are the vested interests of businessmen in expanding only existing trade links, lack of enterprise of traders, and foreign aid obligations to buy from "donor" countries. The basic reason, however, is the slow growth of overall trade of the region; while world trade has risen by 80 per cent during 1950-59, the ECAFE region trade has gone up by 37 per cent only. This may be attributed both to a slower rate of economic growth and to the comparative attraction of import substitution (which depends on national decisions) as against export promotion (which hinges on international markets and prices).

35. The question of organizing an Asian common market is relevant here. Not only could this promote intra-regional trade, but it could also contribute to general economic growth by providing a larger framework for development than national. The establishment of common markets in Europe and in Latin America provides not only examples, but also a warning. Most countries in the ECAFE region have national protective tariffs. If these could be made regional or sub-regional, larger markets would be avail-

¹⁷. Jute (97 per cent of world exports); Pepper (95 per cent); Natural rubber (90 per cent); Copra (82 per cent); Tea (81 per cent); Rice (62 per cent); and Tin (58 per cent).

able. "These countries have much more valid economic reasons for a common market than the richer countries in Western Europe who could have afforded to carry out such internal and external economic policies that they would now be in the position to open their boundaries towards the whole world for capital and commodity flows, instead of closing themselves up in a union that fundamentally is nothing more than a rich man's club." ¹⁸ However, the climate for sponsoring a common market in Asia does not exist so far. The ECAFE resolution might appear to change the situation. A few countries have started talking vaguely of some such arrangement. ¹⁹ ECAFE has made a preliminary study of the *pros* and *cons* of an Asian common market and the stages in which it could be established (geographically and functionally²⁰). However, more detailed studies would be required to understand and promote the idea in the Asian context. Views need also to be exchanged with countries that have already done serious thinking on the matter. The course of events leading to the present stage of the Latin American Common Market could be studied with advantage. If more advanced countries, which profited all along on international specialization and who were the most vocal exponents of multilateral trade, have taken to regional markets (and to the restrictive practices implied in them, despite the GATT and IMF), the ECAFE countries can hardly afford to ignore the trend. However, the emphasis here should be not on a static concept envisaging the displacement of existing trade channels but on a dynamic concept calling for creation of larger markets and production capacities and better satisfaction of import needs.

36. The desirability of establishing an Asian payments union to promote intra-regional trade has been suggested off and on. ECAFE studied the question in 1954 by appointing a group of experts. Even though a payments union would mean largely an association of "deficit" countries, certain settlements might be facilitated. However, the problem of conversion of currencies is no longer acute and the advantage would be largely theoretical. On the other hand, long-term bilateral payments or trade agreement might be of more practical value.

37. In the task of promoting trade, the organization of trade fairs and industrial exhibitions in which the regional countries may participate is useful. While some larger countries in the region have been holding interna-

¹⁸. Gunnar Myrdal, *op. cit.*

¹⁹. For example, under ASAS (Malaya, Philippines and Thailand) and CENTO (Pakistan, Iran and Turkey).

²⁰. For example, economic union, customs union, free trade area, sectoral or partial integration, multilateral payments union, preferential tariffs or quotas, long-term trade agreements.

tional fairs, smaller countries cannot afford them. ECAFE has been considering the holding of an Asian Trade Fair in order to publicise Asian products. If it could be arranged as a "floating fair", its usefulness will be greatly enhanced, as a much larger number of people in different countries will be able to see the products. As another publicity measure, it would be desirable to have permanent exhibition centres in all regional countries, where goods should be on display all the time.

38. It has been suggested that chambers of commerce should be used to promote regional cooperation. As they represent the leaders of trade and industry, they have a vital role not only in propagating the cult of regional cooperation but also in giving it concrete shape through collaboration at private and non-official level. There is an Asian Commission of the International Chamber of Commerce but it derives inspiration from its headquarters rather than from indigenous factors and has no effective machinery. Unless private entrepreneurs also become more regional-minded and less engrossed in matters of immediate gain in a limited setting, any broader thinking on the part of governments and official agencies will not acquire substance.

39. **Joint action in tourism and 'invisible' exports:** While individual countries are taking action to promote tourism, their divided resources for foreign publicity are not enough. No foreign tourist would start out to visit only one Asian country, and joint endeavour would, therefore, repay all. ECAFE may encourage countries to organize joint campaigns like "Visit-the-Orient Year 1961" (though this had insufficient notice and what is really needed is a campaign for "Visit the Orient, Year after Year") and joint tourist bureaus and information centres abroad, joint publicity measures including joint magazines and brochures. Besides, there should be arrangements for coordinated provision of facilities and removal of barriers related to travel, immigration, health, customs, accommodation and other tourist requirements. Joint action may be needed to secure suitable time schedules from shipping companies and airlines and concessional rates for "off-season" or other occasions. Coordinated arrangements for training in the essentials of catering, guide services, tourism promotion techniques, would also be helpful.

40. Similarly, joint action is conceivable in organizing regional banks and insurance companies, and in respect of other items involving 'earning' or 'saving' of foreign exchange.

41. **Joint action in transport and communications:** Transport and communications is a field which lends itself most admirably for international cooperation and joint action. Besides, its development is vital for the growth of regional trade, as transport accounts for a substantial part of

"c.i.f." totals. In fact, if transport facilities among the countries were easy, cheap and quick, the region would become more closely-knit with mutual benefit to all, as in the case of Europe. They will provide, as it were, the infra-structure for regional cooperation.

42. ECAFE has already promoted the idea of the Asian Highway, which involves cooperative action not only in relation to alignments and standards of the international road system, but all the accessories required to facilitate through road traffic. In Europe, one can travel from one end to the other, despite the East-West tension, but in Asia even friendly countries remain physically separated for the general mass of people who cannot afford (or find inconvenient) air and sea travel. The biggest bottleneck in the Asian Highway system are the portions in Burma, East Pakistan and Iran and they deserve special attention if this dream project is to become a reality.

43. Similarly, international railways and international waterways could be promoted as far as physically possible. Coordination of railway gauges, and standardisation of vessels and inland waterways would be the prerequisites. It is surprising how few rail links exist at present, and while such linking up is much more difficult and expensive than road links, it should nevertheless be an objective. Water links between India and Pakistan and among the four 'Mekong' countries could be more useful, and need to be more actively promoted.

44. While roads, railways and waterways and the "rolling stock" are owned nationally even if international traffic is established, in civil aviation it may be economical and worthwhile to go a step further and set up joint airlines, whether under joint ownership or under sistership relations which many airlines are adopting nowadays. The same is applicable to shipping. Even though countries may have separate fleets for coastal shipping, it would be economical (and would ensure fuller use) if one or more joint shipping lines are established for ocean transport. As mentioned earlier, one of the major weaknesses of the trade of underdeveloped countries is their dependence on foreign ships, and ocean freights geared to conference lines having centres of gravity elsewhere. If ECAFE countries could enter international shipping routes, it will help to rationalize the freight structure and make their exports more competitive, apart from helping save foreign exchange.

45. In the matter of communications, postal, telegraph, telephone or radio, the links between the ECAFE countries are often deplorably weak and deficient. As mentioned earlier, many neighbouring countries have no direct contact and have to go through the old metropolitan countries' systems. ECAFE could help to formulate, in consultation with ITU, regional plans and push them forward. It is no matter of pride that we talk of ECAFE

as a region and yet its constituent parts are linked neither by systems of transport nor of communications.

46. Joint action in water resources development: This is another field full of promise for regional or sub-regional action, as rivers and watersheds are seldom confined to single countries. In fact, there are 18 major international rivers in the ECAFE region.²¹ Flood control measures cannot be fully effective except on a cooperative basis, navigation cannot be developed except jointly and there may be a sharing also of other benefits like power supply and irrigation facilities. The Mekong Project has already become a notable example of joint action, where four countries²² have established a Joint Committee to exploit the lower Mekong river system on a multi-purpose basis. This will mean the subordination of individual country predilections to a common attitude which will benefit all. The Mekong Project has been described by the late United Nations Secretary-General, Mr. Dag Hammarskjöld, as a model of international cooperation, for it brings together not only the regional countries concerned, but countries outside the region and many international organizations, for a purposeful endeavour.

47. Unfortunately, some rivers have become the subject of international disputes.²³ ECAFE could help to promote joint action by studying and establishing that if the international river basin is developed on an imaginative and expanding basis, there would be benefits for all riparian countries at levels higher than existing at present for any one. Where such disputes have not yet arisen, ECAFE's role could be even more vital as it could guide the riparians along the "Mekong way" lest they start quarelling and let the resources remain unexploited. International rivers should become unifying forces instead of dividing lines.

48. Joint action in survey of natural resources and mining: ECAFE has already taken initiative to have regional geological, tectonic, oil, mineral and metallogenetic maps prepared. The geological map has been completed recently. ECAFE has also encouraged aerial surveys (of border areas) on a joint basis, *e.g.*, between Thailand and Malaya. This is valuable work

²¹. Amu Darya (Afghanistan, USSR); Amur (Outer Mongolia, China, USSR); Brahmaputra (China, India, Pakistan); Gandak (Nepal, India); Ganges (India, Pakistan); Helmand (Afghanistan, Iran); Heri Rud (Afghanistan, Iran, USSR); Indus (China, Pakistan, India); Ili (China, USSR); Irtish-Ob (China, USSR); Kabul (Afghanistan, Pakistan); Karnali-Ghaghara (Nepal, India); Kosi (Nepal, India); Mekong (China, Burma, Laos, Thailand, Cambodia, Viet-Nam); Red (China, Viet-Nam); Salween (China, Burma); Selenga-Yenisei (Mongolia, USSR) and Yalu (China, Korea).

²². Cambodia, Laos, Thailand and Viet-Nam.

²³. A settlement has been reached recently (September 1960) between India and Pakistan with the good offices of the World Bank, on their long-standing dispute (since 1947) about the waters of the Indus river.

which is being extended.²⁴

49. The establishment of a joint aerial survey unit may not be feasible or desirable at present, as countries in this region get most (photographic) work done on contract basis by foreign firms. However, joint action to cover border areas, whether for aerial survey or for fuller ground investigations for minerals, ground-water mapping, *etc.*, must be promoted, lest the lack of such cooperation or mutual suspicion prevents such areas from being covered at all. Also, the use of contracting firms could be coordinated to avoid idle time and higher costs on their part.

50. In actual mining, countries would normally prefer to proceed on individual basis. But the arguments for joint action would be the same as for joint industrial ventures (paragraph 51). Japan has entered into long-term arrangements with some countries for the exploitation and supply of minerals (*e.g.*, India and Philippines for iron ore) or has established joint companies (*e.g.*, Malaya, Philippines and Thailand). Such arrangements could be multiplied and also expanded to include processing at site in a smaller or larger measure.

51. **Joint action in industrial development:** The Bangkok Resolution lays particular emphasis on this field. Appropriately so, because for lack of such action, which means that for want of complementary raw materials, finance, technical skills or markets, many worthwhile projects have remained in the blueprint stage or maybe have not reached even that stage. For smaller countries, joint projects may be the most feasible means for industrial development. Joint action is not necessarily contemplated on the part of two or more governments, but the private entrepreneurs may get together—only the governments should not raise obstacles but provide facilities. Where private enterprise is lacking or is sceptical of international arrangements, the governments or autonomous corporations may join hands. Pakistan has established in recent years jute mills jointly with Egypt, Iraq and Turkey, geared to an assured supply of raw jute, and there seems no reason why the same concept could not be extended in ECAFE countries. Where projects are not feasible on joint ownership basis, they may be considered at least on market-sharing basis. This idea need not necessarily encompass a whole industrial field but may relate to sub-products within the particular industry, *e.g.*, different types of steel manufacture. Market-sharing would imply a joint (or sub-regional) “protection” of the infant industry instead of protection on national basis. It will also help in the standardisation of equipment like farm machinery, electrical goods, *etc.*

²⁴. For example, joint geological studies of border areas between Burma and Thailand, and between British Borneo and Indonesia have been proposed.

52. As the thinking in countries has generally proceeded only on individual and national basis, the first task might well be to make "possibility" studies for joint projects. In this, the national plans and industrial programmes could provide the clue and, failing that, an examination of the natural resources and of normal imports of the countries concerned. The ECAFE Secretariat could do pioneer work in this direction, and this is what the ECAFE Resolution enjoins. The greatest limitation is that most ECAFE countries have balance of payments difficulties and cannot afford to export capital. Nevertheless, the exploitation of possibilities may indicate fruitful avenues of effort.

53. But the study of "possibilities" is only the first stage. A proper atmosphere needs to be created on both sides—for international cooperation generally, and for the undertaking of specific projects. And the mechanics for collaboration will have to be worked out at least in the case of pioneer projects. Above all, there is need for a sincerity of approach, for a genuine effort on the part of the stronger countries to help the weaker as well as themselves.

54. In order to accelerate industrial and other development, occasionally the idea of establishing regional development banks has been put forward. However, the success of such an idea depends on the assistance of countries or institutions outside the region, as most regional countries are net importers of capital and their needs outstrip their resources.

55. **Joint action in agricultural development:** Agriculture is a field normally considered suitable for national effort only. However, joint action is possible, depending upon the attitude of the countries concerned. Even if crop and cattle farming are not brought in, there is scope for joint projects in forestry and fisheries exploitation. And there are immense possibilities for joint action in the field of agricultural research.

56. In any case, some coordination in the planning of agricultural production is desirable. A resolution passed by the FAO Regional Conference is relevant in this connexion.²⁵ As stated earlier, there is over-production of rice and under-production of tea. Imaginative observers have suggested the formulation of regional (or sub-regional) food plans to

²⁵. Fifth FAO Regional Conference for Asia and the Far East, held at Saigon (Viet-Nam), in November 1960. The resolution stated *inter alia* that "Recognizing that the achievement of self-sufficiency in food and agricultural products and raw materials, could have harmful effects on the overall economies of the individual countries within the region and on the region as a whole. Requested the Director-General to make an objective study of the development plans of the countries of the region, bearing in mind that the region as a whole should try to meet its domestic needs in the supply of basic food and raw materials,"

eliminate the increasing cost per unit of product in countries seeking self-sufficiency and the serious threat to countries having surplus production and unable to switch to other activities. Even if comprehensive food plans are not possible, coordination in the production, export and further development of individual commodities is essential.

57. Joint action in social field: Social welfare also is a field primarily suited to action on a national basis only. There may be certain aspects in which joint action is possible, *e.g.*, establishment of a regional survey centre to advise and assist regional countries in conducting sample surveys and case studies covering data on economic, social, demographic and ethnic factors, growth of internal migration and urbanisation and evolution of social institutions and habits under the impact of economic development; organization of a social service training institution; strengthening of the existing Demographic Centre at Bombay not only to provide larger training and research facilities, but to help individual countries to undertake pilot studies on population and impact of family planning; evolution of programming and implementation techniques for community development; and formulation of plans and policies for low-cost housing based on indigenous materials. In the case of countries with tribal populations, joint action could be promoted for their resettlement as more useful and productive members of the society.

58. Joint action for international flow of assistance: While every country must make its own maximum effort to attract foreign capital and provide incentives, in accordance with its basic policies, joint action could be taken to publicize the investment laws, regulations and facilities, and it would help to create the right climate for the distant and apprehensive investors.

59. In Europe, a regional machinery was evolved (OEEC) to coordinate the use of foreign (United States) aid. In Asia also, an attempt was made in 1955²⁶ to evolve similar arrangements, but there was no success. It does not appear that the national attitudes have changed since or mutual confidence has developed to a degree which would warrant another attempt at this stage. Indeed, there has been not even a discussion of the overall requirements or specific problems of foreign aid, on a regional basis, beyond the expression of grateful sentiments or reiteration of platitudes.²⁷ And the subject has

²⁶. In September 1955, a conference was convened at Simla (India), of the Asian members of the Colombo Plan, to consider whether a regional machinery could be established to use US aid funds, particularly in the context of the President's Asian Fund, and it reached a negative conclusion.

²⁷. This happens at the annual meetings of the Colombo Plan Consultative Committee, and indirectly at some of the ECAFE forums. In regard to technical assistance, as distinguished from capital or commodity aid, there are more pointed and useful discussions in the Colombo Plan as well as in the United Nations forums.

been, by unwritten consent, limited to bilateral handling. Even if the discussion of individual country and requirements and programmes is not possible on a regional basis, a study and discussion of overall needs and difficulties would be worthwhile, considering that Asia is, and will be for quite some time, dependent on external assistance for accelerated development.

60. International aid, by donor countries as well as international organizations, is given to individual countries and is used by them for national projects. In recent years, some aid has been allocated on a regional basis, e.g., the United Nations Technical Assistance Board sets aside 15 per cent of its resources for regional projects, the United Nations Special Fund has financed some regional projects and institutions,²⁸ and the United States Government provides some "regional" funds in its aid programme. In connexion with the Mekong Project, several governments have provided aid for what may be called regional purposes. However, there is need for much more of such regional bias in order to promote greater regional cooperation: it might well be found that the use of the same amount of funds achieves much larger and more satisfying results if applied on a regional basis. For instance, the International Finance Corporation could finance "regional and joint" projects as well as "national" projects undertaken by private entrepreneurs. Similarly, the World Bank could encourage development projects benefiting more than one country. The Colombo Plan aid could be made available partially for financing regional conferences, training centres and other activities.

61. There is another aspect of international flow of aid—the exchanges between countries in the ECAFE region itself. Mutual assistance has developed to some extent as mentioned earlier (paragraph 7), but the scope is much greater, only if the regional countries were to shed their "insular" attitudes and inferiority complex (which makes us value all western products more than our own). It is true that most countries cannot afford to finance such assistance in a large way, but they could at least provide it under the United Nations auspices or "third country" arrangements which some donor countries encourage.

62. **Joint action in international forums:** In international forums the underdeveloped countries often speak with discordant voices, or at least they do not always speak with the same voice. While in matters political, their interests may differ, in the economic sphere they should normally have similar attitudes. However, political considerations frequently predominate

²⁸. Lower Mekong Basin Survey (four tributaries); Hydrographic Survey of Lower Mekong; Survey of Minerals in Laos and Thailand; Mekong River Delta Model Study; Inter-American Industrial Research Institute; Inter-American Institute of Agricultural Sciences; and Desert Locust Survey.

and do not always permit the unanimity to assert itself on the economic front. Although the establishment of predetermined groups may not be desirable generally, it is worthwhile for the ECAFE region countries to coordinate thinking (as they do in ECAFE forums) in broader international forums. For instance, in matters like stabilization of commodity markets, freer flow of exports to the importing countries and removal of restrictions on their part, and the need for expanded technical and capital assistance, there could (or should) be little difference in approach.

D. CONCLUDING REMARKS

63. The scope for regional cooperation is very considerable indeed and it could lead not only to better economic life for all countries, but also improved social ties and more satisfying relationships. It is a great achievement in itself that countries of this region are now conscious of the usefulness of regional cooperation. Further efforts will inevitably follow. There may be many handicaps—political jealousies (and political alignments are a most vital factor), racial or other differences—but economic forces and trends must have their impact. Even if a common market is not immediately possible (some people lay great store by it), there are other useful forms of cooperation and each measure taken strengthens the others. The existing forms of cooperation (Section B) should be pursued and extended freely, while joint action should be promoted in every acceptable field and in every possible way.

64. ECAFE has a great part to play in this. It has been a significant factor in developing the consciousness for regional cooperation and has provided forums and opportunities for the sharing of knowledge, joint deliberations and other ways of collaboration. It can and should do more, and now it has a clear mandate from the countries. The countries themselves, individually, are preoccupied with immediate problems; it is for the international organizations to look ahead and to point to future needs.

65. Many international organizations are in operation including the Specialized Agencies of the United Nations.²⁹ Each Agency has done useful work, both in assisting national efforts and in promoting regional cooperation. However, their fields are specialized and their work is naturally confined to individual sectors of economic or social activity. For fuller impact and for giving greater meaning to the efforts of each in relation to overall objectives, greater mutual assistance is needed and the avoidance of

²⁹. Some of the Specialized Agencies have regional offices in Asia, *e.g.*, FAO (Bangkok); ICAO (Bangkok); ILO (Bangalore); UNESCO (Bangkok for education, Djakarta for science); WHO (New Delhi). Other Agencies are IBRD, IDA, IFC, IMCO, ITU, UPU and WMO, and IAEA and GATT.

inconsistencies in approach is necessary.³⁰ Also, a larger decentralization of operations on a regional basis. ECAFE could become the rallying point in this region. It has already succeeded in developing considerable harmony of purpose among its member-countries, and a habit of working together and reaching common conclusions (seldom are any votes taken in its meetings). And this position could be exploited for the common benefit. More joint meetings could be arranged, joint representative forums established, joint staff units set up and procedures devised for mutual reinforcement.

66. However, the ECAFE region is very large, and concepts and measures of collaboration embracing the whole region may not be easily understood or practiced. In certain fields, therefore, it may be worthwhile, as an initial step, to suggest and adopt measures covering a fewer number of (preferably contiguous) countries, *i.e.*, to proceed with sub-regional cooperation, in more than one sub-region if necessary. Of course, the larger entity, and the need for more comprehensive harmony, both in the regional and the global setting, must always be kept in view.

³⁰ For instance, the UNESCO Karachi Plan calls for an expenditure of \$65 billion over the next 20 years to secure universal primary education in Asia; and if this were implemented, little resources would be left for other development needs.

Annex I.

RESOLUTION ON REGIONAL ECONOMIC COOPERATION FOR DEVELOPMENT OF TRADE AND INDUSTRIES

(adopted at the meeting held on 18th March 1960 at Bangkok)

by

The Economic Commission for Asia and the Far East

Having taken note of the discussions on the economic situation in Asia and the Far East and the Report of the Committee on Trade (third session) and the report of the Committee on Industry and Natural Resources (twelfth session);

And having considered the long-term trade situation in countries of Asia and the Far East, arising from the economic trends in the region and in the world as a whole;

Expressing its deep concern

(a) that the trend has been for the growth of exports of primary exporting countries of the region to fall behind not only that of the industrial countries, but also that of the other primary exporting countries outside the region;

(b) that major export commodities of these countries have been subject to wide fluctuations in volume and prices;

(c) that considerable improvement in the economic growth and stability in the industrial countries since the war has not been accompanied by a commensurate improvement in the growth and stability of the region's exports; and

(d) that there is a possibility of a widening imbalance between the export earnings of these countries and the cost of imports necessary for a practicable rate of development;

Taking into consideration the possibilities for greater cooperation between countries of the region in the form of joint projects for the development of both large and small industries, as well as for industrial training and research, and in the form of regional projects in other fields benefiting a number of countries in the region;

Believing that such joint action would facilitate a better utilization of

available raw materials, financial resources and technical skills, and that close cooperation between countries in these endeavours may help to solve many of the problems common to the region, and also to expand intra-regional and inter-regional trade;

Recommends that the countries of the region

(a) take note of recent developments in trade cooperation in other regions of the world;

(b) seek suitable measures for increasing intra-regional trade, in the context of enlarged world trade, to enable a sustained increase of production resulting from larger markets;

(c) explore in this regard the possibilities of promoting economically sound regional cooperation as a means of stimulating economic development in the area;

(d) in consultation with one another, and with the Executive Secretary, investigate specific projects that may be advantageously developed as joint projects, for example, "industry-possibilities" surveys including machine tools, industrial research and training institutes, demonstration and extension centres, the mechanization and development of small industries, *etc.*;

(e) review as appropriate their national policies with a view to encouraging domestic savings, mobilizing of domestic public funds for economic development, and creating conditions which will attract adequate amounts of capital, both domestic and foreign, into productive enterprise;

(f) initiate suitable measure to stabilize, on a commodity-by-commodity basis, prices of primary commodities at fair and adequate levels;

(g) in consultation with one another, study the possibilities of a suitable pattern of regional cooperation consistent with the principles of GATT;

Appeals to the industrially-advanced countries of the world

(a) to continue to consider possibilities of increasing imports from the countries of the region;

(b) to seek, within the framework of existing international organizations and in cooperation with countries of the region, economically sound ways, on a commodity-by-commodity basis, for the stabilization of prices of primary products at fair and adequate levels within limits which take into account long-term trend in supply and demand;

(c) to take note of the concern of the countries of the region that their interests may be adversely affected by regional economic arrangements elsewhere and to take necessary measures that these interests be safeguarded and the countries of the region enabled to benefit from the growth of economic activity expected to arise from these arrangements;

(d) to consider the need of the countries of the region to increase their exports not only of primary commodities, but also of semi-processed and manufactured goods which they are in a position to supply competitively;

(e) to continue to provide the countries of the region economic, financial, and technical aid under multilateral and bilateral programmes of assistance with a view to accelerating the economic development and diversification of production in the countries of the region as part of global economic expansion;

Requests the Executive Secretary

(a) to continue to explore the scope and practical measures for promoting intra-regional cooperation for economic and social development in the region as a whole and, if necessary, among individual countries of the region as a first step, particularly in the fields of agriculture, industry, transport and trade;

(b) within available staff resources, and after such preliminary studies as may be considered appropriate, to make suggestions to interested governments concerning such joint projects and regional projects as may be practicable, including a suggested order of priority;

Recommends the United Nations agencies concerned to consider sympathetically requests for technical and financial assistance in support of measures designed to promote economic development and cooperation in the region in particular for joint projects in the field of industrialization, and to provide adequate allocations for regional projects.

Invites other international agencies having an interest in joint projects to co-operate and assist in carrying out the investigations.

And recommends that, in cases where regional financing is inadequate, joint projects of two or more countries in the region be submitted by the governments concerned to the appropriate institutions or countries engaged in international industrial development activities.

And further recommends to such governments or institutions that they consider favourable economically sound proposals of this nature to the full extent of available resources.

Annex II.

NON-UNITED NATIONS INTER-GOVERNMENTAL ORGANIZATIONS IN ASIA
(Information is confined to Colombo Plan, Asian-African Conference, SEATO, CENTO and ASAS.)

ECAFE (1947) Members in Asia	Colombo Plan (1950)	Asian-African Conference (1955)	SEATO (1954)	CENTO (1955)	ASAS ¹ (3)
Membership					
Afghanistan (1954) ..	..	x	..	..	..
Burma (1947, 1948) ..	x (1952)	x	..	..	..
Cambodia (1947, 1954) ² ..	x (1951)	x	..	..	..
Ceylon (1947, 1954) ..	x (1950)	x	..	..	..
China (1947) ..	..	x ³	..	..	..
Federation of Malaya (1947, 1957) ..	x (1950, 1957)	..	..	..	..
India (1947) ..	x (1950)	x	..	..	x
Indonesia (1948, 1950) ..	x (1953)	x	..	..	..
Iran (1958) ..	x	x	..	x	..
Japan (1952, 1954) ..	x (1954)	x	..	..	..
Korea (1949, 1954) ⁴ ..	x	..	..	..	..
Laos (1947, 1955) ..	x (1951)	x	..	..	..
Nepal (1948, 1955) ..	x (1952)	x	..	..	..
Pakistan (1948) ..	x (1958)	x	x	x	..
Philippines (1947) ..	x (1954)	x	x	..	x
Thailand (1947) ..	x (1954)	x	x	..	x
Viet-Nam (1949, 1954) ..	x (1957)	x ⁵	..	..	..
		(Iraq, Jordan, Lebanon, Saudi Arabia, Syria, Turkey, Yemen)		(Turkey)	
Associate members					
Brunei (1947) ..	..	..	..	..	..
Hong Kong (1947) ..	..	..	..	..	..
North Borneo & Sarawak (1947) ..	x (1950)	..	..	..	..
Singapore (1947) ..	x (1950 & 1959) ⁶	..	..	..	..
Members outside Asia ..	(5)	(6)	(5)	(2)	
Australia (1947) ..	x (1950)	..	x	..	..
France (1947) ..	..	..	x	..	..
Netherlands (1947) ..	..	..	..	..	..
New Zealand (1948) ..	x (1950)	..	x	..	..
USSR (1947) ..	..	..	..	..	..
UK (1947) ..	x (1950)	..	x	x	..
USA (1947) ..	x (1951)	..	x	x ⁷	..
	Canada (1950)	(Egypt, Ethiopia, Gold Coast, Liberia, Libya, Sudan).			

¹. Not yet established formally.

². Where two years are shown, the first relates to associate membership.

³. The Peoples Republic of China.

⁴. The Republic of Korea.

⁵. Both the Republic of Viet-Nam and the Democratic Republic of Viet-Nam.

⁶. The second year relates to full membership.

⁷. Not a formal member.

OBJECTIVES AND ACTIVITIES

Colombo Plan Consultative Committee is an association of (British) Commonwealth countries, USA and Asian countries for purposes of "Co-operative Economic Development of South and South-East Asia." It is not an integrated regional Plan, but an arrangement for technical and capital aid to the individual Country Plans, with the objective of supplementing self-help with cooperative assistance. It had its origin at a meeting of Commonwealth foreign ministers held at Colombo in January 1950; and the Consultative Committee comprising representatives of all members (with observers from ECAFE, World Bank, U. N. Technical Assistance Board and U. N. Special Fund) had held 12 meetings so far. There is also a Council for Technical Cooperation at Colombo dealing with technical assistance only and meeting once a month. Colombo Plan has no permanent secretariat; but there is a small office (Colombo Plan Bureau) at Colombo concerned with publicity and technical assistance records and coordination. Although the annual meetings are "international" and their progress is reviewed generally, the actual aid operations are "bilateral" between donor and recipient countries. According to the present agreement, Colombo Plan will continue up to 1966.

Asian African Conference met only once in April 1955; and although it was intended to hold further meetings, none has been arranged so far (though three non-official gatherings have been organized). The objective of the Conference, which was sponsored by five Asian countries (Burma, Ceylon, India, Indonesia and Pakistan) was, *inter alia*, to promote goodwill and cooperation among the nations of Asia and Africa and "to consider social, economic and cultural problems and relations of the countries represented." The Conference was held at Bandung (Indonesia) and among others an Economic Committee was set up to consider means of regional cooperation. There is no permanent secretariat.

SEATO or South-East Asia Collective Defence Treaty Organization was established, following the Manila Conference (September 1954) at which foreign ministers of the eight member countries (three of them from Asia) evolved the treaty. While the main purposes of the Organization are "collective defence, for the preservation of peace and security", Article III of the Treaty provides for cooperation "in the further development of economic measures, including technical assistance, designed both to promote economic progress and social well-being." SEATO has a permanent secretariat located at Bangkok. The SEATO Council has set up a Committee of Economic Experts which meets once a year and has helped to establish common training facilities (*e. g.*, Graduate School of Engineering at Bangkok and skilled labour vocational centres in Pakistan, Philippines and Thailand), has pro-

moted some research of general use (*e.g.*, cholera prevention and care) and has planned establishment of meteorological aviation communication facilities within and between the Asian members). SEATO has also a programme of fellowships exchange of professors, and travelling lecturers.

CENTO or Central Treaty Organization (originally "Baghdad Pact") is also a collective defence organization, which came into being in December 1955, following a Pact of Mutual Cooperation between Iraq and Turkey in February 1955. The Pact refers to cooperation for "security and defence" and there is no economic clause, but the CENTO Council has established an Economic Committee which meets twice a year. It has helped to set up common training facilities (*e.g.*, Nuclear Research Centre at Baghdad), and aims at establishing road, railway and telecommunications links between the capitals of member countries. It has also under consideration the idea of a common market. The Organization has a permanent secretariat, the present headquarters of which are at Ankara. Three Asian countries are members of the Organization.

ASAS or the Association of South Asian States is, as yet, a nebulous idea, as no formal agreement has been signed or organization established. The idea was mooted during the Prime Minister of Malaya's visit to the Philippines in 1959, and the basic purpose appears to be the development of closer economic as well as cultural relations. A positive advance was made when in February 1961, a discussion took place at Kuala Lumpur of the Prime Minister of Malaya, the President of the Philippines and the Foreign Minister of Thailand, and a declaration of common objectives was issued. Recently (June 1961), a working group of experts met at Bangkok to evolve concrete measures.
