

ASSISTANCE FOR UNDER-DEVELOPED COUNTRIES

THE Queen's speech at the opening of Parliament on October 27 referred to the Government's urgent concern to improve conditions of life in the less-developed countries of the world and its intention to promote economic co-operation and support plans for financial and technical assistance. This was warmly welcomed in both Houses in the subsequent debates. Lord Stoneham asked for further information on this matter and, emphasizing its urgency, stressed the need to seek international agreement to stabilize basic commodity prices, the fall in which in 1958 had cost the under-developed countries 2,000 million dollars. Only urgent and increasing financial and technical assistance can avert the human suffering implicit in the two-thirds increase forecast in the population of Asia in the next fifteen years. The Marquess of Lansdowne was unable to specify the exact increases but assured Lord Stoneham that the Government intended to increase considerably contributions in the various fields of aid to under-developed countries. Lord Home also expressed the view that the foundation of peace probably lies in bringing the standard of living of the under-developed nations nearer to that of the industrial nations. In replying on the debate, the Lord Chancellor said that under the Colonial Development and Welfare Acts, £140 million would be available for the Colonial territories during the next five years, with up to £100 million more by way of Exchequer loans. External private investment of all kinds averaged £90 million a year, two-thirds being from the United Kingdom, and it was estimated that the United Kingdom's financial contribution to the Colonial territories averaged £100 million a year in 1956-58. Economic and technical assistance to all overseas countries and territories from United Kingdom public funds rose by a third in the past financial year to about £100 million, and is expected to increase similarly this year, exclusive of military assistance and certain emergency and miscellaneous expenditure amounting to about £30 million. Subject to agreement on the constitution for the new International Development Association, Parliament would be asked to put £50 million into the new Association.

In the House of Commons, Mr. J. Harvey, referring to the growing awareness of the need to give greater assistance to the under-developed territories, suggested that the Government might take some initiative in stimulating such interest so as to enlist voluntary contributions in addition to Government funds for this purpose. Mr. W. Owen suggested the Co-operative movement as a possible source of experience, knowledge and enterprise in this connexion, and Sir John Barlow advocated use of the International Monetary Fund to stabilize world production and prices of such primary commodities as tin and rubber. Mr. H. A. Price, pointing out that we are already devoting more than 1 per cent of our national expenditure to the under-developed countries, thought that we could do much more and that these territories offer great potentialities for the production of increased wealth. The President of the Board of Trade, Mr. R. Maudling, referred to our need to increase our balance of payments position if we are to play our full part in helping the development of these countries, and Mr. J. Arbuthnot sug-

gested that reduced taxation in these countries would greatly assist in the creation of the conditions for development.

Mr. Anthony Head emphasized the vital importance of giving adequate attention to the backward, dependent and under-developed countries during the next five or ten years. He directed attention more particularly to the educational problem, and urged that here the West needs to overhaul its whole approach, and that co-ordinated effort is imperative. In this he was supported by Mr. K. Zilliacus, who pointed out that economic co-operation and the provision of financial, economic and technical assistance to backward countries internationally through the United Nations represent the support of constructive and modernizing forces. Sir Henry d'Avigdor-Goldsmid and Mr. J. Grimond spoke strongly in the same sense, Mr. Grimond referring also to the importance both of the type of government which is established in the newly independent territories and of education, including technical education. Mr. Philip Noel-Baker was somewhat critical of the magnitude of our present contribution. Although our contribution to United Nations Technical Assistance has risen from 2.5 to 3.0 million dollars, the Commonwealth has every year received far more from Technical Assistance than it has paid in, and against the increase in our contribution to the United Nations Special Fund from 1 to 5 million dollars should be set the schemes, costing 15 million dollars, for work in the Commonwealth already submitted by the Colonial Office to Mr. P. Hoffman. Moreover, the £1,000 million loan to the under-developed countries by the International Bank during the first twelve years of its existence was less than one-tenth of the extra capital required during the following ten years to achieve Mr. Hoffman's objectives.

Replying on the debate, the Minister of State for Foreign Affairs, Mr. J. Profumo, recognized the importance of the struggle for men's minds and the part which the Chancellor of the Duchy of Lancaster has to play in that connexion. He also took up the point about education, which had been stressed separately in the Queen's speech in a reference to the introduction of legislation to implement recommendations of the Commonwealth Education Conference, which had been warmly welcomed by Mr. E. Gardner and, in the House of Lords, by Lord Hastings. Lord Home, noting that the presence of 42,000 overseas students in Great Britain put a considerable strain on our universities and technical colleges, welcomed Lord Hastings's reference to the importance of education; nevertheless he thought that the task of equipping youth to meet the intellectual, physical and moral challenge of the time will strain our resources to the full. Apart from a reference by Mr. P. Wall on November 2 to the way in which the under-developed countries in Asia, Africa and the Middle East are beginning to realize the importance of European capital and European technicians, there was no further reference to the under-developed countries in the debate on the Address, although others besides Mr. Wall stressed the importance of education when the position in Central Africa was discussed at some length on November 2.