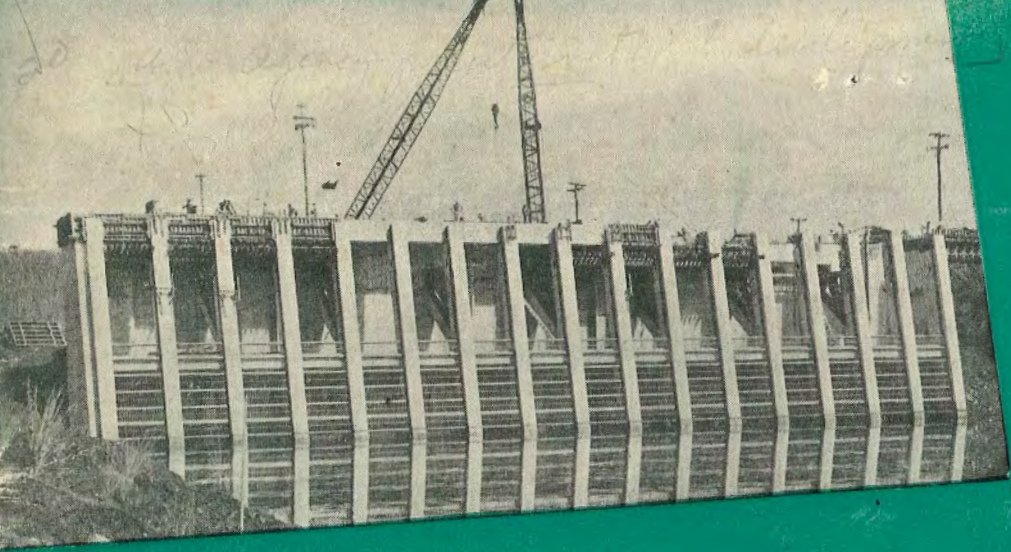

PAKISTAN'S ECONOMIC DEVELOPMENT

And United States Assistance

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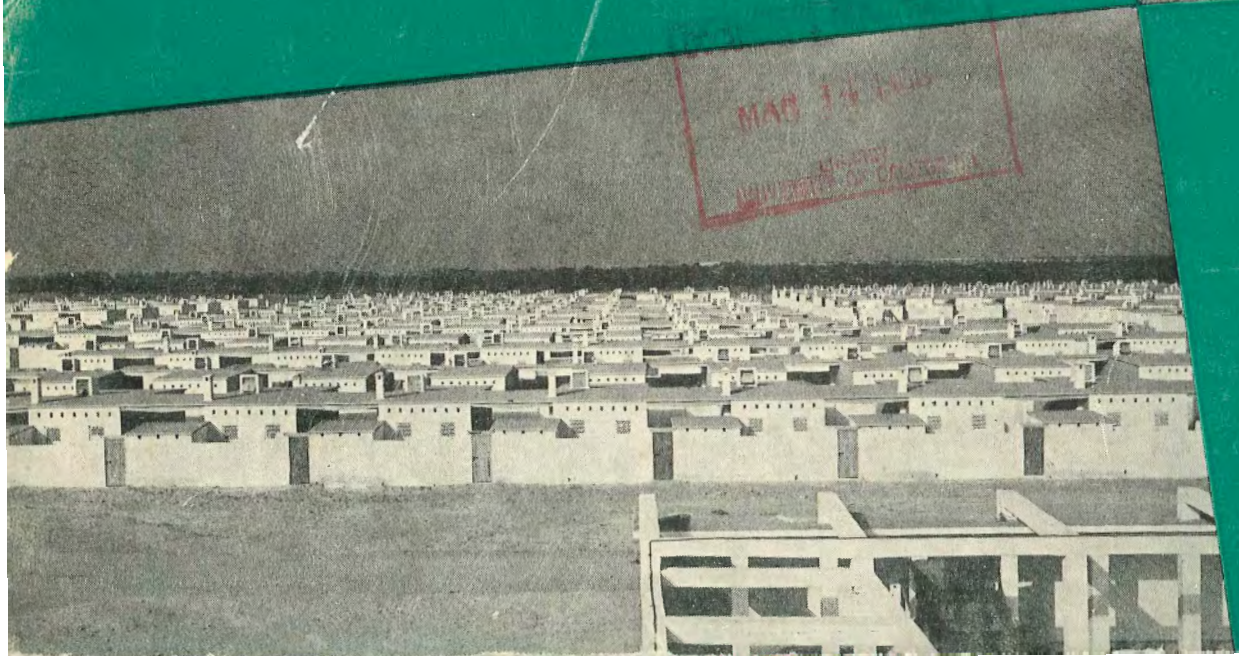
UNIVERSITY OF CALIFORNIA



UNITED STATES OF AMERICA

Plant protection is one of the keys to better yields and more food for a growing population. American extension advisors have worked over the years with their Pakistani counterparts in conducting campaigns to reduce or eliminate the loss to crops from insects. Photo shows a plant protection officer explaining to farmers how to combat the deadly rice stem borer.

PAKISTAN'S ECONOMIC DEVELOPMENT

And United States Assistance

Why Foreign Aid?

Pakistan provides one of the best examples among developing nations of the successful execution of a major development program. Within the five years of Pakistan's Second Plan (1960-1965), the economy moved into a period of steady agricultural and industrial growth and rising per capita income. This growth has continued well into the Third Five Year Plan.

During the Second Plan period, the net average annual increase in per capita income exceeded 2.8 percent, despite a 2.6 percent yearly rate of population increase during the same period.

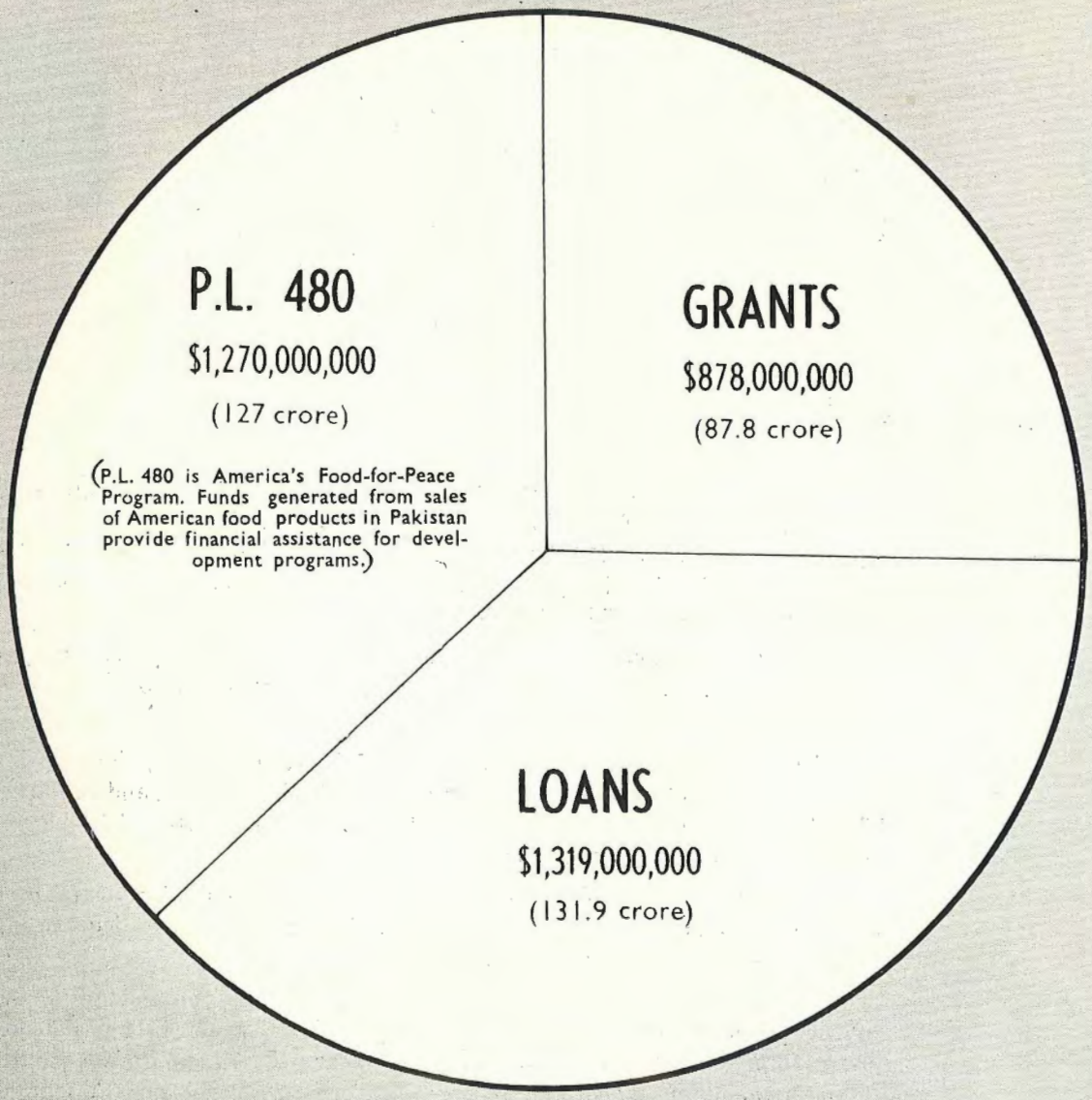
The gross national product rose at a rate of 5.4 percent with major contributions coming from private-sector manufacturing, construction, mining, and public utilities. The all-important agricultural sector had a production growth of 3.4 percent per year during the Plan period.

This outstanding performance by Pakistan is a dramatic demonstration of the results of thoughtful, intelligent planning and hard work, plus adequate input of resources—goods, capital and technical skills.

In a developing nation, these necessary resources are seldom available in sufficient supply. The more rapid the development, the greater becomes the demand on resources. Hence the developing country must turn to outside sources to supply the amount which the country itself cannot mobilize. Foreign aid is a necessary component in any major development effort.

For convenience sake, foreign aid is generally measured in terms of money, but this can be misleading. Actually, foreign aid represents a transfer from one nation to another of physical resources in the form of equipment, raw materials, or foodstuffs, or human resources in the form of scientific knowledge about production and management. It is aid when the transfer is on a grant basis or on a loan basis with concessional terms.

UNITED STATES ECONOMIC ASSISTANCE TO PAKISTAN SINCE 1951



TOTAL $3,467,000,000

(346·7 crore)

The Sources of Aid

Pakistan has been and is receiving substantial assistance from a number of countries to supplement its own resources in the development effort. An Aid to Pakistan Consortium—consisting of a group of nations anxious for Pakistan's development effort to succeed—has made contributions to Pakistan's economy over the past six years amounting to more than 207 crore U.S. dollars.

Some of this assistance comes from international agencies such as the World Bank (the International Bank for Reconstruction and Development) and its affiliate, the International Development Association (IDA).

The IDA makes available "soft" or non-interest bearing loans, with up to 50 years to repay, for countries facing serious financial problems in their development efforts. Pakistan has been one of the major recipients of all the loans granted by the IDA. The U.S. contributes roughly 40 percent of the total capital of the World Bank and IDA.

From the beginning of Pakistan's Second Five Year Plan, the World Bank and IDA together have committed more than 44 crore dollars to development projects in Pakistan.

The World Bank also administers the Indus Basin Development Fund, now in its seventh year. This massive effort, including the fabulous Mangla Dam complex, will provide arable land for over 50 million people in the Indus Basin. The project was 75 percent completed by the end of 1966.

Additional United Nations agencies and other multilateral activities which have a bearing on Pakistan's economic development, and in which the United States participates as a contributor, include the UNESCO, UNICEF, United Nations Technical Assistance Bureau, the World Food Program, the Colombo Plan, SEATO and CENTO, etc. In addition there has been a relatively small but increasing amount of aid from a number of non-consortium countries.

By far the greatest single country contribution has come from the United States and the greater portion by far of U.S. assistance to Pakistan's economic development has been in the form of direct or "bilateral" assistance, through the U.S. Agency for International Development (U.S. A.I.D.) and its predecessor agencies, plus the U.S. government's Export-Import Bank, and in the form of foodstuffs, primarily wheat under the P.L. 480 program. Since the beginning of the Second Five-Year Plan in 1960 alone, this direct aid has amounted to more than 100 crore dollars.

Since 1951, direct United States assistance to Pakistan's development (including the Indus Basin funding) has amounted to 346 crore dollars. This booklet is designed to explain something of how Pakistan has utilized that input and to answer some questions about how an aid program operates.

Planning the Use of Aid

Economic planning, such as Pakistan's Five Year Plans, is important to the orderly development of a nation. So, too, is the planned, consistent use of the additional resources which come in the form of economic assistance from friendly countries. For it is this additional input, carefully utilized, which can mean the difference between success and failure of a development effort.

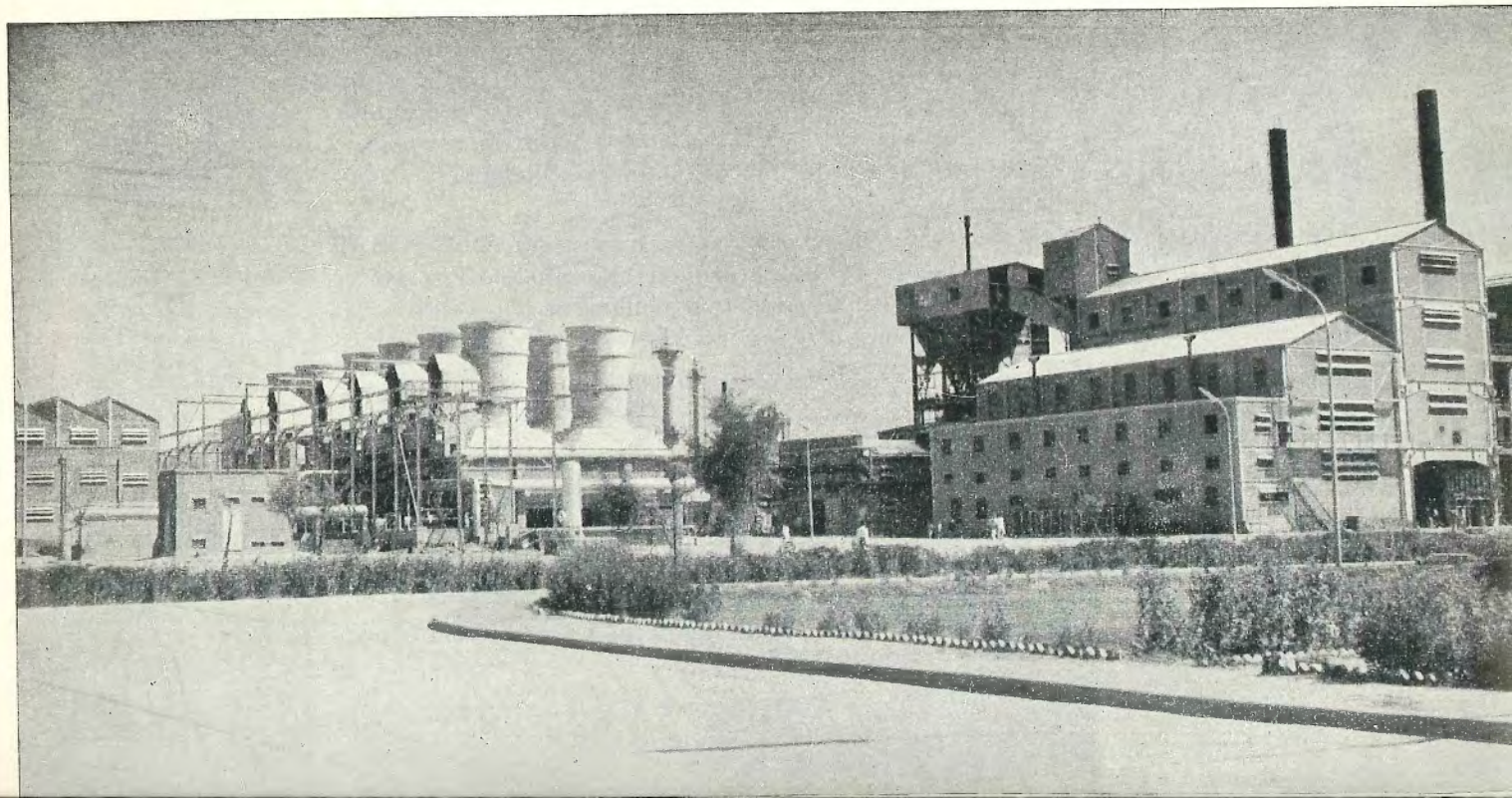
115949

Improved Seed

Through the efforts of Pakistani and American agricultural extension advisors, Pakistani farmers are growing hybrid maize with evident success.

Fertilizer Plants

To provide much needed fertilizer for the nation's farmers, Pakistan and the United States have financed the construction of several fertilizer factories like this one at Daudkhel.



Just as goals must be established for a nation's development, goals and priorities must be agreed to on how much aid is needed and for what purpose.

A consensus exists between Pakistan and the United States as to the importance of the achievement of Pakistan's self-sufficiency in foodgrain production. With the ability to meet food requirements of the people, Pakistan will have a better base for its future development in other fields.

Thus, food production has been and continues to be a dominant theme in the Pakistan-American cooperation program. But food production is not just farming, nor does it all take place on the farm. Many of the most important aspects of food production take place away from the plowed land, and yet each must be taken into consideration in the total picture.

The use of fertilizer is one such major element. In 1960, Pakistan used 30,000 nutrient tons of chemical fertilizer. In 1967, Pakistan farmers are using close to 200,000 nutrient tons, or more than six hundred percent increase within a seven-year period. This is an indicator of a rapidly modernizing approach to agricultural production.

Fortunately, over the years, Pakistan with United States assistance has constructed several fertilizer factories. Last year these produced about 100,000 nutrient tons, or 50 percent of the required amount. United States commodity loans in 1966 permitted the import of about 50 percent of the balance, while other loans and barter arrangements accounted for the rest.

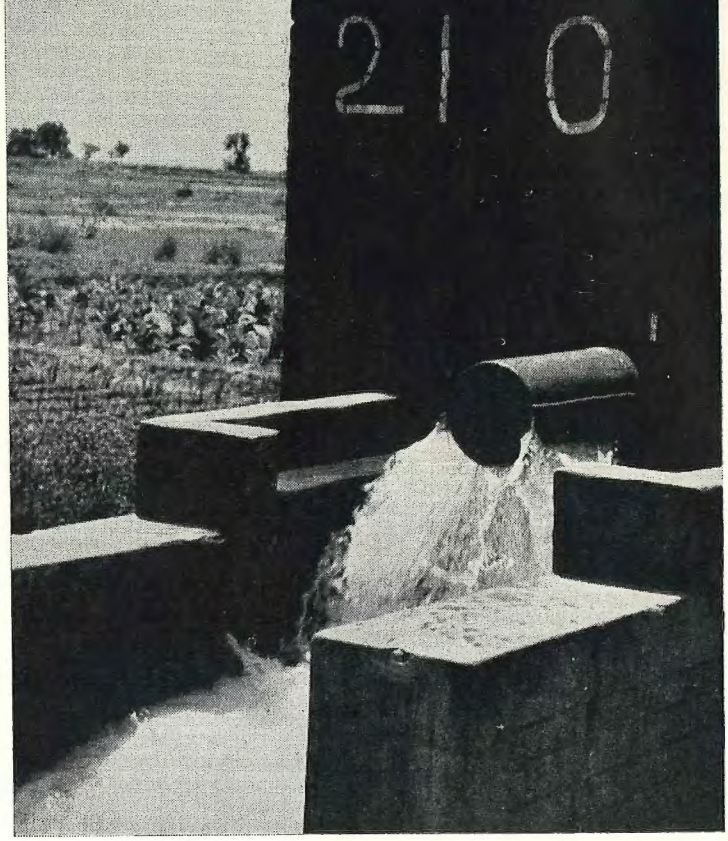
United States commodity loans, for the purchase of fertilizer, raw materials for factories, industrial machinery and equipment, and needed consumer goods, are long-term credits—up to 40 years—with low interest rates and no principal repayment for the first 10 years. These favorable terms are extended to minimize the repayments of foreign exchange during the next several Plan periods.

These commodity loans have made it possible for the Government of Pakistan to liberalize its import policy through such mechanisms as the "free list" for imports. Giving the forces of the market a greater role in import decisions stimulates industry by permitting more rational utilization of manufacturing capacity.

SCARP—The Man-Made Miracle

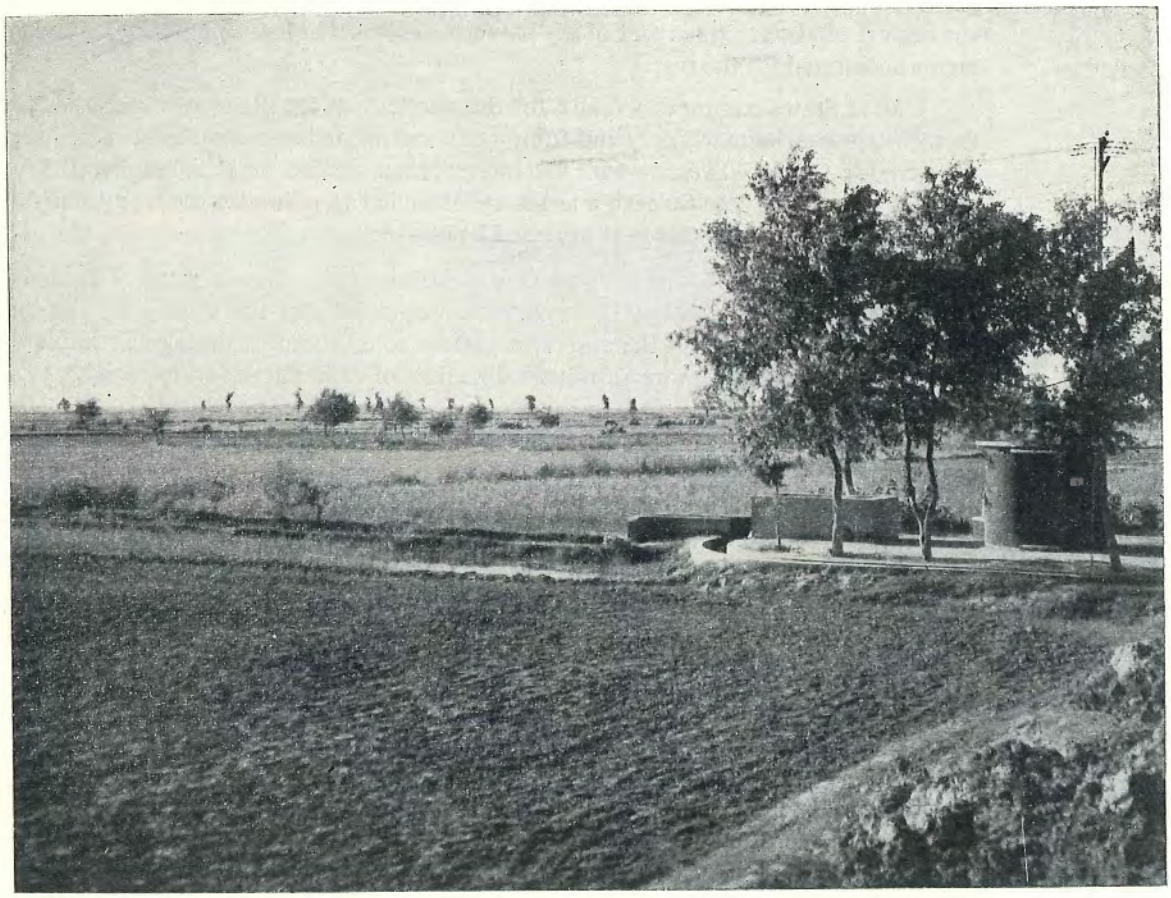
Irrigation is another major factor in the increased production of food in West Pakistan. The one-time principal wheat-growing area of Pakistan, northwest of Lahore, had become waterlogged and saturated with salts from surface water evaporation. The Government of Pakistan, with the assistance of the United States and other donors, embarked in 1959 on a dramatic effort to restore this land to its former productivity—and to exceed those former levels through the application of latest scientific farming techniques on the restored land. This massive effort is known as SCARP (Salinity Control and Reclamation Project). It has involved the services of hundreds of Pakistani and foreign engineers, well-diggers, agriculturists and other experts. Although it is a complex process, it has consisted principally of the sinking of many thousands of tubewells throughout the hundreds of thousands of acres.

Dozens of thousands of tubewells are now in operation in Pakistan, cleansing the earth and opening vast new areas to cultivation.



Land Reclamation

Once fertile farmland in West Pakistan was being destroyed by the effects of waterlogging and salinity at the rate of one acre every five minutes. Under the U.S. A.I.D.-supported Salinity Control and Reclamation Project (SCARP) I, 275,000 acres already have been reclaimed, and it is estimated that by 1970 the entire area of 435,000 acres again will be under the plow.



These pump water from the waterlogged earth and in turn use that water to flush out the surface salts, restoring the earth to an arable condition in two to three years.

This requires a tremendous input of resources, including imported material for the wells, plus the services of skilled foreign technicians to supplement Pakistan's limited supply. Several countries have assisted in this massive effort, including the United Kingdom, Germany, Yugoslavia and the United States. The total contribution to date by the United States has amounted to about 4.5 crore dollars. This has included loans of 2.5 crore dollars for imported materials and the financing of American contract engineering firms assisting in the projects. Large quantities of Pakistani rupees generated under the P.L. 480 sale program have also gone into the SCARP operations.

The SCARP area has also been a proving ground in Pakistan for some of the most modern agricultural techniques, applied "across the board" so as to gain maximum benefit and maximum yield. Pakistani and American agricultural experts help the farmers develop new farming practices, combining the correct amounts and use of water, proper planting and cultivation, as well as correct amounts and application of fertilizer. It has also been the proving ground for a most promising development in wheat farming—Mexipak wheat. A very high yield Mexican wheat variety, crossed with best local varieties, is producing record yields and being adopted for widescale use in Pakistan. The U.S. A.I.D. financed the import of 83 tons of Mexipak seed wheat last year for large-scale planting.

Human Resources Development

The emergence of agricultural universities in both East and West Wings represents an important step in the development of agriculturalists trained in the modern approach to farming. Through the universities, the opportunity arises for the expansion of the practical research and experimentation in ways to bring new methods to the farm.

Both of the universities also represent examples of Pakistan-American cooperation in technical skill development. At the West Pakistan Agricultural University at

Training

An American advisor notes the difference in the height of wheat given different types of water and fertility treatment to one of his students, Iftikhar Ahmad, a post-graduate of the Agricultural University of West Pakistan at Lyallpur.

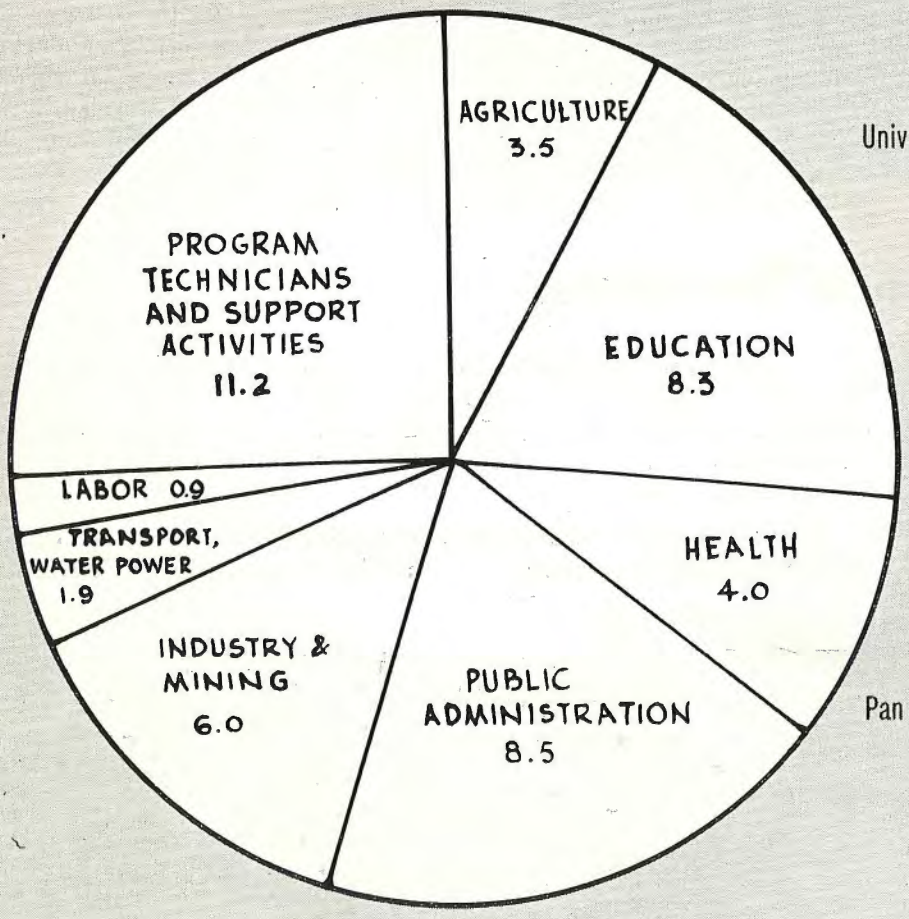
TECHNICAL COOPERATION PROGRAM

SECOND FIVE YEAR PLAN (1961-1965)

$ MILLION

PAKISTANI INSTITUTIONS ASSISTED BY CONTRACTORS:

W.P. Agricultural Univ.
Institute of Business Administration
E.P. Universities
Investment Advisory Center of Pakistan
Jinnah Postgraduate Medical Center
National Institute of Public Administration
Peshawar University
Pakistan Industrial Technical Assistance Center
Skilled Labor Training Centers
Teacher Training Institutes
East Pakistan Water & Power Development Authority



CONTRACTS

Universities

Univ. of Southern California
Colorado State Univ.
Colorado State College
Harvard University
Univ. of Hawaii
Indiana University
Univ. of Maryland
Univ. of Minnesota
Temple University
Texas A & M
Washington State Univ.

Private U.S. Firms

Amman & Whitney
Daco Instrument Co.
Ebasco Services Inc.
Pan American World Airways
Ralph M. Parsons Co.
C.W. Robinson & Co.

Other

State of California
Corps of Engineers

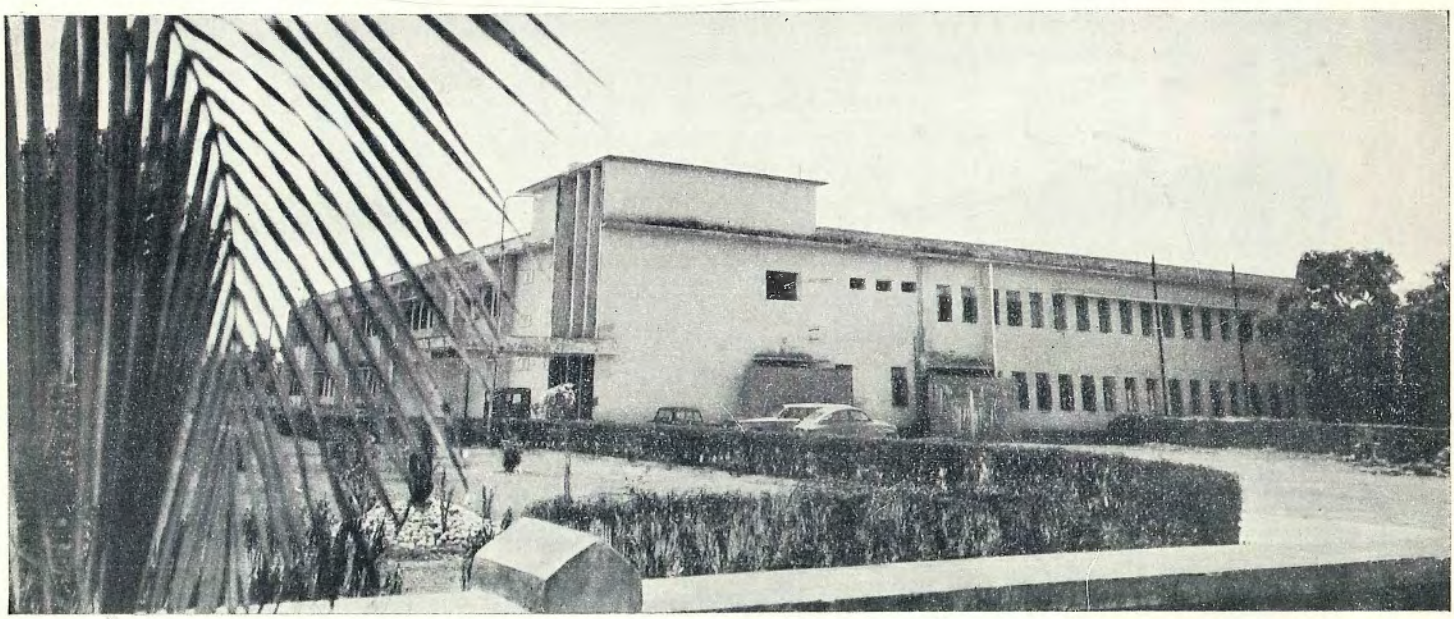
TOTAL $44·2

Lyallpur, American agricultural experts under contract to the University of Washington have worked with their counterparts for the past five years in building the curriculum and raising the technical standards of agricultural education. A similar cooperative program exists between the Mymensingh Agricultural University and Texas A & M.

Financing of these and similar contract arrangements by the U.S. A.I.D. is a principal method of transferring human resources to the developing nation. Another technical cooperation agreement financed by U.S. A.I.D. has brought experts from the University of Southern California to assist at the National Institutes of Public Administration in both East and West Pakistan and at the University of the Punjab. Other United States universities, state government agencies and private firms also work with counterpart organizations in Pakistan. (See chart, Technical Cooperation Program). These are in addition to the approximately 170 technical advisors to various Pakistan government agencies who are employed directly by U.S. A.I.D. and remain in Pakistan for the length of time their services are needed. In addition nearly 3,000 Pakistani technicians, administrators and educators have advanced their skills through foreign study in the United States and other countries, financed through A.I.D. grants.

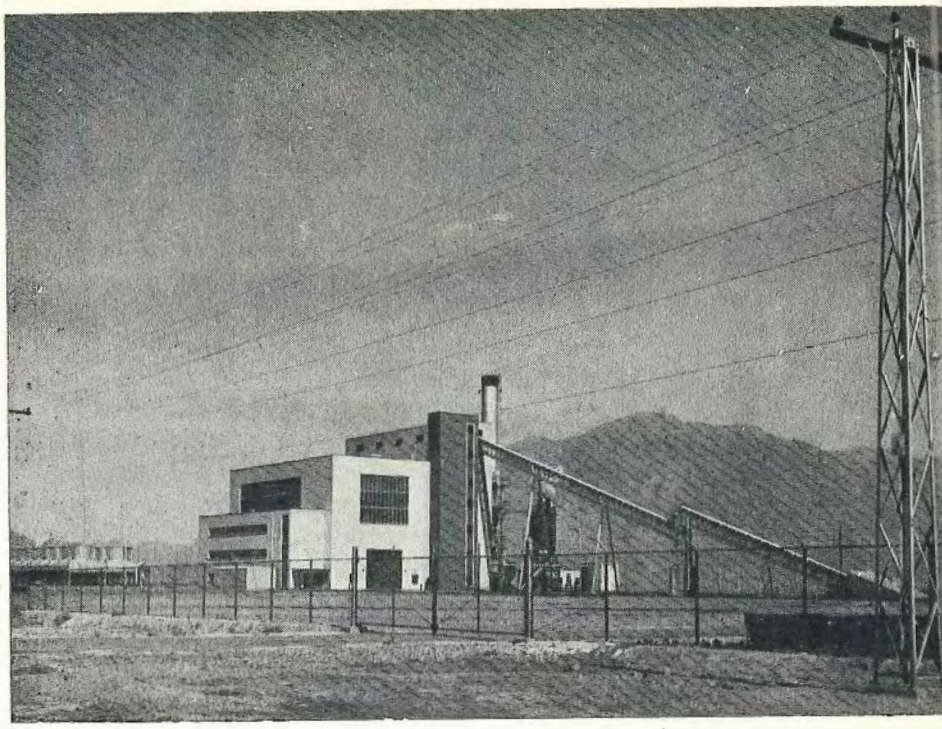
Technical Education

The Pakistan-SEATO Technical Training Centre in Dacca, set up with U.S. assistance, trains skilled workers for the nation's development projects. Another technical training center is in operation in Karachi; and two more are planned, one in Rajshahi and one in Peshawar.



Electricity

The 15,000-kilowatt Quetta Thermal Power Station. The sloping conveyor system feeds locally-mined coal into the plant's steam generating unit. The use of coal from Quetta deposits saves Pakistan a considerable amount of foreign exchange which might otherwise be used for imported fuel such as oil.



Sewage

The powerhouse and digesters of Karachi's second Sewage Treatment Plant. Financed entirely by U.S. A.I.D., it is part of the Greater Karachi Water Supply and Sewerage Project.

Improving Public Services

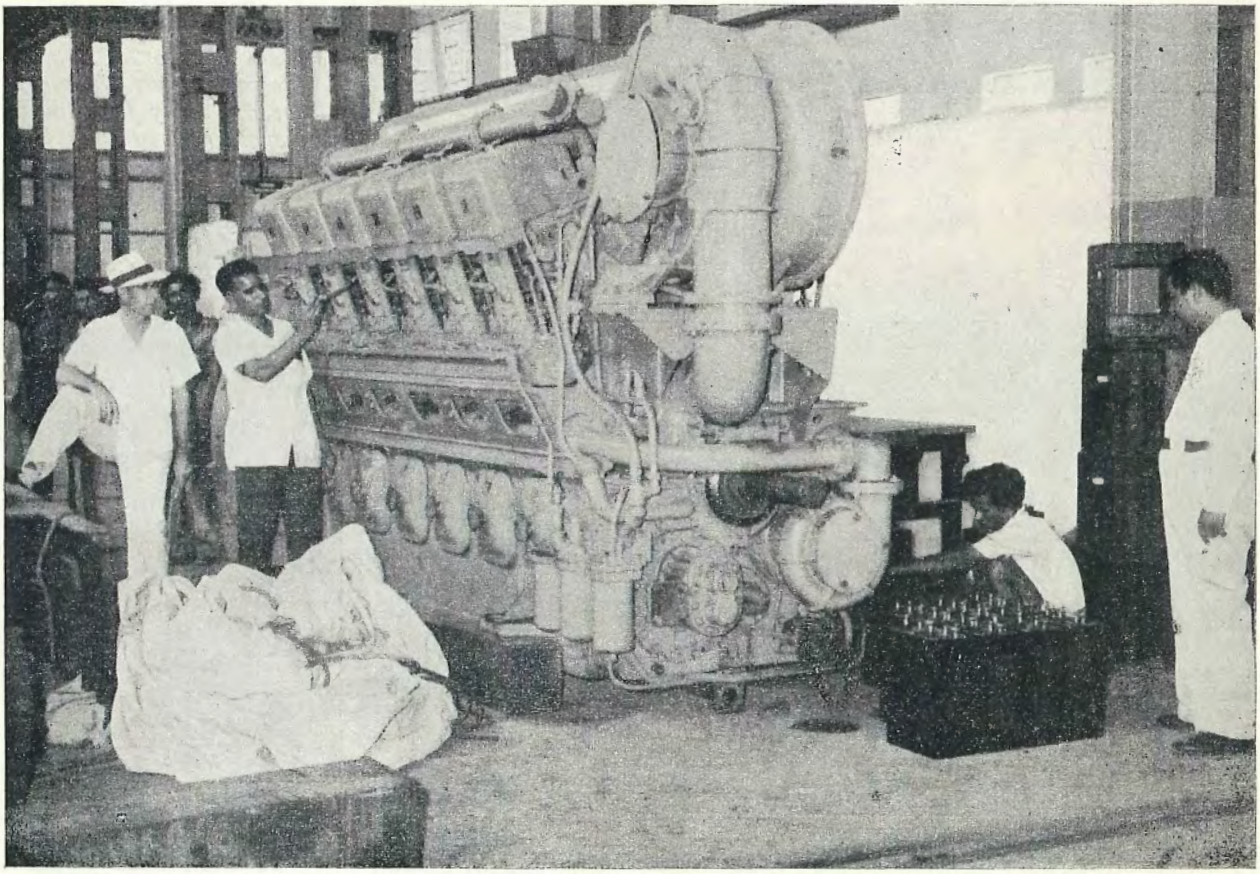
Agricultural production of course cannot develop in a vacuum. All sectors of a nation's economy are interrelated and all must push forward, particularly those sectors dealing with vital public services.

For this reason, Pakistan has utilized a major share of American aid to improve the public services necessary to development of the agricultural, industrial, and social fabric of the nation.

Dams and power plants, railroads and roads in both East and West Wings, port development, communications, water and sewage facilities for urban areas, plus industrial development, are all part of the broad economic push.

Assistance in meeting the high foreign exchange costs of such projects comes from United States dollar loans (see map and chart on Page 16-17).

Some of these are development or project loans administered by the U.S. A.I.D. or earlier by the United States Development Loan Fund. Others, especially for projects in the private or semi-private sector, are obtained on a somewhat more commercial basis from the U.S. government's Export-Import Bank. Some assistance to industry—such as the fertilizer industry mentioned earlier—has been channeled through the Pakistan Industrial Credit and Investment Corporation. (A full listing of all loans from A.I.D., DLF and the Export-Import Bank can be found in the appendix.)



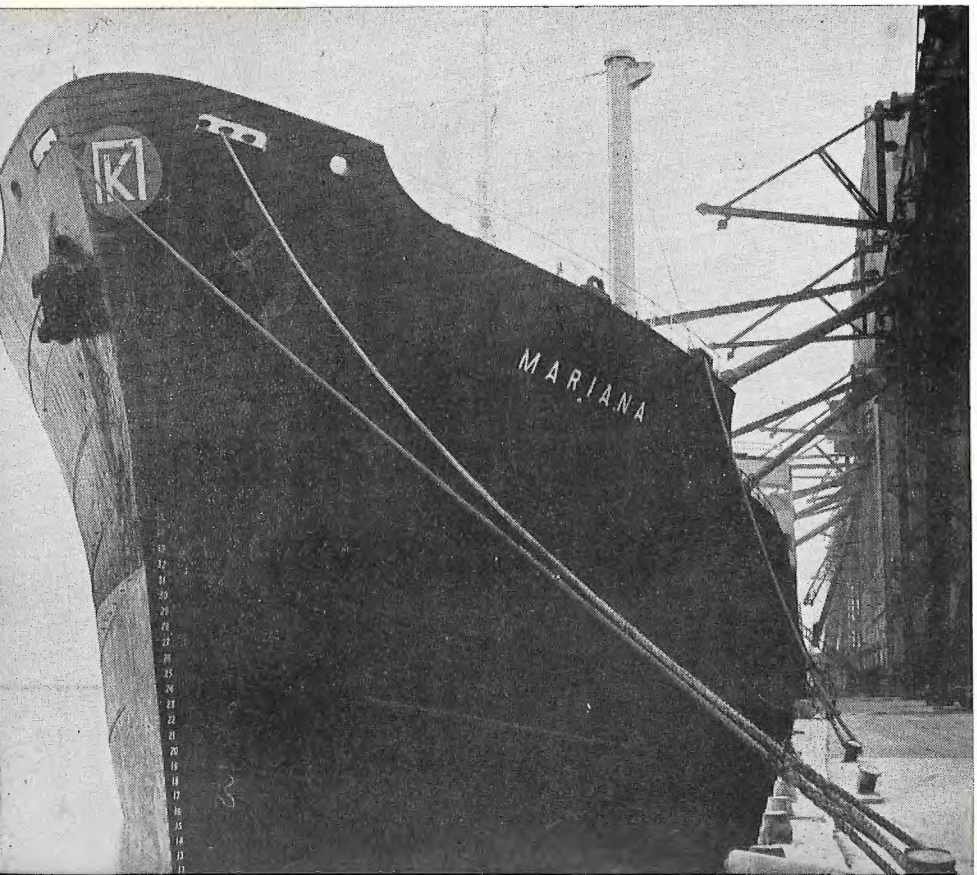
Transportation

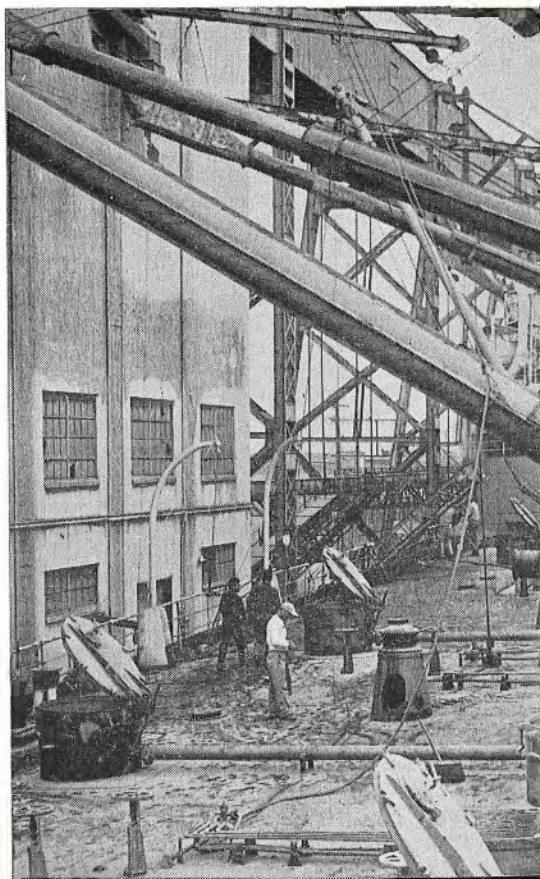
A 1600 HP diesel locomotive engine is overhauled at the diesel workshop of the Pakistan Western Railway in Karachi. U.S. A.I.D is assisting Pakistan in an extensive railway modernization program.

Distribution of Public Law 480 wheat at Union and Thana Councils in the Chittagong District of East Pakistan.

Food for Peace

High-pressure vacuum blowers are shown loading 24,000 tons of grain into the "Mariana" at Galveston, Texas. Below left, the ship is shown tied up at the dockside grain elevator. Center photo shows the pressure blowers forcing the grain at high speed directly from the elevator into the holds. Photo at right is a close-up of the grain entering one of the ship's holds. Through the use of the vacuum blowers, grain ships can be fully loaded in a fraction of the time formerly required for manual loading.





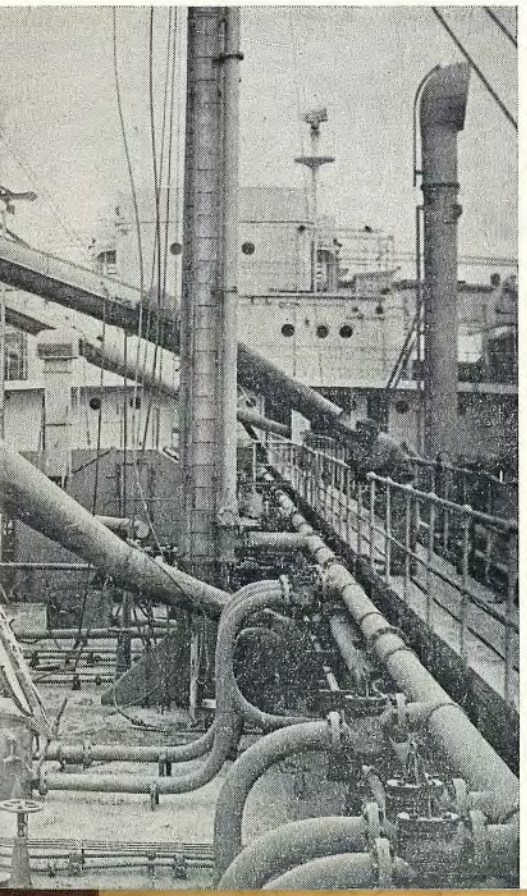
P.L. 480—The Food for Peace Program

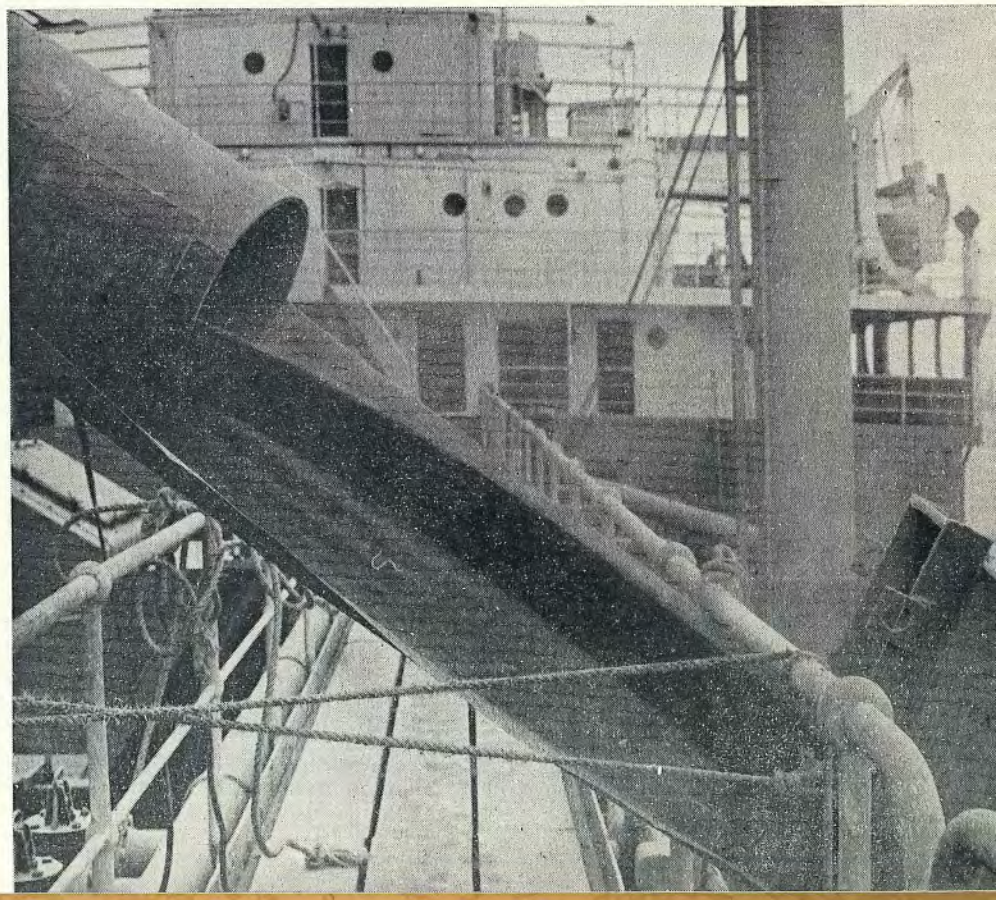
A potentially heavy drain on Pakistan's development effort is the need to buy large quantities of grain and other agricultural products abroad. In spite of Pakistan's best efforts, the development process cannot be achieved overnight, and millions more mouths must be fed each year. Though the goal of self-sufficiency in grain appears tantalizingly close at times, the rapid population growth and several earth-scorching droughts have so far prevented its attainment.

A way of overcoming this threat—and in fact turning it largely into a beneficial factor in Pakistan's development effort—has been achieved through extensive use of America's Food for Peace Program—generally known as P.L.480. This is the number of the U.S. Public Law which set up the program for worldwide sharing of America's agricultural bounty. Several methods, or titles, are established for doing this.

One P.L. 480 title permits the United States government to furnish emergency assistance to other countries in meeting flood, famine or other disaster requirements. Some 10 crore dollars worth of agricultural products have been authorized on a grant basis for Pakistan under this title. The largest share has been for cyclone relief in East Pakistan.

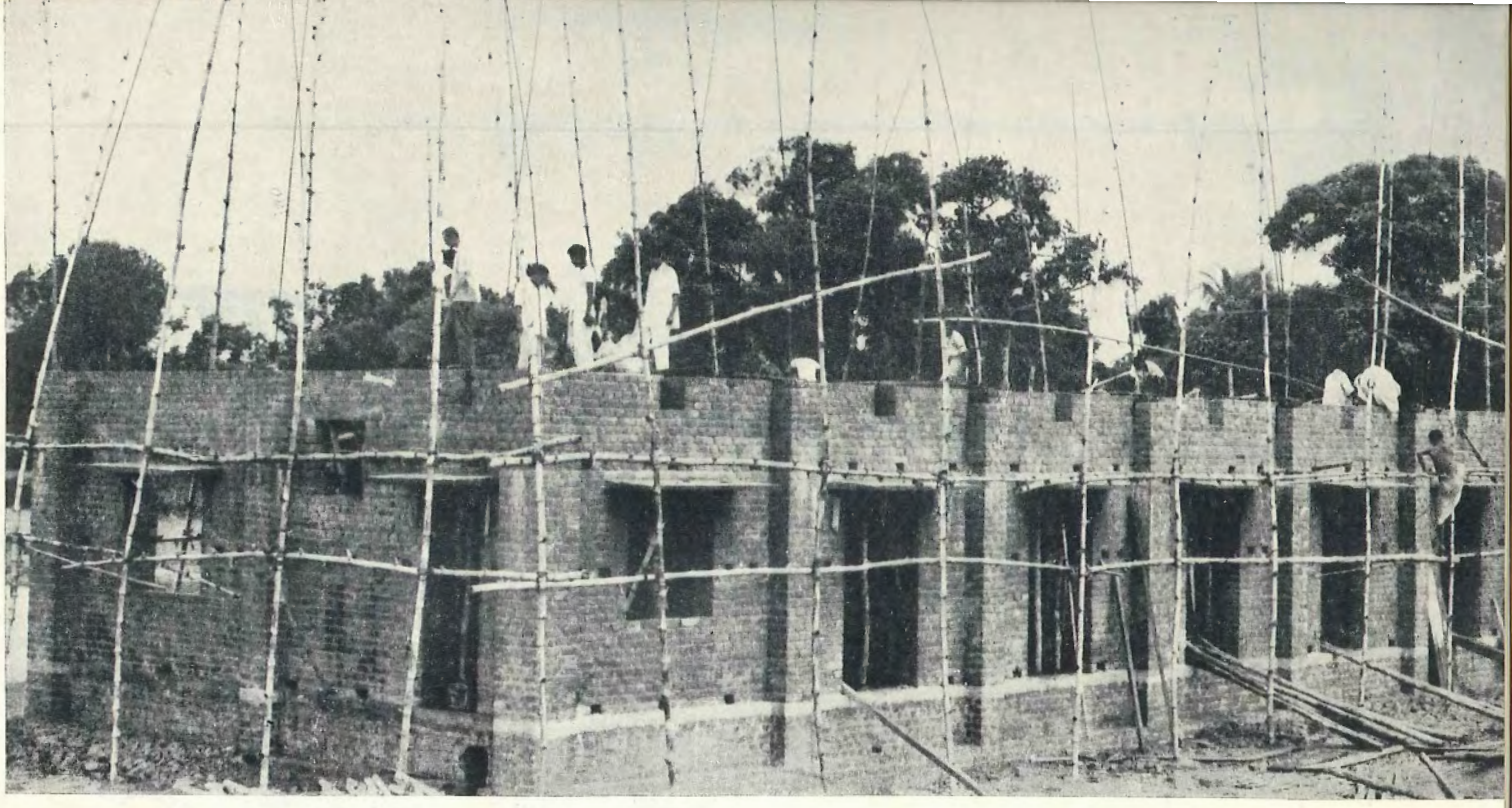
Under another title, American civic and religious voluntary agencies working in many parts of the world are granted agricultural products to distribute where they find the need. Organizations such as CARE, Church World Services and Catholic Relief Services in Pakistan have been authorized more than five crore dollars worth of dried milk, edible oils and grains for this purpose.





The Rural Works Program

Under the Rural Works Program more than 75,000 miles of roads have been constructed in East Pakistan, reducing by two-thirds the cost to the farmer of moving his goods to market. The program is financed entirely from P.L. 480 rupee funds, generated by the sale of U.S. agricultural commodities to Pakistan.



A community center under construction near Chittagong in East Pakistan. The program is supported by P.L. 480 funds.

P.L. 480—Rupee Purchases and Use

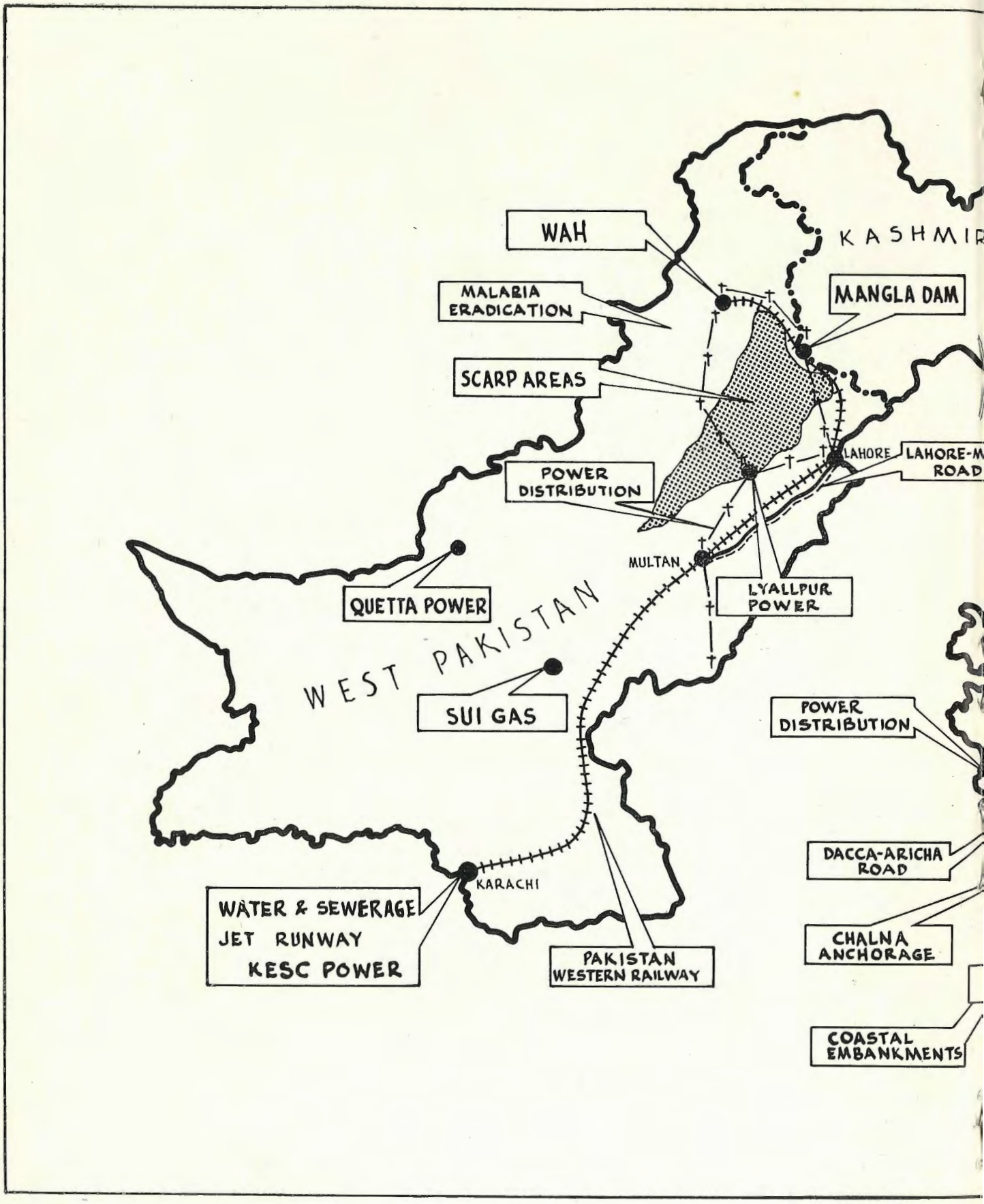
Pakistan's principal use of Public Law 480 has been for the outright purchase of agricultural commodities (*) available from the United States. Since 1956 more than 114 crore dollars worth have been purchased, under Title I of the program. This has been accomplished without adversely affecting Pakistan's foreign exchange position, because payment to the United States has been made, not in dollars, but in rupees.

The additional factor beneficial to Pakistan's economic development is that more than 90 percent of these rupees have again been made available by the United States government for further use in Pakistan. They are plowed back into projects requiring more local currency than is available to the Government of Pakistan in the press for rapid expansion of the economy.

These rupees help finance the Rural Works Program through which the village people of East and West Pakistan obtain government financial assistance for uplift projects of their own choosing. The villagers improve their roads and irrigation systems, build schools and hospitals and community centers, and undertake other projects which will raise their incomes and standard of living.

These rupees help finance much of the countrywide health program which is responsible for malaria eradication and which is urgently seeking methods for overcoming cholera and other killer diseases. They help finance the rupee costs of the gigantic Indus Basin Scheme. They provide massive support for transport, water and power programs.

(*) Wheat, rice, coarse grains, cotton, dried milk powder, vegetable oils, poultry, dried eggs, tobacco.


WAH
KASHMIR
MALARIA ERADICATION
MANGLA DAM
SCARP AREAS
LAHORE
LAHORE-M ROAD
POWER DISTRIBUTION
MULTAN
LYALLPUR POWER
QUETTA POWER
WEST PAKISTAN
SUI GAS
POWER DISTRIBUTION
DACCA-ARICHA ROAD
KARACHI
WATER & SEWERAGE
JET RUNWAY
KESC POWER
PAKISTAN WESTERN RAILWAY
CHALNA ANCHORAGE
COASTAL EMBANKMENTS

PAKISTAN

GEOGRAPHICAL DISTRIBUTION OF MAJOR DEVELOPMENT PROJECTS FINANCED BY U.S. DOLLAR LOANS

ASSISTANCE BY ECONOMIC SECTOR

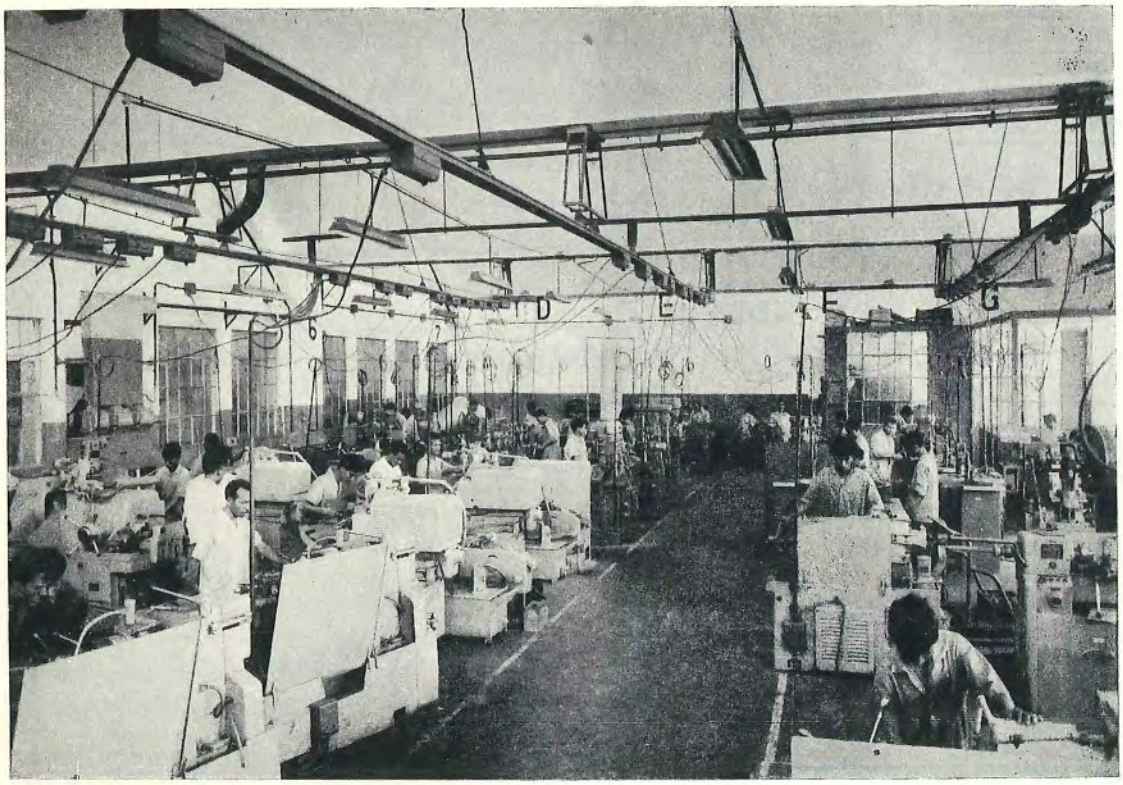
		$ MILLION
COMMUNICATIONS		4.7
CONSULTING SERVICES		19.5
HEALTH		20.3
MALARIA ERADICATION	12.9	
WATER & SEWERAGE	7.4	
TRANSPORTATION		180.6
RAILWAYS	115.1	
AIRWAYS	23.6	
ROADS	29.0	
WATERWAYS & PORTS	12.9	
LAND & WATER DEVELOPMENT		145.4
POWER		128.1
INDUSTRY		717.0
PROJECT ASSISTANCE	57.5	
COMMODITY ASSISTANCE	659.5	
TOTAL		1215.6

Dairy Products

The milk pasteurization and bottling plant at the Sunshine Farms, Karachi. Construction and purchase of equipment were financed by a U.S. Cooley Loan.

Manufacturing

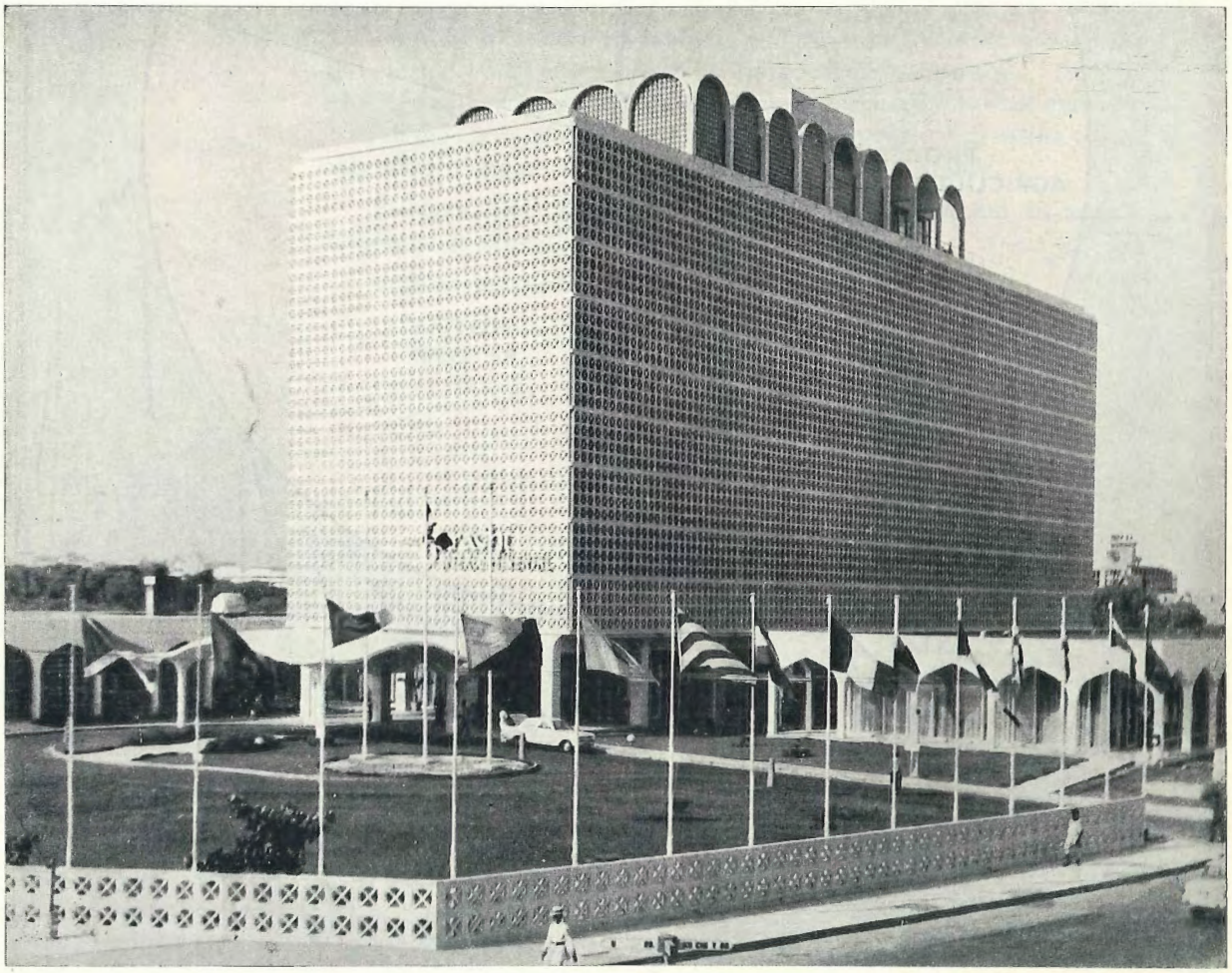
A U.S. Cooley Loan has helped to finance the new Machine Shop and Foundry of the Singer Sewing Machine Co. factory at Korangi, Karachi.



P.L. 480—Aid to Private Industry

A relatively small but highly significant portion of the rupees from P.L. 480 sales is set aside for developing and expanding private industry contributing to economic development of Pakistan and stimulating United States investment in and trade with Pakistan.

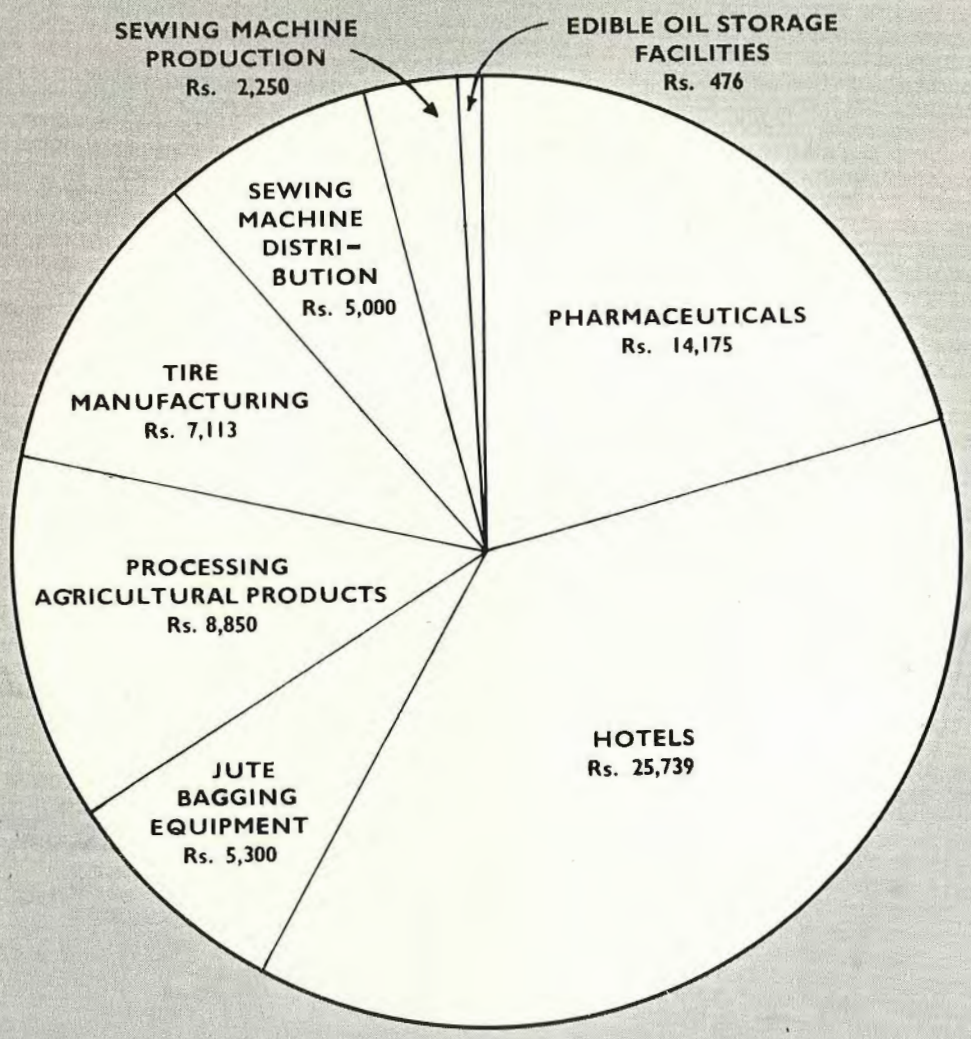
The so-called Cooley Fund—named for the former United States Congressman who proposed the loan program—has contributed directly to the agricultural development objective by helping finance jute-bagging manufacturing plants in the East Wing and processing plants for corn oil, fruit juices and dairy products in West Pakistan. It has directly benefited the average citizen by its contribution to the rapid expansion of Pakistan's own pharmaceutical manufacturing industry. It has helped



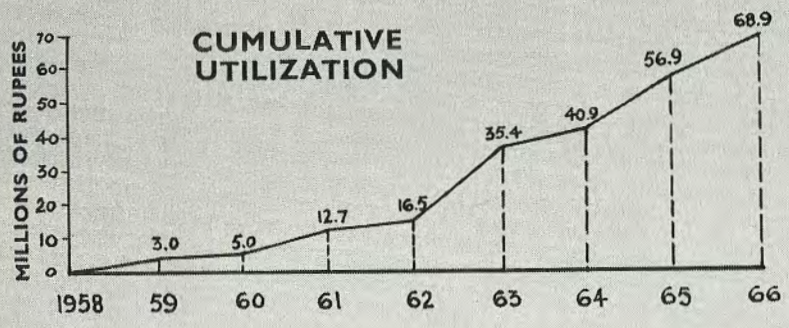
The Hotel Karachi Intercontinental financed with the help of U.S. Cooley Loans. The Dacca Intercontinental opened in 1966; and two other hotels have recently opened in Lahore and Rawalpindi.

COOLEY LOANS

(Rs. 000)



TOTAL LOANS
Rs. 68,903



make available sewing machines and automobile and bus tires and saved precious foreign exchange that it would have cost to import these items.

A major portion of the Cooley loans has gone into helping Pakistan earn more foreign exchange by building a chain of modern hotels that will attract tourists from around the world and encourage them to visit and leave behind them their dollars and pounds and francs and marks. A total of nearly seven crore rupees has been borrowed by private firms in Pakistan under the Cooley program.

A Complex Process

There are of course many more aspects of the U.S. assistance program that are not mentioned or only touched upon in this brief resume. The charts and listings on the following pages give some additional details.

Building a modern economy is a highly complex process requiring many skills and much devoted effort in many sectors and on many levels. To be of real benefit, a foreign assistance program must work in harmony with that complex effort, fitting itself to the needs, changing as the requirements change, assisting where there is—and only where there is—a mutually agreed need for assistance.

Pakistan and the United States have been engaged in such a cooperative development effort for more than 15 years.

Both have reason to be proud of the results.

TABLE I

UNITED STATES ECONOMIC ASSISTANCE FROM THE INCEPTION OF THE PROGRAM IN 1951 TO MARCH 31, 1967

(Net authorized obligations)

LOANS	DOLLARS	RUPEES* EQUIVALENT (crores)
Wheat loan	15,000,000	7.14
Mutual Security Program (1955-56-57)	88,000,000	41.90
Development Loan Fund (1958-61)	221,332,000	105.40
U.S. A.I.D. (to March 31, 1967)	940,910,000	448.05
Export-Import Bank	53,367,000	25.42
	1,318,609,000	627.91
PROJECT GRANTS**		
Mutual Security Program (1952-62) and Technical Cooperation.	177,176,000	84.37
Indus Basin (1961 to date)	144,848,000	68.97
	322,024,000	153.34
NON-PROJECT GRANTS		
Agricultural Commodities (Sec. 402) (1956-61) ..	20,081,000	9.56
Mutual Security Program	461,532,000	219.78
Public Law 480 Title I (sales agreements) ..	1,114,806,000	530.86
Public Law 480 Title II (emergency grants) ..	98,222,000	46.77
Public Law 480 Title III (relief grants).. ..	57,074,000	27.18
Public Law 77 Wheat Grant (1954-55)	73,684,000	35.09
Special Disaster Programs	687,000	0.33
	1,826,086,000	869.57
.. Grand Total:	3,466,719,000	1,650.82

* Rs. 4.76=$ 1.00

** These figures do not include U.S. contributions to CENTO, SEATO, IBRD, IDA, IFC, and to U.N. agencies which lend financial support to Pakistan.

TABLE II

U.S. DEVELOPMENT LOANS EXTENDED TO PAKISTAN

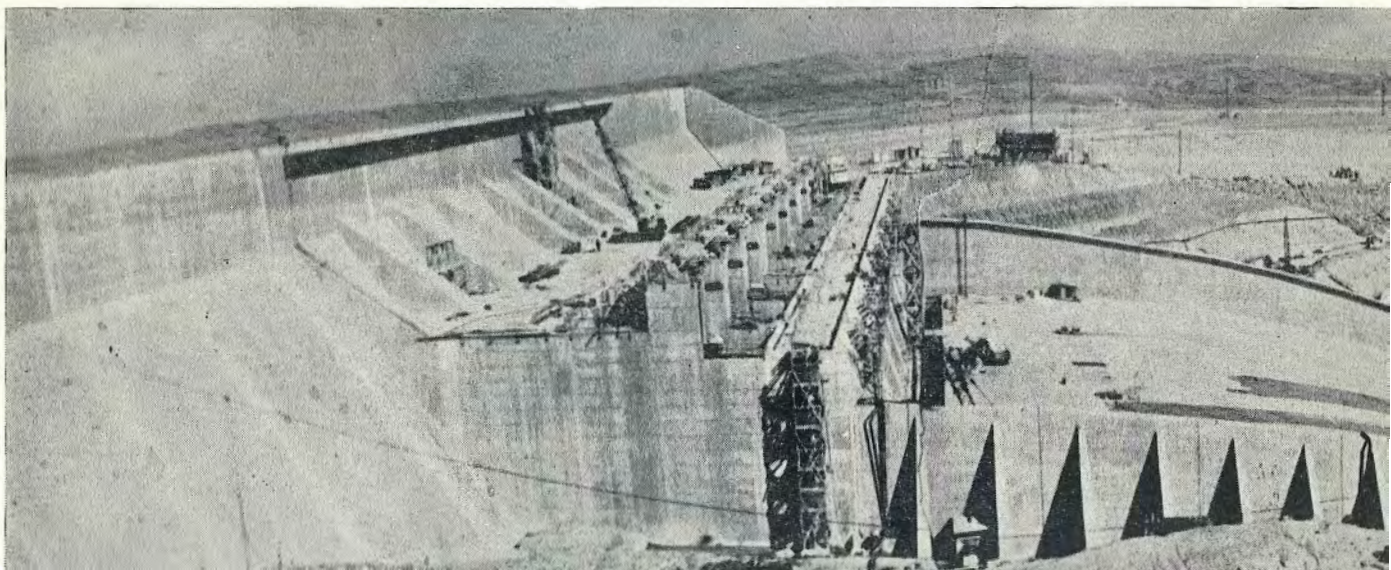
	DATE OF AGREEMENT	PROJECT	DOLLARS (millions)	RUPEES Equivalent (crores)
1.	May 11, 1962	General Commodities (1st)	88.26	42.03
2.	Aug. 31, 1962	General Commodities (2nd)	40.74	19.40
3.	Sept. 10, 1962	4th Railway Loan	30.29	.42
4.	Oct. 22, 1962	East Pakistan Power Distribution	8.60	4.09
5.	Nov. 2, 1962	Karachi Power Station	18.90	9.00
6.	Feb. 28, 1963	Malaria Eradication (1st)	2.55	1.22
7.	Mar. 22, 1963	Airport/Airways Service Equipment	2.10	1.00
8.	Mar. 22, 1963	Waterlogging and Salinity (SCARP-II-A)	10.80	5.14
9.	Mar. 22, 1963	Chalna Anchorage	3.60	1.71
10.	Mar. 27, 1963	General Commodities (3rd)	30.00	14.29
11.	Mar. 27, 1963	Feasibility Studies	2.00	.95
12.	Aug. 15, 1963	General Consultants	4.40	2.09
13.	Aug. 15, 1963	East Pakistan Coastal Embankments	4.33	2.06
14.	Sept. 28, 1963	General Commodities (4th)	70.50	33.57
15.	Oct. 23, 1963	Sawmill Timber Extraction	0.25	0.12
16.	Oct. 23, 1963	Telecommunication Facilities	4.70	2.24
17.	Nov. 20, 1963	General Consultants	5.60	2.67
18.	Nov. 20, 1963	5th Railway Loan	14.50	6.90
19.	Nov. 20, 1963	Mechanical Equipment Organization	1.50	.71
20.	Dec. 9, 1963	Machinery Pool Organization (1st)	5.00	2.38
21.	Dec. 9, 1963	Public Health Engineering	1.50	·71

(*Continued overleaf*)

TABLE II *Continued*

DATE OF AGREEMENT	PROJECT	DOLLARS (millions)	RUPEES Equivalent (crores)
22. Jan. 31, 1964	SCARP-I Operations and Maintenance	.75	.36
23. Jul. 13, 1964	General Commodities (5th)	100.00	47.62
24. Jul. 10, 1964	Lyallpur Power Station	18.10	8.62
25. Jul. 16, 1964	Sui Gas Purification Plant	2.70	1.29
26. Aug. 28, 1964	Siddhirganj Power Station	8.50	4.05
27. Sept. 4, 1964	Karnafuli Project (3rd unit)	3.80	1.81
28. Sept. 17, 1964	Urban Water Supplies	3.60	1.71
29. Sept. 17, 1964	East WAPDA* Transmission Lines	2.80	1.33
30. Oct. 14, 1964	Chittagong Port	3.40	1.62
31. Oct. 16, 1964	Karachi Power Distribution	7.20	3.43
32. Dec. 9, 1964	West WAPDA Machinery Pool (2nd)	6.00	2.86
33. Dec. 21, 1964	General Commodities (6th)	140.00	66.67
34. Dec. 30, 1964	West WAPDA Power Distribution	12.50	5.95

*Water and Power Development Authority



DATE OF AGREEMENT	PROJECT	DOLLARS (millions)	RUPEES Equivalent (crores)
35. Jan. 11, 1965	Dacca-Aricha Road	14.00	6.67
36. Feb. 25, 1965	Malaria Eradication (2nd)	10.40	4.95
37. Apr. 16, 1965	Pakistan Eastern Railway VII	8.70	4.14
38. Apr. 23, 1965	Pakistan Western Railway VI	7.53	3.59
39. Jan. 19, 1966	Mangla Dam Transmission Lines	8.20	3.90
40. Jan. 22, 1966	Pakistan Western Railway (Diesel Locomotives)	4.80	2.29
41. Feb. 21, 1966	Sui Gas (4th)	2.70	1.29
42. May 4, 1966	Lahore-Multan Road	15.00	7.14
43. May 4, 1966	General Commodities (7th)	50.00	23.81
44. Jun. 27, 1966	WAPDA Consultants	6.00	2.88
45. Aug. 17, 1966	General Commodities (8th)	70.00	33.33
46. Dec. 31, 1966	SCARP-II-B	14.10	6.71
47. Mar. 9, 1967	General Commodities (9th)	70.00	33.33
	TOTAL:	940.90	448.05

An overall view of the Mangla Dam spillway. The dam's hydro-electric facilities, commissioned in June, 1967, will add one million kilowatts of electricity for West Pakistan homes and industry.

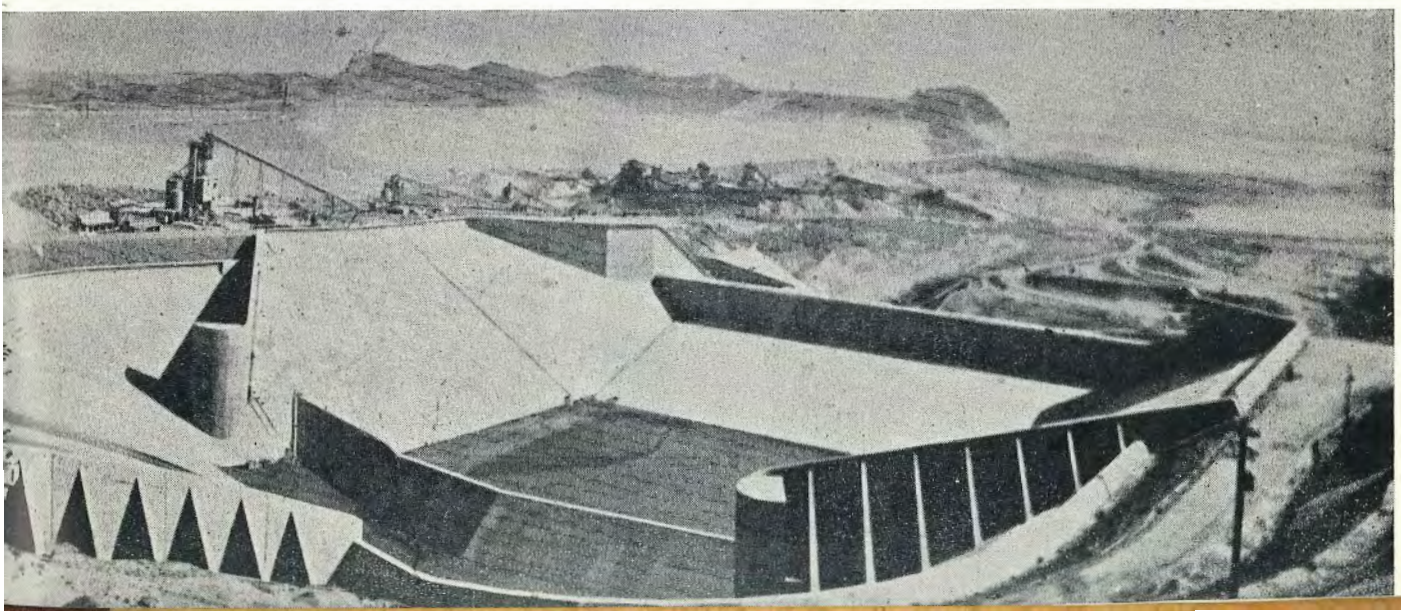


TABLE III

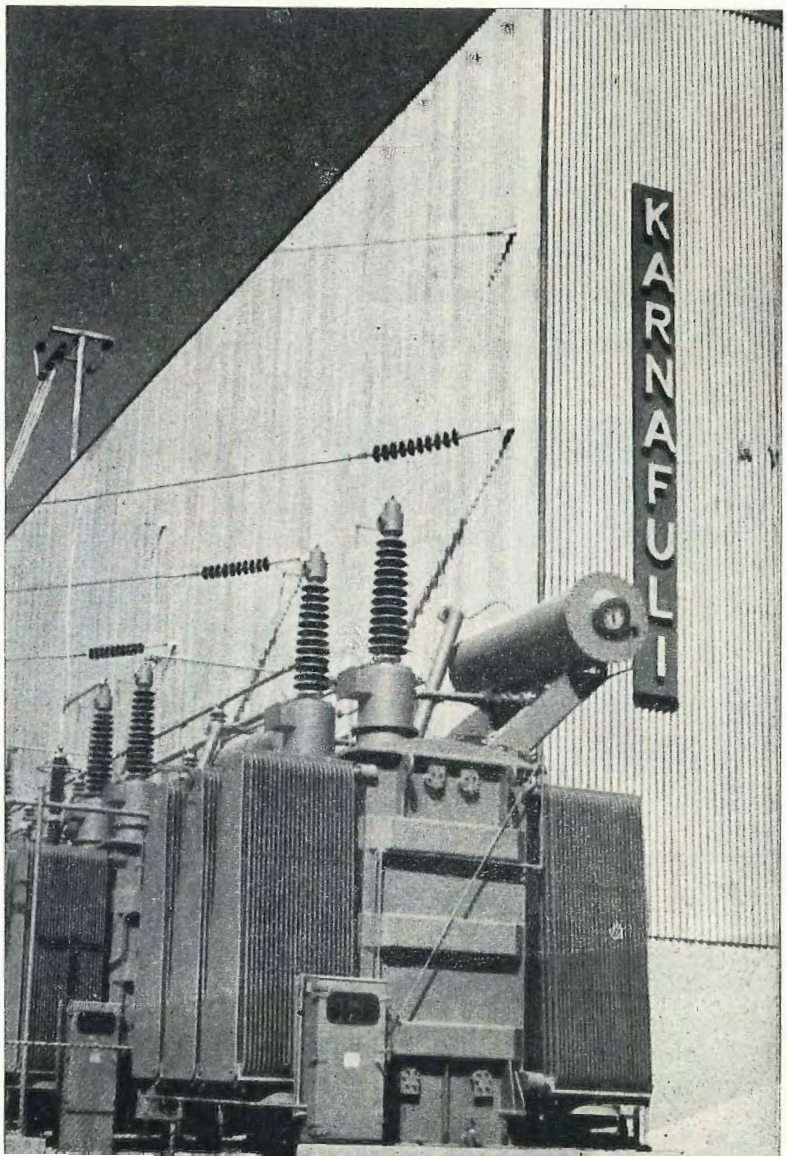
LOANS FROM THE UNITED STATES DEVELOPMENT LOAN FUND

	DATE OF AGREEMENT	PROJECT	DOLLARS (millions)	RUPEES Equivalent (crores)
1.	Jun. 30, 1958	Karachi Water and Sewage	3.77	1.80
2.	Dec. 4, 1958	PICIC* (1st loan)	4.20	2.00
3.	Feb. 18, 1959	Waterlogging and Salinity (SCARP-I)	14.96	7.30
4.	Feb. 18, 1959	West WAPDA High-Tension Grid	11.84	5.64
5.	Feb. 18, 1959	Karnafuli Multipurpose Dam	17.94	8.54
6.	Feb. 18, 1959	Railways (1st loan)	9.02	4.29
7.	Jun. 29, 1959	West WAPDA Secondary Transmission Grid	21.68	10.32
8.	Jul. 10, 1959	Chittagong Port	1.89	.90
9.	Sept. 12, 1959	East Pakistan Inland Waterways	1.72	.82
10.	Nov. 3, 1959	Karachi Jet Runway	3.05	1.45
11.	Jan. 15, 1960	PICIC (2nd loan)	9.90	4.72
12.	Jan. 16, 1960	Railways (2nd loan)	21.87	10.41
13.	Feb. 19, 1960	Sui Gas Transmission	1.99	.95
14.	Sept. 19, 1960	Indus Basin Scheme	70.00	33.33
15.	May 12, 1961	PICIC (3rd loan)	7.50	3.57
16.	Jun. 14, 1961	East WAPDA Dredger Fleet	2.30	1.09
17.	Jun. 14, 1961	Quetta Thermal Power Station	6.00	2.86
18.	Jun. 14, 1961	Railways (3rd loan)	6.50	3.09
19.	Apr. 24, 1962	Wah Factories	5.20	2.48
		TOTAL:	221.33	105.40

*Pakistan Industrial Credit and Investment Corporation

Public Health

The Malaria Eradication Program is making an important contribution to Pakistan's economy by releasing the tremendous reserves of human energy, formerly wasted by this debilitating disease. So far, over 55 million people have been brought under protection. Here, supplies of DDT are delivered to a West Pakistan village.



Power Development

A 132,000 KW transformer at the Kaptai power station in East Pakistan, part of the Karnafuli Multi-purpose Project. Other major power development projects, financed with the help of U.S.A.I.D. loans, are located at Quetta, Lyallpur, Siddhirganj.

TABLE IV

LOANS FROM THE COOLEY FUND

The second column lists the name of the borrower, the U. S. partner, and gives a brief description of the project and its location

DATE OF AGREEMENT	BORROWER	RUPEES* (lakhs)	DOLLARS Equivalent (thousands)
1. Apr. 17, 1959	Warner Lambert (Warner Lambert Pharmaceutical Co.) Pharmaceutical production facilities, Karachi.	10.00	210.00
2. Feb. 18, 1960	Abbott Laboratories (Abbott Laboratories) Pharmaceutical plant facilities, Karachi.	20.00	420.00
3. Apr. 4, 1960	Pfizer Eastern Corp. Dumex (Chas. Pfizer and Co., Inc.) Pharmaceutical plant, Karachi.	20.00	420.00
4. July 15, 1960	Lederle Laboratories (American Cyanamid Co.) Working capital for pharmaceutical plant, Karachi.	10.00	210.00
5. Mar. 7, 1961	Pakistan Fabric Co. (Belton Bagging Co.) Working capital and jute-bagging plant, Narayanganj, East Pakistan.	20.00	420.00
6. Mar. 27, 1961	Intercontinental Hotels Corp. (Pan American World Airways) Equity in Pakistan Services hotel chain.	46.67	980.07
7. Sept. 14, 1961	Wyeth Laboratories (American Home Products Corp.) Production of pharmaceuticals, Lahore.	18.00	378.00
8. Oct. 11, 1961	Parke, Davis & Co. (Parke, Davis & Co.) Construction of pharmaceutical plant, Karachi,	20.75	435.75

* Rs. 4.76=$1.00

(*Continued on page 30*)

Medical Research

The Physiology Laboratory of the Jinnah Post-Graduate Medical Centre in Karachi. Two of the center's projects, the College of Nursing and the Basic Medical Sciences Institutes, have been supported by U.S.A.I.D.

Consumer Products

An interior view of Shezan International, a Cooley Fund-assisted bottling plant in Lahore. The bottles are automatically filled with juice.

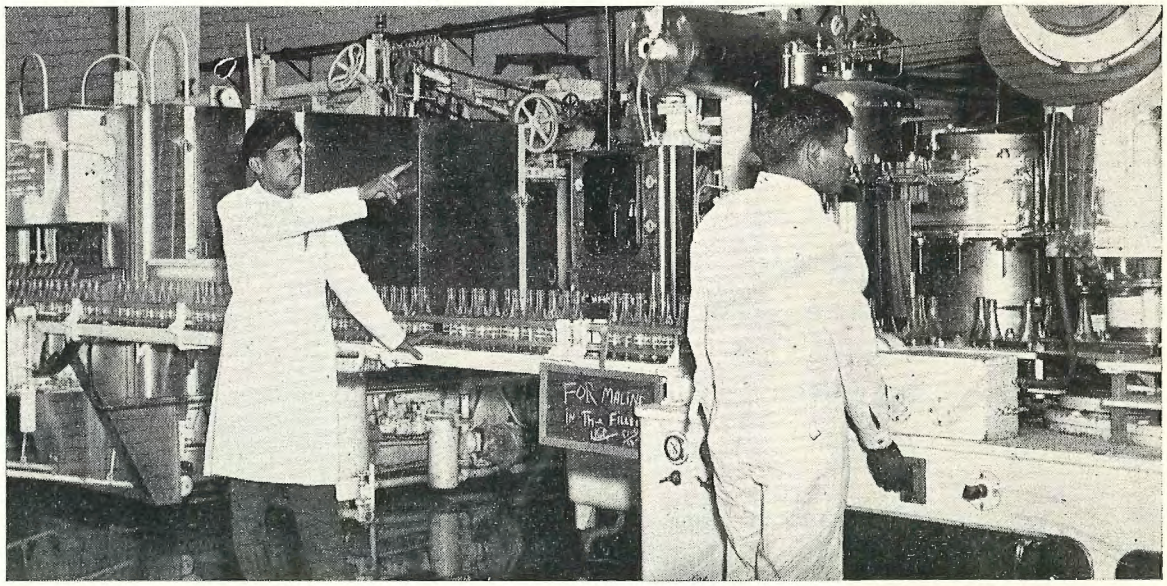


TABLE IV *Continued*

DATE OF AGREEMENT	BORROWER	RUPEES (lakhs)	DOLLARS Equivalent (thousands)
9. Jul. 16, 1962	Pakistan Services Ltd. (Pan American World Airways) Construction of Hotel in Karachi.	57.43	1,206.03
10. Aug. 14, 1962	Pakistan Fabric Co. (Belton Bagging Co.) Working capital and jute-bagging plant, Narayanganj, East Pakistan.	10.00	210.00
11. Sept. 29, 1962	Singer Sewing Machine Co. (Singer Manufacturing Co.) Working capital for distribution of locally manufactured sewing machines, Karachi.	50.00	1,050.00
12. Apr. 18, 1963	General Tyre and Rubber Co. (General Tire and Rubber Co.) Construction of tire and tube plant, Karachi.	71.31	1,439.73
13. Aug. 12, 1963	Merck, Sharp and Dohme (Merck & Company) Expansion of pharmaceutical plant, Karachi.	15.00	315.00
14. Nov. 26, 1963	Intercontinental Hotels Corp. (Pan American World Airways) Equity in Pakistan Services hotel chain.	35.00	735.00
15. Feb. 4, 1964	Pakistan-American Liberty Tank Terminals (American Liberty Tank Terminals) Construction of bulk storage terminal, Karachi.	4.76	99.96
16. Aug. 24, 1964	Pakistan Services Ltd. (Pan American World Airways) Construction of hotel in Dacca.	44.77	940.17
17. Oct. 1, 1964	Carter Wallace (Carter Products, Inc.) Construction of pharmaceutical plant, Karachi.	10.00	210.00
18. Dec. 4, 1964	Shezan International (Ambor Corp.) Fruit juice processing, Lahore.	23.75	498.75

DATE OF AGREEMENT	BORROWER	RUPEES (lakhs)	DOLLARS Equivalent (thousands)
19. Feb. 4, 1965	Pakistan Fabric Co. (Belton Bagging Co.) Working Capital and jute-bagging plant, Narayanganj, East Pakistan.	23.00	483.00
20. Feb. 5, 1965	Arbor Acres Pakistan Ltd. (Arbor Acres Farm, Inc.) Working capital and capital assets for poultry breeding farm, Karachi.	8.75	183.75
21. June 4, 1965	Rafhan Maize Products Co. Ltd. (Corn Products Co.) Corn processing, Lyallpur	50.00	1,050.00
22. Nov. 10, 1965	Pakistan Services Ltd. (Pan American World Airways) Construction of hotel in Lahore.	39.03	819.63
23. Jan. 17, 1966	Singer Industries Ltd. (Singer Co.) Expansion of foundry and machine shop, Karachi.	22.50	472.50
24. Mar. 22, 1966	Pakistan Services Ltd. (Pan American World Airways) Construction of hotel in Rawalpindi.	34.49	724.29
25. Mar. 24, 1966	Sunshine Farms Ltd. (Bresler Ice Cream Co.) Construction of modern dairy plant, Karachi.	6.00	126.00
26. Mar. 28, 1966	Johnson & Johnson Pakistan Ltd. (Johnson & Johnson) Construction of pharmaceutical plant.	18.00	378.00
	Total:	689.03	14,469.63

TABLE V

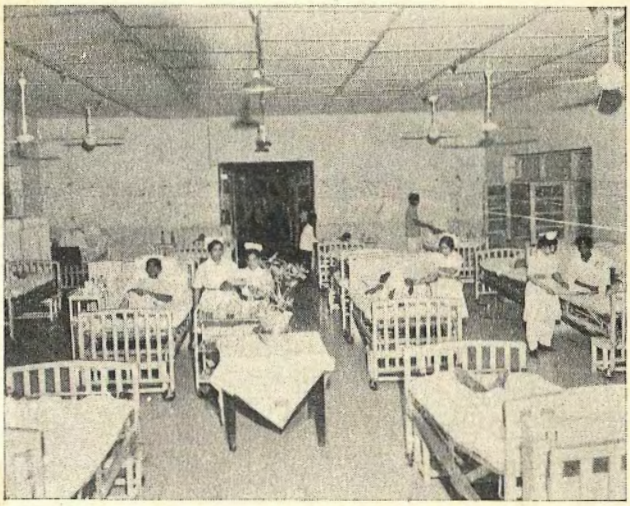
EXPORT-IMPORT BANK LOANS

	DATE OF AGREEMENT	PROJECT	DOLLARS (millions)	RUPEES Equivalent (crores)
1.	Sept. 10, 1957	Lockheed-Aircraft Corp. Aircraft and spare parts for PIA.	2.83	1.35
2.	Sept. 10, 1957	Curtiss-Wright Corp. Aircraft and spare parts for PIA.	.39	.19
3.	Jun. 10, 1960	Machinery and equipment for cotton processing.	6.21	2.96
4.	Sept. 6, 1960	Construction of Hotel Karachi Intercontinental.	3.46	1.65
5.	Sept. 20, 1961	Boeing. Jet aircraft for PIA.	12.10	5.76
6.	Mar. 1, 1962	Construction of General Tyre and Rubber Co. factory, Karachi	.80	.38
7.	Sept. 21, 1962	Diesel electric locomotives for Pakistan Eastern and Western Railways.	11.90	5.67
8.	Feb. 7, 1963	Machinery and services for construction and equipping of Hotel Intercontinental, Dacca.	3.35	1.59
9.	Feb. 14, 1963	Machinery and services required by medium-scale industries in the private sector.	2.46	1.17
10.	Apr. 18, 1963	United Aircraft International Corp. Helicopters and spare parts for PIA in East Pakistan.	3.08	1.47
11.	Oct. 3, 1963	Construction of Intercontinental Hotel, Lahore.	2.08	.99
12.	Mar. 5, 1964	Construction of Intercontinental Hotel, Rawalpindi.	2.20	1.05
13.	Aug. 18, 1966	Machinery and services required by medium-scale industries in the private sector.	2.50	1.19
		Total:	53.36	25.42

HOW HAS PAKISTAN HELPED ITSELF WITH AMERICAN ASSISTANCE?

A PAKISTANI TODAY . . .

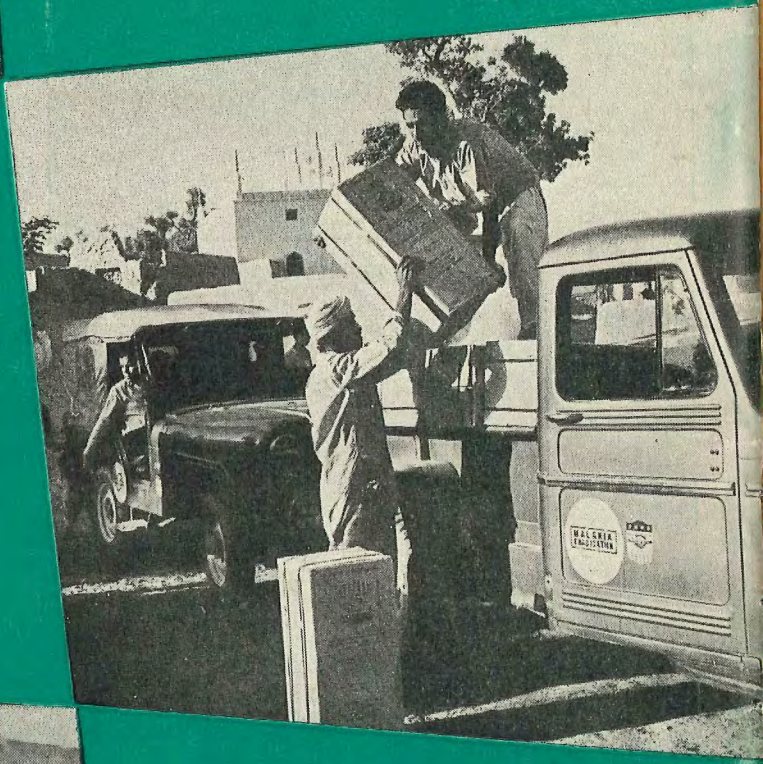
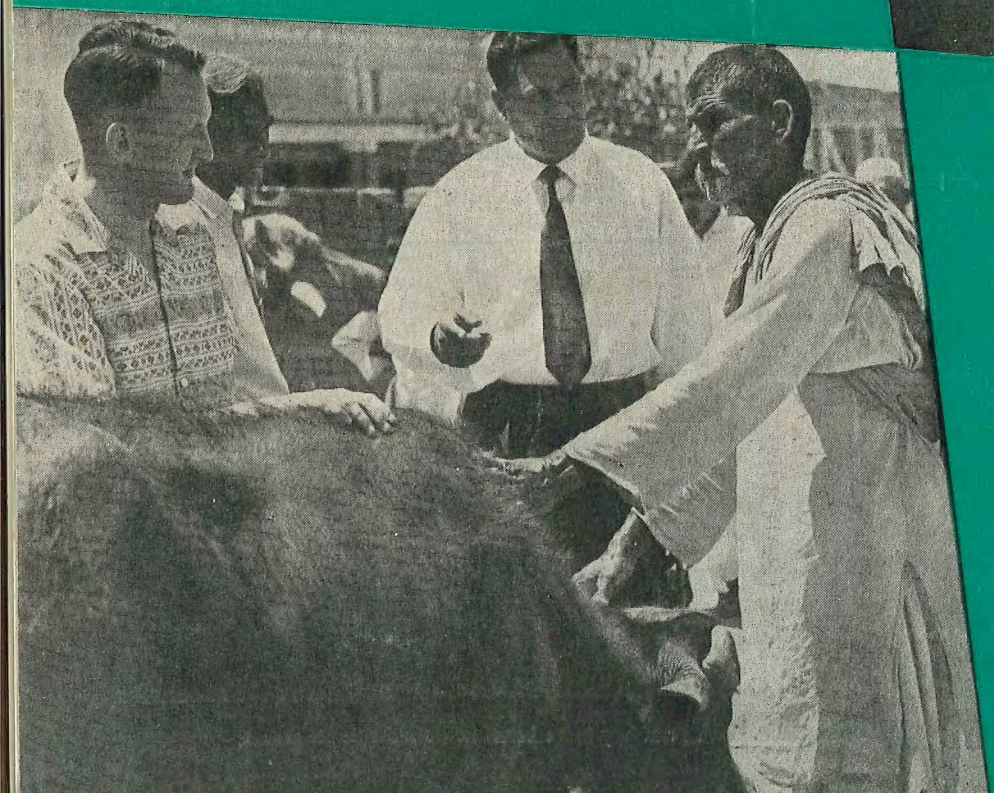
... can depend on a good supply of healthful foods ...



... enjoys improved medical services ...

... can successfully fight age-old diseases, such as malaria ...

... has better transportation facilities ...

... has better tools at a fair price to earn his livelihood ...

... can buy more bread made from better wheat.