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INTERNATIONAL COOPERATION ADMINISTRATION



WHAT IT IS

WHAT IT DOES

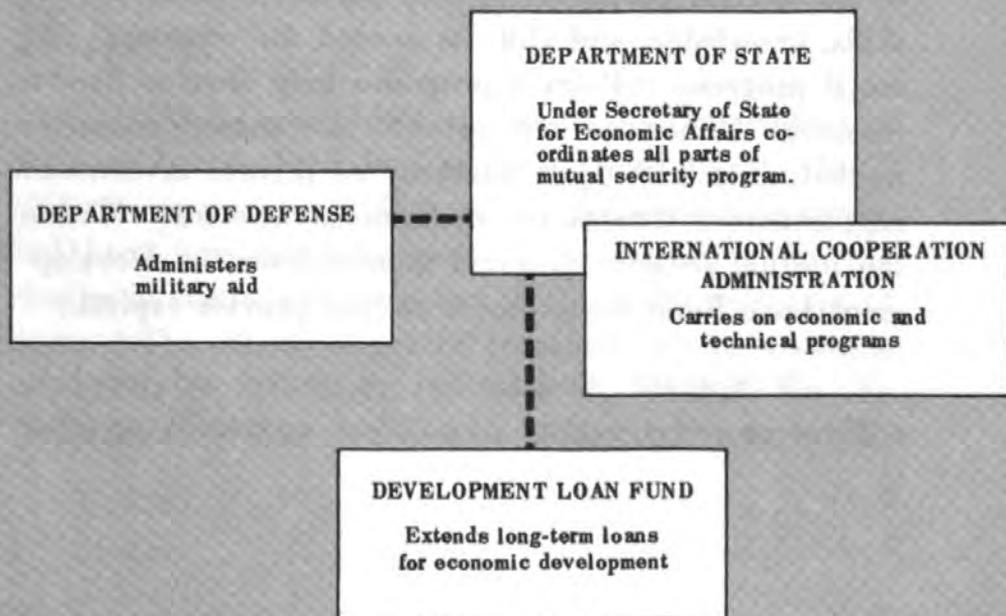
U.S. DEPARTMENT OF STATE

INTERNATIONAL COOPERATION ADMINISTRATION

Who:

The INTERNATIONAL COOPERATION ADMINISTRATION (ICA) is one of the three *operating* agencies which administer the mutual security program.

ICA has semiautonomous status within the Department of State, which is responsible for *coordinating* all mutual security operations, including those carried on by the Department of Defense and the Development Loan Fund.



Where:

ICA headquarters are in Washington, D.C. ICA offices overseas are usually called United States Operations Missions (USOM's) and are attached to U.S. embassies. ICA cooperates with nearly 60 nations and dependent territories in one or more aspects of the mutual security program.

What:

Within the mutual security program, ICA is responsible for the following activities:

1. Defense Support: economic aid for defense partners which have large defense forces and small economic resources.

2. Technical Cooperation (point 4): training by U.S. technicians, study grants for foreign technicians, small amounts of supplies and equipment needed for demonstration purposes—to help partner nations acquire skills, knowledge, and abilities needed for economic and social progress. (Point 4 programs help develop *human* resources. They do not provide the *capital* resources needed; this is the job primarily of private investment supplemented, if necessary, by public investment. Within the mutual security program monies from the Development Loan Fund are available to help provide capital.)

3. Special Assistance: economic aid to help achieve any of a variety of political, economic, or other

objectives; available for situations where other forms of U.S. assistance, such as defense support, cannot be used.

4. Contingency Fund: for emergencies (a) to help provide relief for victims of natural disasters; (b) to help cope with unexpected political or economic developments; and (c) to help counter, if necessary, unforeseeable Soviet-bloc actions.

5. Promoting Private Enterprise: (a) by helping other nations to set up development banks, to establish a hospitable climate for private business, and to provide prerequisites such as basic education and a skilled, healthy labor force; by assistance in developing transportation, communication and power facilities; and through surveys of natural resources and markets and (b) through information aids to U.S. small business and insurance for new U.S. investments overseas against nonbusiness risks, i.e., expropriation, inability to convert into dollars money earned overseas, or damage resulting from war. A new Office of Private Enterprise has been established within ICA to enlist the resources and talents of private enterprise in developing free-world countries.

When:

ICA was established as part of the Department of State on July 1, 1955, by Executive Order 10610. Until 1955 the operations of ICA, or its predecessor agencies, had been considered temporary. In providing for the change of status, the President wrote to the Secretary of State: "The placing of general responsibility for economic operations as well as for policy in this field within the Department of State offers assurance that, under a per-

manent government establishment, we are providing a long-range basis for this kind of international cooperation. It is emphatic recognition of the principle that the security and welfare of the United States are directly related to the economic and social advancement of all peoples who share our concern for the freedom, dignity, and well-being of the individual."

How:

U.S. participation with other free nations in cooperative programs is presently authorized by Congress in the Mutual Security Act of 1954, as amended, and in other



Indian farmers examine corn produced from improved varieties introduced through the U.S. technical cooperation program.

related' legislation. All mutual security programs are undertaken jointly by the United States and other governments in accordance with written agreements, and the cooperating governments contribute manpower, money, and material.

U.S. funds for this nation's share of the cooperative programs are appropriated each year by Congress. For fiscal year 1959 Congress appropriated \$3,298 million for the mutual security program. Of this total, \$1,515 million was for direct military aid, which is administered by the Department of Defense; \$400 million was for the Development Loan Fund; and most of the remainder was for economic and technical assistance to be administered by the International Cooperation Administration.

Why:

In the Mutual Security Act of 1954, as amended, the Congress has stated the purposes of the mutual security program:

“ . . . to promote the foreign policy, security, and general welfare of the United States . . . to achieve international peace and security through the United Nations . . . based upon the principle of continuous and effective self-help and mutual aid . . . including the furnishing of military assistance to friendly nations and international organizations . . . raising standards of living, creating new sources of wealth, increasing productivity and expanding purchasing power . . . to encourage the efforts of other free nations to increase the flow of international trade, to foster private initiative and competition . . . to encourage and facilitate participation by private enterprise. . . .”

Results of Economic and Technical Assistance Under the Mutual Security Program

“The realities of this era indicate all too clearly that the course of our country will be deeply affected by forces at work outside our borders. These forces, if left to exploitation by extremists, will inevitably lead to changes destructive to us. Yet with wisdom and tenacity it lies within our power to frustrate or to shape these forces so that the peoples directly concerned and our own Nation may be benefited.”

“We cannot safely confine Government programs to our own domestic progress and our own military power. We could be the wealthiest and the most mighty Nation and still lose the battle of the world if we do not help our world neighbors protect their freedom and advance their social and economic progress. It is not the goal of the American people that the United States should be the richest Nation in the graveyard of history.”

“In the world as it is today—and as it will be for the foreseeable future—our mutual security program is and will be both essential to our survival and important to our prosperity. It not only rests upon our deepest self-interest but springs from the idealism of the American people which is the true foundation of their greatness. If we are wise we will consider it not as a cost but as an investment—an investment in our present safety, in our future strength and growth, and in the growth of freedom throughout the world.”

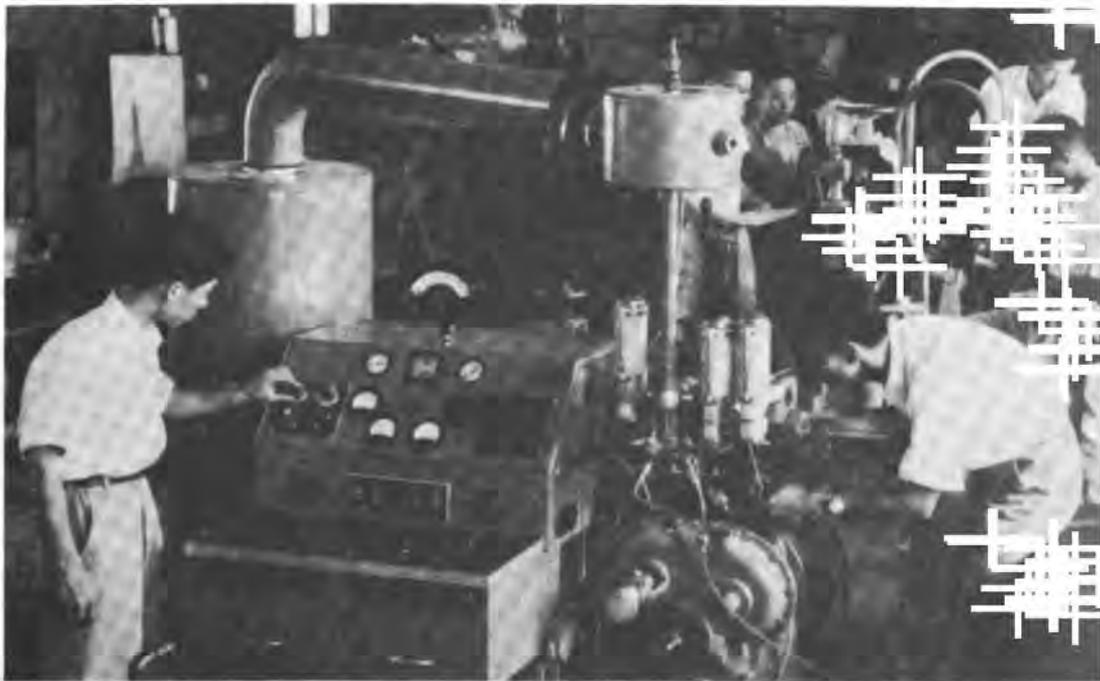
DWIGHT D. EISENHOWER

**Message to Congress on the
Mutual Security Program,
March 13, 1959**

Economic Assistance

Economic progress, achieved in part with U.S. assistance through the mutual security program, has brought hope to the hearts of millions of people. Peaceful evolution through existing governmental institutions rather than violent revolution is a goal that is being met by the U.S. mutual security program.

Ravages of World War II have been repaired in most countries. The Marshall plan achieved its goals in Europe more quickly and cheaply than expected. Today this free-world area is not only providing higher standards of living for its citizens than ever before but is also able to undertake a substantial share of the free world's defense



The internal combustion engine laboratory at Cheng Kung University on Taiwan.

costs. This increased prosperity in other countries has meant greater overseas markets for U.S. business. The export of U.S. products has been at record levels during the past 4 years.

Defense support has helped many nations to avert economic collapse. No defense partner of the United States—no matter how large the defense burden it has had to carry in order to counter Soviet-bloc threats and no matter how small its economic resources—has collapsed trying to meet defense costs which, however necessary, are beyond its ability to pay.

Emergency programs have demonstrated U.S. humanitarian ideals and an unselfish desire to build a world community of nations.

(a) Relief to victims of war

- . . . Korea
- . . . Viet-Nam
- . . . Taiwan

(b) Food for victims of famine

- . . . Bolivia
- . . . Nepal
- . . . Pakistan
- . . . Libya

(c) Drugs and health supplies to curb epidemics

- . . . polio vaccine to Poland
- . . . smallpox vaccine to Iran and Pakistan

(d) Help to suffering people behind Iron Curtain

- . . . food for East Germany
- . . . flood relief in East Germany, Czechoslovakia, and Hungary

- (e) **Other aid in emergency situations**
 - . . . relief to victims of earthquake in Greece
 - . . . relief to victims of fire in Hong Kong
 - . . . relief to victims of floods in Pakistan and Ceylon
 - . . . relief to victims of Soviet suppression of Hungarian revolt

Technical Cooperation

More than 6,000 skilled American technicians are working overseas spreading technical knowledge in 58 countries. They have trained more than 3 million people who are now passing that training on to others. The areas of training include agriculture, natural resources development, industry, mining, transportation, telecommunications, meteorology, labor relations, health, sanitation, education, public administration, public safety, community development, housing, banking and credit development, and the peaceful uses of atomic energy.

Sixty-five percent of technical cooperation funds are used in these fields:

AGRICULTURE, FORESTRY, AND FISHING

ICA is today aiding 55 countries to improve diets and food supplies and thus keep pace with rising populations. Demonstrations, aid to agricultural education and training, research, and the dissemination of the results of research are among the ways this help is carried on. ICA has helped many countries establish farm credit institutions, agricultural extension services, farm organiza-

tions, and youth clubs. It also has introduced improved seeds, better breeding stock, new methods of handling fish, modern farm machinery, and better marketing systems.

EDUCATION

More than 300 universities, colleges, and technical schools in 41 countries are being aided in their development through 80 ICA contracts with American universities. In one instance Bangkok Technical Institute, started in 1952 and supplied with advisers by Wayne State University of Detroit, has expanded until today it has 4,600 students. Fifteen foreign universities are being aided to establish schools of public administration and business



Afghan children at a teachers' workshop, organized with ICA technical assistance by a Columbia University team.

management. ICA has helped to train hundreds of thousands of elementary school teachers, and in some countries up to 80 percent of all teachers. For example, training has been given to 2,300 teachers in Nepal where 407 new schools have been opened. School attendance has increased from 15,000 to 85,000, and more than 15,000 adults have been trained to read and write.

INDUSTRY

Governments of less developed nations frequently turn to industry with the expectation that rapid development will help solve economic problems, provide capital for further development, and give people a sense of well-being and independence. An atmosphere of urgency regarding industrial objectives complicates the numerous and difficult problems which normally beset industrial growth.

The United States is aiding the newly developing countries to build industries vital to their local economies, such as power plants, sugar beet processing mills, and factories for the production of cement, bottles, containers, fertilizer, and other essentials for industrial growth. This aid has been both in the public and in the private sector. Public aid has generally been with the stipulation that the industry will eventually be operated under private ownership.

Through a participant training program, ICA affords foreign personnel, through visits to the United States or third countries, opportunities to see and learn at firsthand the full range of skills and concepts applied in achieving technological improvements in a modern industrial economy. Particular emphasis is placed on the development

of leaders, staff, and trained personnel to establish or strengthen host country industrial development to enable the country to carry on independently.

HEALTH AND SANITATION

Thousands of public health workers, including physicians, sanitary engineers, health educators, nurses, and others, have been trained in the 40 countries where ICA is cooperating in health work. In many countries the principles of preventive medicine have been introduced for the first time.

ICA has been helping for years to fight malaria in



A spray team goes into action with DDT in a Philippine home.

what has grown to be a worldwide campaign against this disease which each year kills 2 million people. In some areas of Iran, for example, the incidence of malaria has been reduced from 90 percent to less than 5 percent with a resulting increase of effective manpower of more than 400 percent. The value of this demonstration was so apparent to Iran that for the past 3 years its government has paid all costs of malaria eradication. Iran now also conducts its own fight against smallpox, and more than 8 million people have been vaccinated.

ICA is cooperating on a worldwide basis in campaigns against cholera, tuberculosis, and the waterborne diseases which are the greatest killers in many countries. Progress is being made against trachoma, an eye disease afflicting 400 million people. In Tripolitania, Libya, incidence of the disease among school children has been reduced from 74 to 31 percent.

ICA Administration

ICA is organized on a regional basis with supporting technical and management staffs. The five regional offices are Latin America, Europe, Africa, Near East and South Asia, and Far East.

There are approximately 1,500 employees in the Washington headquarters office and 10,000 overseas. ICA operations involve more than 2,000 projects.

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