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POINT FOUR GETS OFF TO SUCCESSFUL START

The thunder of jets over Korea, the rumblings of military mobilization in Europe and the vigor of foreign policy debates in Washington have drowned out the news that this country is making very real progress in implementing its Point Four program.

First mentioned in Mr. Truman's inaugural address on Jan. 20, 1949, Point Four became law on June 5, 1950 when the President signed a bill entitled "An Act for International Development." This statute empowered the President to proceed with the technical assistance phase of the plan for raising the level of industrialization in the underdeveloped areas. It is expected that the Administration will request the 82nd Congress to pass legislation permitting the government to encourage the flow of private capital abroad by tax concessions and guarantees against losses on foreign investment arising from expropriation or currency inconvertibility.

Point Four Fund. Although the State Department had hoped to have \$45 million to finance the first year of the program, it was not unduly disappointed with the \$34.5 million granted by the Appropriations Act signed September 6, 1950. Of this total, \$2.6 million appropriated for International Information and Educational Activities will be utilized to finance technical assistance projects already under way, while \$5 million will be turned over to the Institute of Inter-American Affairs to carry out its activities frequently referred to as a "preview of Point Four." This leaves new money of \$26.9 million, from which amount must come this country's \$12,007,500 contribution to the United Nations \$20-million program of technical assistance. After several other minor deductions are made, about \$10 million will be left out of this year's appropriations to be apportioned among participating countries for new projects.

Almost from the first the Point Four program was forced to labor under the severe handicap of public misunderstanding. The concept was originally presented

in such glowing terms that it was easy to overlook the fact that it was essentially a long-term policy of guided self-help. In the underdeveloped areas Point Four was considered to be a sort of super give-away or "hit-the-jackpot" affair. When the meaning of technical assistance did percolate down to the expected participants, their first reaction was one of dismay. Prime Minister Nehru of India considered the program of "no great value," and M.A.H. Ispahani, Pakistani ambassador to the United States, termed it financially inadequate.

Progress to Date. While the United Nations program of technical assistance is making slow but steady progress, the United States has proceeded to make a number of bilateral agreements designed to implement Point Four. These negotiations have led to a clearer understanding of the plan as well as to a friendlier attitude on the part of prospective recipients.

The first comprehensive and integrated project under the program was agreed upon ~~MMMM~~ by the U.S. and Iran on Oct. 19 and involved an allocation of \$500,000 to help improve conditions in rural Iran. Under the project villagers will be taught elementary sanitation, agricultural and vocational techniques in centrally located demonstration centers. It is hoped that this mass education will, for example, reduce the number, about 4 million, who fall victim to malaria every year.

During the last week in October the Council of Ministers of the Egyptian government approved that country's participation in the Point Four program and directed its foreign minister to discuss details of a specific agreement with StateDept. officials. The Egyptian govt. had the matter under advisement for several months and agreed to participate only when convinced that there were no political strings tied to the program.

On Nov. 7 a general, or "umbrella," agreement was signed with Ceylon. Unlike the Iranian arrangement, it does not involve a grant of funds. Rather, the arrangement specified certain lines of technical cooperation, including specific projects, as well as a statement of the conditions that must be met in order to qualify that

island to receive Point Four funds.

On Dec. 2 the U.S. and Paraguay announced the formation of a joint commission for economic development. This body will survey the needs of the Paraguayan economy and make recommendations as to the specific projects which should be financed with a Point Four allocation.

On Nov. 18, Oscar Meier, chief of the U.S. economic mission to Liberia, said that the progress made in that small, independent African republic was "a striking illustration of what can be done with technical assistance toward the development of economic and human resources." The allocation to that country was \$850,000 to finance the activities of 67 American technicians working in the fields of health, agriculture, power, transport and public administration.

During the week of Dec. 18 Point Four pacts were signed with Haiti and Brazil. The latter document is especially interesting because it includes an "umbrella" agreement, similar to the one used in Ceylon, plus the establishment of a joint committee for economic assistance along the lines of the Paraguayan agreement.

On Dec. 28 the StateDept. announced that a Point Four compact had been signed with India. An allotment of \$1.2 million will be provided to begin work on five specific development projects. While this will not meet India's present emergency need for 2 million tons of grain, it can do much to assure that a similar situation does not occur in future years.

In each case the recipient nations are providing approximately the dollar equivalent of the Point Four monies in goods and services to be utilized in connection with local projects. It is estimated, for example, that the Iranian contribution of experts, equipment, buildings and land involves a local outlay valued at \$4 for every American dollar provided. It is therefore clear that this country, which, beginning with its contribution to UNRRA, has advanced nearly \$30 billion in foreign loans, grants and other forms of aid, has not embarked in Point Four on a program of major financial commitments.

According to Washington, there were, as of mid-December, 350 American technicians already at work in 36 foreign countries. These men and women are giving the lie to the Communist charge that this nation conducts its international economic relations on a predatory or imperialistic basis.

As the United States girds itself for a possible showdown with the Soviet Union, it is important to realize that the experts who bring the benefits of our scientific and industrial progress to remote portions of the world are valuable soldiers serving on the front lines of a constructive battle for a free world.

- Howard C. Gary