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# AN ANALYTICAL HISTORY AND EVALUATION OF THE EGYPTIAN AMERICAN RURAL IMPROVEMENT SERVICE (EARIS) (1953-1965)

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## I. PURPOSE AND METHODOLOGY

The purpose of this essay is to present an analyt cal history of the Egyptian American Rural Improvement Service (EARIS) which evolved during a period of fourteen years from 1951 to 1965. This analytical history will include an evaluative dimension, so that it could serve as a baseline document for a planned comprehensive field evaluation of EARIS; it is intended for use by AID and its Egyptian Mission for planning, design and implementation of possible future area development projects in Egypt.

The analytical history will be based on: 1) A detailed review of AID reports, evaluative documents and other archival materials and, 2) Interviews with twenty-two American foreign assistance personnel associated with EARIS. These materials have been supplemented by additional archival documentation, which have been acquired from the personal records of five of the interviewees. A critical approach has been utilized with the objective of identifying the strengths as well as the shortcomings of EARIS. A significant portion of the interviews were tape-recorded and transcribed. According to AID records collected by Patricia DeButts, approximately 90 American personnel were associated with AID/Egypt and EARIS. Only a handful of these individuals could be located due to death retirement or change of residence.

## II. THE EGYPTIAN POLITICAL SYSTEM

Since early times, there has been a unique interaction of political authority, agriculture and irrigation in the Valley of the Nile. This crucial tri-dimensional linkage was first manifested in Pharaonic times; it continues to provide a key to understanding the dynamics of Egyptian society and its political economy. Despite the concerted efforts of the Nasserite elite in the area of industrialization, modern Egypt remains a "hydraulic society" as Karl Wittfogel has demonstrated in his seminal study of major river systems.

It is precisely because of this traditional linkage between central authority and irrigated land, that the EARIS project assumed singular importance within the Egyptian milieu of mid-twentieth century. Due to the endemic shortage of arable land in Egypt, there has always been an ongoing governmental concern with cultivation and irrigation schemes throughout Egyptian history. With the advent of the Muhammad Ali dynasty, the historic trend toward large scale state activity in irrigation projects was intensified. Under the British, particular attention was paid to the development of dams and irrigation networks. In the interwar period, successive Egyptian governments continued to exercise substantial control over agricultural expansion and irrigation. Consequently, the American involvement in EARIS was in the mainstream of Egyptian popular consciousness as well as governmental policy priorities.

The political system within which EARIS was to operate, initially, centered on the increasingly dysfuntional monarchy of King Faruq. The crises besetting the mixed monarchical-parliamentary system were already manifest during the late forties. The abortive Egyptian involvement in the 1948 Palestine War

further weakened the legitimacy of the King who had been beset with protracted struggles with the nationalist Wafd Party, the Muslim Brotherhood and the persistent British imperial presence in the Canal Zone. In the context of pervasive domestic turmoil marked by strikes, demonstrations and assassinations, the defeat of Egyptian arms in 1948 triggered a revolutionary process which culminated in the takeover of power on July 23, 1952 by the Free Officers led by Lt. Colonel Gamal Abd al-Nasser.

At the outset, the Egyptian military regime enjoyed manifest support from the Western powers particularly the United States; it was also able to evoke considerable mass support from the Egyptian people, because of its reformist policies and promises. Soon after the takeover, the Free Officers Executive reconstituted itself as the Revolutionary Command Council (RCC) to act as the supreme policy making organism of the state. An all-civilian cabinet under Prime Minister Ali Mahir was entrusted with executive power to carry out the RCC's policies, the first of which was agrarian reform. Due to the reluctance of Ali Mahir to implement these reforms, in September 1952, General Muhammad Nagib became prime minister amid increasing mass support for this fatherly figure who had been designated by the young officers as "Leader of the Revolution". By June 1953, four additional RCC members assumed key cabinet positions in the context of a growing rivalry between General Nagib and his young RCC colleagues. As president and prime minister, Nagib was able to garner the support of the outlawed political parties and the Muslim Brotherhood which were pressing for a return to civilian constitutional life, against the wishes of Nasser and his supporters. It was not until April 1954 that the Nasserite faction was successful in consolidating its power; in November 1954 General Nagib was dismissed from the government and placed under house arrest.

The ascendence of the Nasserite officer's group marked the beginning of institutionalized military rule in Egypt. During the mid-fifties, the political system increasingly assumed the attributes of praetorianism, as growing numbers of military officers were brought into the government bureaucracies to assure loyalty to the military elite. As a direct consequence of his nationalistic policies and Pan-Arabist orientations, Nasser emerged as the central personality of the revolutionary regime. His successful confrontations with the West subsequently brought him widespread popularity in Egypt and in the Arab world. By using the dual instrumentalities of Nasser's personal charisma and a single party system, the regime progressively mobilized the population to realize its plans for modernization of Egyptian social and economic life.

## III. THE SOCIO-ECONOMIC ENVIRONMENT

Despite the considerable efforts of the pre-revolutionary regime in promoting Westernization, Egypt remained a traditional society where Islam was the dominant value system. Since the opening up of Egypt to the West in the nineteenth century, the Islamic ethos came into conflict with intruding external ideologies--secular liberalism, socialism and variants of

Western nationalisms. The Islamic response to these intrusions ranged from selective incorporation to total rejection. The consequent destabilization of Egyptian society produced an identity crisis which was exemplified by polarization between Westernizers, Islamic fundamentalists, pharaonic nationalists, Arab nationalists and socialist internationalists. Thus, at the time of the 1952 Revolution there was no ideological consensus to guide the social and economic development of the country. During the late fifties however, the regime was successful in forging an ideological synthesis eclectically, by fusing certain socialist and etatist principles with Pan-Arab nationalism, which included a neutralist orientation in world affairs.

In the field of economic development, the regime's etatism first manifested itself in the Agrarian Reform Act of Sept. 9, 1952, which limited individual land ownership to 200 faddans. The government proceeded to distribute 430,000 faddans of excess landholdings to 120,000 landless peasants, thus delivering a formidable blow to the economic power of the large landowners and strenthening the regime's ties with the fallahin.

After encouraging foreign investments and domestic capitalism in the mid-fifties, the regime began to expand its role in the economy by widening agrarian reform and Egyptianizing foreign owned enterprises. During 1960-62, the regime nationalized the publishing industry, banks, insurance companies and hundreds of industrial enterprises. This trend continued until the late sixties when state ownership and control over the means of production became preponderent. In this period, economic development was initiated from the top in accordance with five-year plans which could not be fully implemented due to the intrusion of the June 1967 War and other instances of external involvement.

## IV. THE INTERNATIONAL MILIEU

One of the most persistent phenomena in Egyptian history has been the unusually close interaction between the political economy of the Nile Valley and international developments. Since the Napoleonic conquest, Egypt's political and economic well-being has been inextricably intertwined with the interests of the great powers by virtue of Egypt's strategic location and related factors. The dramatic changes instituted after the advent of Muhammad Ali, which included military modernization and the growing of long-staple cotton, further contributed to Egypt's involvement in global politics and economics. Finally, the introduction of British power in 1881 transformed Egypt into a centerpiece of the British imperial system.

Given these circumstances of foreign subjugation, reaching back to the Pharaonic millenium, the Egyptian response was one of virulent nationalism which strove to achieve full independence and national sovereignty. During the interwar period, the Egyptian nationalist quest was directed against the british presence which manifested all the signs of permanence. Hence, the desire of many prominent nationalists to support the Axis Powers during World War II to bring about deliverence from British rule. After using Egypt as the epicenter for the Allied War effort, the British insisted on

maintaining large forces in the Suez Canal Zone, with the declared objective of defending the waterway.

Three other factors came into play to define Egypt's international environment after World War II. These consisted of the establishment of Israel, the rise of the Soviet Union and the growth of American power in world affairs. With the declining British position in the Middle East, there was an incremental substitution of American power to fill the resulting vacuum in the context of the Cold War. The American fixation on Soviet expansionism in the Middle East, brought massive commitment of military aid to Turkey and Iran, and the readiness to make similar arrangements with Egypt and the Arab world in general. However, this type of Cold War American approach to Egypt, possessed a serious flaw which eventually set the stage for the deterioration of US-Egyptian relations.

American policy makers failed to consider the objective needs of Egypt in the post-1948 period. In the Egyptian perception, the predominant external issue was not defense against the Soviet Union which did not share borders with Egypt or other Arab countries. The paramount concern was the presence of a powerful antagonist--Israel, which heightened the Egyptian and Arab sense of vulnerability and insecurity. Consequently, the American attempts to enlist Egypt and the Arab world in an alliance system (Baghdad Pact) against a remote potential antagonist like the Soviet Union, were destined to prove abortive. In the absence of a genuine American scheme to settle the conflict with Israel, Egypt's interests and priorities required the strengthening of its armed forces through the introduction of modern weaponry. The American readiness to satisfy this need was made contingent upon Egyptian willingness to join the US, Britain and France and their regional allies, in the establishment of a defensive alliance against the USSR. In view of the prevailing Egyptian-Arab sentiments against Britain and Israel, no Egyptian or Arab ruler could participate in such a Western alliance system without encountering massive domestic opposition. The logical outcome of this dilemma was Nasser's decision to accept modern Soviet arms in September1955--an action that marked the beginning of a major reversal of American fortunes in the Arab World.

Aside from its security concerns vis-a-vis Israel, Egypt's most essential priority involved the acquisition of large-scale foreign aid. This fundamental need placed the US in a unique position to satisfy Egyptian developmental priorities. If implemented successfully, the US would assume a powerful economic position in the common heartland of the Arab and Islamic worlds. Indeed, in terms of its wealth, technical advancement, and superior reputation, the US was the only country which was capable of bringing about a comprehensive economic transformation in the politically crucial Valley of the Nile.

Therefore, the conceptualization and implementation of the EARIS project took place within the foregoing international, regional and domestic parameters. While its specific goals were purely developmental, it was recognized that the ultimate impact of EARIS would be political as well, particularly as it reflected on American capabilities and the creation of pro-American attitudes and sympathies among the Egyptian people. With the increasing politicization of Egyptian-American relations during the mid-fifties, it became ever more difficult to separate EARIS and the US Aid Mission from the political turbulence of the larger environment. It was

no mere accident that in 1956 and 1965, American developmental efforts in Egypt fell victim to political vicissitudes, wars and confrontations.

## V. A HISTORY OF POINT IV AND EARIS: 1951-1965

An overall chronological view of Point IV and EARIS indicates several distinct phases through which the programs evolved between 1951 and 1965. The first phase, consisting mainly of Point IV technical assistance, provided both the background of EARIS as well as a transitory period devoted to negotiation, and preliminary planning, all undertaken during 1951-53. The second phase, involving detailed planning and implementation of EARIS proper, began during 1953 and ended with the departure of the US TCA Mission in November 1956 as a direct consequence of the Suez War. Phase III was marked by the resumption of US aid in 1959 and ended with the completion of the US role in EARIS in 1964. In terms of reconstructing the complete history of EARIS, it would be necessary to account for developments during the years 1957 and 1958--a period when EARIS was under Egyptian administration. However, due to the lack of documentation on the American side, it will not be possible to cover this two-year gap without examining Egyptian archival materials.

The following is a chronological analysis of the phases of the EARIS project.

### PHASE I: THE POINT FOUR AGREEMENT--AN OUTLINE

May 5, 1951: General Agreement for Technical Cooperation under Point IV Program between Egypt and the United States, signed in Cairo, to enter into force August 15, 1951. Purpose: The two governments undertake to cooperate in the interchange of technical knowledge and skills and interrelated technical activities designed to contribute to the balanced and integrated development of the economic resources and productive capabilities of Egypt.

The US will provide:
1) Technical experts
2) Training of Egyptian personnel in the US.
3) Equipment and materials

Egypt will provide:
1) Office facilities and related equipment for successful project implementation
2) Payment of costs of land, buildings, improvements, etc.
3) Payment for transport and communication for Egyptians traveling to and from the US
4) Egyptian technicians to work with US technical personnel

The agreement also provided for the submission of annual reports concerning the progress of the projects.

February 21, 1952: Nine months after the conclusion of the initial Point IV Agreement, discussions were initiated by Foreign Minister Ali Mahir of the Royal Government of Egypt, and US Ambassador Jefferson Caffery, relating

to an expansion of the technical assistance program. On February 21, 1952 Ali Mahir formally requested from the US Embassy to expand the Point IV program.

July 23, 1952: The overthrow of the monarchy and the establishment of a mixed military-civilian regime under the auspices of the Revolutionary Command Council (RCC) headed by General Muhammad Nagib.

September 9, 1952: The promulgation of the Agrarian Reform Act limiting individual land holdings to 200 faddans.

May 19, 1953: Agreement between the US and Egypt for a cooperative program of community development and rural rehabilitation in the provinces of Buheira and Fayoum. This was the basic agreement under which EARIS was developed and implemented.

PHASE II: THE EARIS PROJECT (1953-56)

Objectives

The General Agreement for Technical Cooperation concluded on May 5, 1951 provided the framework under which the EARIS Agreement of March 19, 1953 was concluded. It follows that, the radical change of regime did not adversely affect the continuity of US assistance programs in Egypt. On the contrary there is considerable evidence that the American Embassy welcomed the opportunity to work with the revolutionary regime.

In terms of its general objectives, the EARIS agreement provided for a cooperative effort between the US Technical Cooperation Administration and the Permanent Council for the Development of National Production,

> "to improve the social and economic conditions throughout all Egypt, by carrying out a broad demonstrational program of development which attacks, through self-help, community participation and direct assistance, the basic problems of rural life for the people in the Provinces of Buheira and Fayoum."

The goals of the EARIS agreement were wide in scope and ambitious in objectives. No less than twelve distinct operations were included in the original instrument. These were:

1) The reclamation of approximately 80,000 faddans of new land.
2) The construction and development of improved housing and community facilities.
3) The resettlement of approximately 16,000 landless farm families on reclaimed land.
4) Financial and other assistance to farm cooperatives.
5) Demonstrations of improved water conservation and management practices and the extension of irrigation, drainage, and navigation services to new lands and lands now under cultivation.

6) The establishment of vocational schools and environmental training of farm youth in the fundamentals of scientific agriculture and irrigation practices.
7) The provision of agricultural extension and demonstration services.
8) The improvement of the marketing and processing of farm produce.
9) Improvement of the levels of public health, through environmental sanitation, clinical services, training and health education.
10) Aid in the development of small industries and handicrafts.
11) The improvement and development of farm-to-market road systems.
12) Such other related activities as the Co-Directors may agree upon as being essential to the success of this demonstration in community development and rural rehabilitation.

## The Technical Mission

The TCA agreed to provide the technicians and specialists who would be a part of the Technical Mission headed by a Director of Technical Cooperation. All Technical Mission personnel would be subject to "acceptance" by the Egyptian government.

## Joint Funding And Management

The cooperative programs were to be administered by the Egyptian-American Service for Rural Improvement (EASRI), an agency of the Egyptian government. The Egyptian President of the Permanent Council and the US. Director of Technical Cooperation would serve as Co-Directors of EASRI which later was called EARIS by transposition of its title.

The Co-Directors would oversee the joint funding of EARIS. The initial contribution of the two parties for the period May 19 to June 30, 1953 was $10,000,000 deposited by the US and LE5,450,000 deposited by Egypt. In addition, Egypt agreed to provide specialists, office space, equipment and related services.

## Project Operations

EARIS would be implemented through a series of jointly planned and administered projects, to be consummated through separate written agreements. Upon completion of any project, the Co-Directors were to submit a report of achievements, expenditures and basic data. The selection of Egyptian trainees, the disbursement of funds, and the appointment and discharge of personnel would be the joint responsibility of the Co-Directors.

The EARIS agreement would remain in force until December 31, 1960.

## Planning

Evidence gleaned from documentary materials and interviews indicates a substantial measure of commitment and dedication on the part of US TCA personnel. Collectively, they may be characterized as 'men in a hurry' anxious to demonstrate the practical feasibility of the EARIS project. It appears that considerable early planning was done late in 1952 under Dr. John R. Nichols, the Mission Director. In February 1953, E. Reeseman Fryer of the Ford Foundation, had advanced a proposal on village planning

and resettlement which was based on safeguarding the traditionally close-knit Egyptian village community. This report acknowledged the failure of previous efforts to improve village housing due to high cost factors and lack of concern for the fallah's life-style. Fryer took care to emphasize that village housing should not "violate his (fallah's) concern for his stored grain, his poultry and animal and his intense gregariousness". He further stated that the new villages should be limited to 600 families each, should include wide streets, a mosque, piped water supply and community center (school, a meeting room, health clinic, community bath and training facilities).

The planning process had advanced considerably by April 1953 to the extent that A.B. Bonds, the Chairman of the TCA planning committee, could submit to the Egyptian National Production Council a memorandum identifying certain areas of development for EARIS. These were:

1) Land reclamation and irrigation including soil surveys, water resource inventories and information on family resettlement
2) Education as it related to curriculum improvement, classroom building and teacher training
3) Health and sanitation including potable water, environmental sanitation, health centers, child welfare centers and health education
4) Increased food production through agricultural extension education, agricultural credit, livestock production, marketry, transportation, forestry, etc.
5) Home industries
6) Housing and village planning to reduce urban migration.
7) Development of natural resources in Buheira and Fayoum

Perhaps the most significant aspect of A.B. Bond's memo was his concern with achieving integration and balance in the process of planning and implementation. Therefore, he emphasized the need for weekly joint meetings of the TCA Planning Committee and the National Production Council, as well as coordination between Egyptian and American technical personnel.

In terms of the early phase of planning, the months of April and June 1953 appear to have been particularly significant, partly due to the temporary assignment of Mr. Afif I. Tannous to the EARIS Task Force, who was based in the Beirut office of the US Agriculture Department. Mr. Tannous was instrumental in preparing twelve memoranda which contained recommendations on the operations of EARIS Task Force, rural community development, peasant participation in planning, and procedures to strengthen village organization. Particularly noteworthy were his detailed suggestions concerning village community organization. These included:

1) A detailed procedure of selection of settlers
2) Psychological preparation of settlers prior to their resettlement
3) Building rural community leadership

4) Careful selection and preparation of government officials assigned to the new villages
5) The organization of village councils
6) Development of community centers
7) Utilization of religious institutions to further village community development
8) Expansion of recreation facilities
9) Organize women to improve home life and increase their participation in community affairs
10) Expand activities outside the EARIS area into neighboring communities.

In his far-reaching recommendations, Tannous revealed his unique grasp of Egyptian rural lifeways as only a native son of the Arab World was capable of doing. He stressed a number of basic principles:

1) The Egyptian village is an integrated functional socio-economic unit.
2) The EARIS Program, therefore, emphasizes the integrated approach to this way of life
3) The stimulation of self-help is the basic method in the operation of the Program
4) The primary responsibility for the Program must be shouldered by the Egyptian government and the rural people themselves
5) EARIS will be in charge for a limited period after which the Egyptian government will take over the project
6) US financial and technical aid is intended primarily as a demonstration of certain methods and techniques which could bring about most effectively the improvement of Egyptian rural life.

Integrated Planning: The Hannum Interregnum

In May 1953, Erwin C. Hannum arrived in Cairo to take over as Chairman of the TCA Task Force for EARIS to collaborate on program planning. An interdisciplinary team of fifteen American experts was assembled in Cairo to work with an interdisciplinary/inter-ministerial Egyptian cadre of thirty specialists. The Task Force worked with the Egyptians until August 1, 1953, when it was abolished and replaced by the new EARIS organization--an agency of the Egyptian government. Meanwhile in June 1953, Hannum became Acting Country Director for TCA/Egypt with responsibility for all planning and implementation activities. Under Hannum's stewardship, there was special emphasis on comprehensive and integrated planning, which had been started under the previous director Jack Nichols, and Cye Fryer, who had been instrumental in negotiating the EARIS Agreement. Hannum signed three important agreements under EARIS, in the fields of Education, Public Health and Sanitation. In September 1953, Admiral Harold Stevens was appointed Country Director, and after a brief absence Hannum returned to Egypt as Deputy Director of the Mission in January 1954. Until his reassignment to Libya in June 1955, Hannum was involved in negotiations which culminated in an Economic Aid Agreement granting Egypt 41 million dollars.

A plethora of proposals were advanced by the members of the US staff during the Summer and Fall of 1953 which covered most aspects of the EARIS

project. Among these were:

1) A soil and land classification survey (E. Hannum/Lindsey A. Brown)
2) An audio-visual program to expand and improve agricultural, hygienic and social conditions of peasants. (Harry L. Carr)
3) Three pilot agricultural projects involving the sowing of hybrid maize, pure seed and the use of chemical fertilizers (Dean McKee)
4) A laboratory to investigate soil salinity (Lindsey Brown)
5) Health and sanitation program (H. Jackson Davis)
6) Construction of water treatment plants at Abu Hummus (H. Jackson Davis)
7) Agricultural extension program
8) Land reclamation and development (H. T. Jorgenson/Ellis Armstrong/Lindsey Brown)
9) Community development and rural rehabilitation (Hannum)
10) Housing and construction
11) Comprehensive educational program (A. B. Bonds)

The Task Force worked with six separate committees, which had a majority of Egyptian members. These committees were: Agricultural Services, Community Organization, Education, Housing, Public Health and Reclamation. The Task Force consisted of fifteen US specialists: Ellis Armstrong (Reclamation); A.B. Bonds (Education); Lindsey Brown (Soil Science); Harry Carr (Audio-Visual Aids); Sherman Conover (Budget and Management); Jackson Davis (Public Health); Frank H. Elmore (Law); Edwin J. Fleener (Accounting); Frederick Fionrschutz (Sanitation); Erwin C. Hannum (Chairman, Task Force); Wendell Holman (Agriculture Extension); Barton P. Jenks (Housing and Community Planning); Harold T. Jorgenson (Land Management); Clyde F. McKee (Agriculture); Afif Tannous (Rural Sociology).

After extensive study, each of the sub-committees presented detailed reports, plans and recommendations relating to their areas of competence. By September 1953, the organizational structure of EARIS had been established (Annex 1) and Chairman Hannum was able to present a detailed forty-nine page report on EARIS plans and activities.

## American Role Perceptions, Goals And Expectations

On the basis of Task Force reports and recent interviews with some of the participants, it is possible to reconstruct the impressions, perceptions, views and expectations of the American specialists who worked in Egypt during 1951-53. A total of seven American personnel were interviewed: Hannum, Tannous, Bonds, Hanson, Jorgenson, Armstrong and Platt. Their recollections are remarkably similar regarding the early years of EARIS. Taken together, the reports and the interviews indicate an optimistic consensus among the US staff regarding the revolutionary regime and its seriousness and dedication to the betterment of Egypt. They were particularly impressed with the new spirit of hope among the Egyptian people brought about by the Revolution, and the high level of technical competence of the Egyptian personnel. Relations between US and Egyptian personnel were reported as being excellent. Furthermore, the American Mission was able to acquire

a clear perception of Egyptian reality--population pressure, limited cultivable land and abject poverty. To be sure, there was considerable idealism among the American personnel, with a clear sense of mission "to help the Egyptians to help themselves." Yet the idealism was tempered by realism, despite some of the overidealistic and excessively ambitious orientations of the young military officers and their civilian advisors.

In working with their Egyptian counterparts, the US staff often found it difficult to conclude agreements. They noted an Egyptian tendency to postpone the finalization of tasks and projects. However, once an agreement was signed, the Egyptian-American team tended to work effectively on its implementation. In the Americans' perception, EARIS was an unprecedented joint effort, since it involved building a completely new type of community of villages with self-contained enterprises. It was understood that EARIS was a pilot project which had to be demonstrable, repeatable and above all culturally Egyptian. Having experienced the psychological pains of inferiority under British imperial rule, the Egyptian personnel were sensitive to the possible manifestation of patronizing attitudes on the part of the US personnel. Hannum discusses this point in his Task Force Report. He relates Egyptian uncertainty about the American role including the fear about US direction of EARIS, through an organization paralleling the Egyptian bureaucracy. However, these apprehensions were laid to rest by September 1953, when Hannum emphasized that the "role of an American collaborator is that of an advisor." The main US function would be to provide advice, suggestions and assistance in planning and implementation. The areas of decision making and administrative direction would be the responsibility of Egyptian officials.

There were also points of disagreement between the Hannum group and the Egyptian National Production Council on planning and organizational philosophy. While the Egyptians desired to first set up the EARIS organizational structure, the US team under Hannum insisted on identifying the specific dimensions and objectives to be achieved. Moreover, the Egyptians were not initially interested in Hannum's comprehensive, multi-dimensional approach. Ellis Armstrong states that at the outset, the Egyptians wanted "an engineer and a soil scientist," since they were narrowly concerned with the physical aspects of the EARIS project. In fact, the National Production Council was mainly interested in the public works phases of the program--irrigation and land reclamation; consequently, it turned down American suggestions regarding public health, education, agricultural extension and community organization projects. It was not until June 1953, that Dr. Muhammad Salim and others on the National Production Council were persuaded through ingenious graphic representations, of the wisdom of the American approach. It was at this stage that the basic operational procedures were agreed upon and six committees were organized (see above) to plan and coordinate the interrelated activities of EARIS. The Abis area in Buheira province was designated as the main focus of developmental activity. By September 1953, Egyptian-American planning had substantially crystalized to permit systematic implementation. Its basic characteristics are presented in summary form:

1. As a pilot project EARIS should integrate and build upon the many projects and activities undertaken previously by the Egyptian government. However, in its comprehensive approach, EARIS should offer something new and unique to reflect the advantages of American techniques of planning, coordination and balanced development.

2. In emphasizing its potential for emulation, EARIS should be designed to substantially contribute to the improvement of social and economic conditions throughout all Egypt.

3. It is desirable that specific results and tangible benefits be obtained at an early period--within three years.

4. EARIS programs should be based on longterm planning, taking into account living conditions in ten, twenty years and beyond.

5. All initial plans should be regarded in a dynamic context, to be reviewed annually and adjusted to changing conditions.

6. In terms of specific goal attainment, the Abis area would be divided into three tracts totalling 20,000 faddans The estimated dates for reclamation and settlement were:

a) 1120 faddans - Nov. 1954
b) 4480 faddans - Nov. 1957
c) 14,400 faddans - Nov. 1959

As to Fayoum province, only 13,000 of the available 62,000 faddans of desert would be reclaimed at an undefined period.

7. The total projected expenditures through the fiscal year ending June 30, 1959 were as follows:

| | |
|---|---|
| -Irrigation canals, drainage, pumping stations, land preparation and cropping | LE 1,750,000 |
| -Housing | 1,050,000 |
| -Community facilities and utilities | 280,000 |
| Total | LE 3,080,000 |

(or $8,870,400 over a six year period)

There was to be additional expenditures for equipment, supplies, materials, education, health and community development (Annex 2).

"Stassenization" Of TCA And EARIS

The year 1953 was significant in two respects. First, it marked the 'take off' phase of EARIS, during which the basic patterns of planning and organization were established. Second, 1953 became a turning point in US aid policy in terms of its philosophy and objectives. This transformation was a direct consequence of the advent of the Republican Administration after General Eisenhower's election to the Presidency in November 1952. It should be noted that under the Point IV Program, the basic thrust of the TCA was "to help people help themselves" whereby the emphasis centered on the development of human resources and human beings. This humanistic approach was altered with the appointment of Harold Stassen to head the Mutual Security Administration (MSA). At the outset there was a strong urge to liquidate the whole TCA Program. After dismanteling some aid programs, the new administration reversed itself since the demand for foreign economic assistance was strong and its importance so manifest. However, under Stassen, US aid policy placed less emphasis on developing agriculture, health and

education, while stressing industries, highways and similar projects which did not focus on development of individuals, families and groups.

As far as EARIS was concerned, this shift of emphasis did not have an immediate impact. Only in later years did this change of policy affect the allocation of US foreign assistance funds. The more immediate consequences of "Stassenization" involved staffing and programmatic outlook. Instead of appointing Cye Fryer who had negotiated the EARIS agreement as Director, Stassen sent to Egypt Admiral Harold Stevens who had worked under him as supervisor of building and grounds during Stassen's presidency at the University of Pennsylvania. According to testimony of the EARIS staff, the Admiral's narrow outlook and military disposition were not conducive to the smooth functioning of the EARIS operations. In terms of programmatic philosophy, the change of appellation from TCA to Foreign Operations Administration (FOA) denoted a stronger linkage between US foreign aid and political interests in the context of the Cold War. Indeed, the evidence from interviews clearly indicates the political motivation of the Eisenhower Administration in making a lump sum of ten million dollars available as upfront cash on June 30, 1953, to woo the Egyptian military regime. Yet, despite the increasing politicization of the Middle Eastern and Egyptian milieux, the EARIS project does not appear to have been influenced adversely in the first three years of operation.

EARIS In Operation: 1954-55

While 1953 was a year of planning and organization, the three subsequent years were characterized by the pragmatic concerns of project implementation. This was indicated in a progress report submitted by Dr. M.M. El Azzouni, the EARIS Administrator, to his Co-Director, Admiral Stevens, dated March 23, 1955. Azzouni's report, which recounted EARIS activities until Dec. 31, 1954, contained a major discrepancy in objectives when compared with US Task Force reports issued in September 1953. Azzouni stated that the EARIS project was to reclaim 80,000 faddans for the settlement of 16,000 families. This figure was four times that projected by Hannum's Task Force which totalled 20,000 faddans. One explanation for Azzouni's inflated figure may have been the Egyptian desire to reclaim lands which the Task Force did not consider reclaimable or cost effective.

According to Azzouni's report, nine projects were approved and funded by Dec. 1954. These included expenditures for the EARIS Administration, soil classification survey, major works in Abis, land reclamation in Abis, Abis Village No. 1, major works in Qoota, heavy equipment, road construction in Abis, and land reclaimation in Qoota. Under Azzouni, the EARIS administrative organism consisted of nine sections: Legal Advising, Land Reclamation, Planning and Housing, Public Works, Community Services, Budgeting and Programming, Procurement and Stores, Personnel and Accounts--all of which were fully staffed. In other areas of EARIS operations, 1954 saw the completion of soil and land classification surveys, Abis drainage projects and the plans for village building. In the Abis area, ten villages were to be constructed; in the Qoota area three villages were planned. Also, there was considerable progress in canal building, roads, the construction of bridges and cultivation of redrained lands. The construction of Village No. 1 in Abis was progressing satisfactorily--284 housing units were completed, water pipelines were installed, electricity units were in

place and American machinary, cars and equipment were brought from the Sudan on a gratis basis. Azzouni optimistically reported that Village No. 1 was ready to receive settlers who would be given reclaimed land in March 1955.

In the area of staffing, it appeared that by mid-1954 Stevens had succeeded in establishing the basic patterns of operation and interaction among the American personnel and with the Egyptians. However, he was faced with a recruitment problem in filling all the positions on the EARIS staff. In August 1954, seven out of eighteen positions remained vacant.

Stevens' staff consisted of three types of USOM personnel: (1) Technicians brought to Egypt specifically to give technical advice and assistance to EARIS. These people were expected to spend more than half of their time with the EARIS program, and the rest on non-EARIS activities. (2) Technicians brought to Egypt for assignment to non-EARIS projects, but with the recognition that they would give EARIS some assistance if requested. (3) Administrative and program direction staff of the Mission, who periodically would assist in the development and coordination of the EARIS program. All coordinating activities were centered in the office of the Deputy Director of the Mission who held periodic staff meetings with the US personnel. In certain areas, the EARIS staff was involved in direct supervision, as was the case with the construction of village No. 1. Elsewhere, EARIS personnel developed plans and objectives which were implemented through Egyptian liaison officers representing the ministries of Health, Education, Agriculture and Social Affairs. In addition to their administrative functions at the Cairo EARIS headquarters, the staff would visit the Abis project periodically. With the increasing activity at Abis during 1954, it became necessary to post an EARIS supervisor to oversee field operations in that area.

## Recurring Staff Problems

Despite the generally optimistic reports of 1954, not all was well with EARIS and the USOM itself. In response to substantial discontent within the USOM, Admiral Stevens charged Edward Felder, Program Officer, with the task of investigating the various activities of the Mission. On Jan. 10, 1955, Felder submitted to Stevens a 14-page evaluation of USOM operations which contained major recommendations to institute reforms. These far-reaching suggestions were adopted by Stevens to a significant extent. Felder's diagnostic evaluation indicated serious problems involving staff morale, lack of commitment, unclear lines of responsibility, unfamilarity with Egyptian customs and culture, inadequate compensation for US personnel and difficulties in obtaining adequate housing. The more important recommendations of Ed Felder's report are summarized below:

1. The establishment of a Policy Planning Staff, to carry on continuing studies of policy and operating problems.

2. The freeing of the Director and his Deputy from staff work and operating details, so that they may devote full attention to overall policy and decision-making.

3. The freeing of the Deputy Director from detailed staff work on EARIS and development assistance by (a) the creation of a position of Chief of EARIS Operations Staff and by (b) the creation of a position of Economic Advisor.

4. To employ a Public Information Officer to take care of VIP visitors since too many technicians had devoted too much time from their regular work to show VIPs around their projects.

5. To provide mandatory orientation for all newcomers, concerning the USOM/E, the Egyptian government, the local culture and institutions.

6. To offer special Arabic language classes on the Mission premises, as well as lectures on US foreign policy, and the Arab world.

7. To increase post allowances to cover the expenses of more frequent illnesses and to help US personnel to find adequate housing.

8. To withhold decision for the time being on any plan involving the location of families in rural areas of substandard living conditions, health hazards and lack of educational facilities. It was recognized that the work of most projects was done with Egyptian counterparts in the ministries, and US personnel would be located in project sites when appropriate for the conduct of specific programs.

9. To build up the morale of the staff by establishing suggestion boxes, welfare committees, a newsletter, welcome committees and by encouraging social events.

10. To provide awards and incentives to encourage exemplary performance, thereby promoting increased productivity and commitment, and the possibilities of returning to Cairo for additional tours of duty.

11. To direct US technicians to devote more time to jointly developing the details of a given project with their Egyptian counterparts.

12. To emphasize that project planning in all phases of development must be a joint undertaking between US and Egyptian technicians with a complete understanding of their respective responsibilities to proceed promptly and efficiently following the signing of the project agreement.

13. To request that the Director discuss with the highest echelons of the Egyptian government its failure to provide counter-part personnel in certain projects.

14. To institute through a questionnaire, a mechanism for evaluating and measuring progress on projects prior to, during, and after implementation.

It was obvious from Felder's investigations, that in certain salient areas there existed serious problems which concerned EARIS, the larger Mission, and US-Egyptian working relationships. The Egyptian government's failure to appoint a sufficient number of technical personnel, combined with the reported difficulties in joint planning and implementation, betrayed the existence of a degree of organizational inertia in the joint effort. Egyptian-American relations were further exacerbated with "the attitude of superiority on the part of some American personnel" as reported by Felder and others in recent interviews.

The full dimensions of the difficulties in EARIS were revealed in the Comptroller General's Audit Report to the US Congress on June 30, 1955. There had been complaints from the American technicians in EARIS, that their advice had not always been followed especially in the field of community development, and that existing administrative arrangements did not give them a voice in operating decisions. The Report also revealed that EARIS operations until mid-1955, involved higher costs than originally estimated; as a result, the Egyptian goal of reclaiming 80,000 faddans was reduced to less than 40,000 faddans. The construction of Village No. 1 was

particularly expensive, and EARIS expected to reduce the cost of Village No. 2 by 30%. The operations of desalting and reclamation were reported to be costly and time consuming. As to staffing, the Controller General recommended a reduction of EARIS personnel from 22 to 16 since some of the personnel were not needed on a full-time basis.

On the positive side, the Report stated that 11.6 million dollars (4.6 million dollars being the US share) had been expanded on: flooding and leaching 5,000 faddans, cultivating 1,700 faddans, building drainage systems, roads, pumping stations, in addition to near completion of Village No. 1 consisting of 262 houses for settlers and 46 houses for professional employees. Progress was delayed in Fayoum Province due to lack of special equipment and other unstated reasons. Finally, the Report suggested a broadening of Egyptian criteria for the recruitment of farm families to settle in Village No. 1. It presented a financial plan drawn up by EARIS, whereby the settler would repay the Egyptian government for his home and farm land--LE 855 or $2,460--at an interest rate of 3%. The investment was calculated as follows:

| | |
|---|---|
| Value of unimproved land | LE 180 |
| Cost of relamation | 345 |
| Cost of house | 330 |
| Total investment | LE 855 |

EARIS In A Turbulent Political Milieu (1955-56)

On September 21, 1955, the Chief of EARIS Operations Staff, Roscoe E. Bell, wrote a memorandum to Admiral Stevens, in which he spoke in somber tones about "certain situations which have developed in the past year... which could not have been foreseen at the time the Division was created."

Roscoe Bell's calm and objective analysis substantially understated the magnitude of the problems besetting EARIS, which were a direct consequence of the progressive deterioration of American-Egyptian relations during 1955. In causal terms, this deterioration was the result of differences in priorities between Egypt and the United States. The overwhelming foreign imperative for the Egyptian Revolutionary regime was the growth of Israeli power and the consequent need to strengthen itself militarily and politically. In sharp contrast, the Eisenhower Administration was singularly preoccupied with the containment of the Soviet Union. In this context, Egypt was seen as another chain in the string of potentially anti-Soviet "Free World" states which Secretary Dulles aspired to establish. Increasingly therefore, the EARIS Project and the more extensive US commitment to build the Aswan High Dam, became the instrumentalities through which President Abd al-Nasser of Egypt was being pressured to join the newly created Middle East Defense Organization (The Baghdad Pact). In view of this clash in priorities and perceived interests, it was no mere coincidence that the US role in EARIS perceptibly declined during 1955-56. In the Egyptian perception, Dulles' invitation to join a military alliance directed against a remote "enemy"--the Soviet Union--in exchange for large-scale economic aid and some weapons, was undesirable and inconsistent with Egypt's security interests vis-a-vis Israel and the Arab world.

In terms of US-Egyptian relations, 1955 constituted a turning point which directly affected the fortunes of EARIS. In February 1955, Nasser rejected the Baydad Pact, in April he declared Egypt's neutrality at the Bandung Conference in Indonesia, and in September he concluded a massive arms deal with the Soviet Union through Czechoslovakia. The stage was set for the more cataclysmic events which were to mark the end of the first stage of the American participation in EARIS.

Therefore, Roscoe Bell's observations and recommendations of Dec. 21, 1955, came at the end of a politically difficult period. Consequently, Bell considered it necessary to advance specific suggestions designed to defuse potential areas of conflict between American and Egyptian personnel within EARIS. It is significant to note that Bell was instinctively employing the classic tactics of conflict management which reflected his sensitivity and clear grasp of political realities. Bell observed that changes in Egyptian governmental attitudes have made it inadvisable to designate the Chief of the EARIS Division as Duputy Co-Director and Chief Collaborator with the EARIS Administrator as originally contemplated. He also reported that close contact and association between the Chief of Division and the Egyptian Administrator and staff members were being viewed with suspicion. Furthermore, the position of the Division Chief was becoming difficult, since he could not avoid coming between the US staff and the EARIS Administrator and between the US Co-Director and Administrator. Bell considered the situation "intolerable" to the Administrator as well as to the Division Chief.

Aside from these micro-level staff problems, it had become apparent that increasingly, EARIS was being completely administered by its Egyptian staff members. Already, the passage of Law No. 306 had resulted "in a substantial transfer of responsibility and authority from the Co-Directors to the Minister of Production." Under these circumstances, it was recognized that EARIS had become an Egyptian governmental enterprise, which necessitated a fundamental transformation in the US role and the attitudes of the American staff. In order to effect this organizational and psychological change with a minimum disruption, Roscoe Bell made several recommendations which are summarized below:

1. Since the Egyptian Administrator and his staff are carrying complete responsibility for program execution under the Co-Director, pre-auditing of the Administrator's actions by US technicians is neither possible nor desirable for the following reasons:

a) The EARIS Egyptian staff is technically competent.

b) The Co-Directors must have confidence in the Administrator and his recommendations and must express that confidence in acting upon his recommendations.

c) On the basis of experience, the US Co-Director should be convinced "that the Administrator and his assistant accept responsibility and give sound technical judgement."

d) Even if a pre-audit was desirable, a sufficiently large and capable US staff could not be maintained as an effectively functioning body since:

- Business is conducted in Arabic and the US staff "can be easily misled."
- Any attempt by US technicians to check on the Egyptians could be interpreted as "spying on them." Such a mistaken belief that checking was one of the functions of the US staff "has been the source of difficulty in the past."

e) In any disagreement between the Administrator and US technicians, Director Stevens must accept "the recommendations of the Administrator if they are at all reasonably good."

f) Since the post-audit system of the phases of the program constitute an adequate safeguard, the US Fiscal Advisor should be rendering advisory and consultative, rather than executive services.

2. EARIS has now reached the stage where full-time service of most technicians is unnecessary. Full-time assignments of US staff tends to place them in a position "where they become involved or may want to become involved with operational matters rather than program and training activities." The resulting frustration, irritations and conflicts reduces the collaborative effectiveness of US technicians.

3. The EARIS Division should be abolished and technical services to EARIS be provided by technicians administratively attached to other Divisions in the Mission.

4. In order to assure a smooth transition, the foregoing reorganizational plan should be discussed with Drs. Fahmy and Azzouni, and implemented as soon as possible, but certainly not later than June 30, 1956.

Roscoe Bell concluded his memorandum by presenting an assessment of various EARIS programs, by identifying specific areas of needed American involvement. These are summarized as follows:

1. General Administration--There is continuing need for limited staff service to the Director. In EARIS there is need for management counselling and office practices (Two full-time specialists are needed).

2. Engineering and Public Works--The only remaining major field for US contribution is in canal lining techniques (one full and one part-time engineer).

3. Land Reclamation--Until now there has been a necessary preoccupation with heavy duty equipment; nothing has been done in developing economical techniques of earth moving and adapting equipment to this purpose (two full-time instructors).

4. Road Construction--This has improved materially as two road contracts have been completed and the next job is several months away (part-time service only, by consulting firm).

5. Housing Village Design and Building--One village completed and the second is for bids. EARIS leadership is competent, but continuing consultation is desirable to design and build the nine remaining villages (regular part-time consultant).

6. Agriculture--Continuous on the job training of agricultural extension workers is the key to successful resettlement (one full-time agricultural extension specialist).

7. Agronomy, Crops, Soils, Agricultural Economics--Continuing work is needed in appraisal of reclamation progress, the introduction of cotton substitute in the farm economy, and the measurement of reclamation costs. Since there exists trained Egyptian personnel in these fields, it should be possible to phase out the US role over the next two years. Special assistance in vegetable production and marketing should be provided (two agronomists and three other specialists full-time).

8. Community Development--This is a basic function which should permeate all operations dealing with people. Continuing consultation will be necessary (Community development advisor 1/3 time).

9. Education--There is continuing need for rural and specialized service in this experimental and pioneering field (rural education Specialist 1/4 time).

10. Health--Continuing need to develop clinical, preventive and sanitation services (best provided through the Joint Health Committee).

It is manifest from the overall tenor of Roscoe Bell's report, that the American approach to EARIS at the Mission level was one of persistent accommodation to a social and political environment that was becoming increasingly inhospitable. While some of Bell's suggestions might seem in retrospect bordering on appeasement, it was the only constructive approach that could be followed in those circumstances. Indeed, during the first months of 1956, the Mission may have had some reason to hope that soon US-Egyptian relations would improve after a brief hiatus, and that wisdom would dictate a policy of assuming a low profile. However, such hopes were destined to be doomed. In June 1956, Dulles suddenly announced the cancellation of the US offer to build the High Dam, which brought an equally dramatic response from Nasser--the nationalization of the Suez Canal Maritime Company on July 19, 1956.

Virtually all USOM/E personnel who were interviewed, regarded Dulles' action as disastrous in terms of EARIS and overall US interests in the region. In fact, until the announcement of the decision, there were objective reasons that could have induced the two parties to reverse their headlong drift toward confrontation. From the Egyptian perspective, the cancellation of the High Dam offer appeared to be directed at Nasser personally, with the aim of overthrowing or at least humiliating the Revolution. After all, the High Dam had become in Egyptian eyes the centerpiece of the Revolution's promise of a better life for the Egyptian masses. Implicit in Dulles' action was his failure to comprehend the fundamental changes which had transpired during 1955 in Egypt and the Arab world--the emergence of a charismatic leader and regime, which through its policies of confrontation with the West and fiery nationalist rhetoric, had galvanized the masses in Egypt and the Arab world. Indeed, the Egypt of mid-1956 was a far cry from the Egypt that Dulles had visited in 1953.

The American decision not only destabilized the sociopolitical milieu of EARIS, but also destroyed its original raison d'etre. To be sure, the initial US motivation in instituting EARIS had been to develop a large-scale demonstration project which through its beneficial impact, was expected to pay dividends in good-will and political rapprochement between Egypt and the US. Moreover, there existed a strong conceptual linkage between the American involvement in EARIS and the projected US role in building the High Dam. While this linkage is not readily apparent in the various official USOM/E documents, it did exist in the minds of US planners and technicians working for the Mission and EARIS itself. A large number of those interviewed repeatedly stressed the organic tie between EARIS and the High Dam, in the sense that EARIS was considered a first step

of a much larger US design for the Nile Valley based on the Sadd al-Ali. Consequently, the withdrawal from the High Dam project dramatically undermined the US effort in EARIS, and at the same time "reduced its political significance to zero."

Despite the increasing turbulence in the Egyptian and Middle Eastern milieu after the nationalization of the Suez Canal, the Mission's policies appeared to have followed Roscoe Bell's guidelines set in December 1955. The available documentary evidence reflects continued optimism on the part of the US staff. There seems to have been a concerted tendency to view EARIS in isolation from its politicized environment. A Progress Report issued sometime after June 30, 1956, contained placatory terminology ostencibly designed to shore up the staff's declining influence in EARIS, by indicating the Mission's positive attitude toward the regime at a time of growing mutual antagonism at the higher levels. For example, the Report stated that:

> "The administration of EARIS no doubt will continue to move along under the vigorous leadership of the Egyptian Administrator. He will no doubt continue his efforts to perfect his organization and operations, and will seek consultation of specific management problems which develop..."
> "Successful completion of the EARIS program in all of its aspects within the time schedule is a big undertaking. The Administrator of EARIS and his staff have made tremendous progress since EARIS has been in existence..."
> "The dynamic Egyptian Administrator has assumed full executive responsibility under the policies laid down by the Co-Directors."

While the general tenor of the Report was "upbeat" and optimistic, its authors acknowledged that "the year has not been an easy one." They cited:

> "the normal difficulties of solving the problems of the expanding EARIS organization and operations were aggravated by the overall situation in Egypt and a lack of understanding between US Technicians and the EARIS Administrator with respect to his acceptance of full operating responsibilities."

However, this "negative tendency" was reportedly remedied, resulting in improved morale and more effective working relationships. Although the original program agreements suggested jointness of operations and planning, this never materialized. Meanwhile, it was possible to reduce the US technical staff by about 50%, and to transform the EARIS organization into a working team. The authors of the Report stressed the achievement of tangible results in the management field, which they felt left a deeper and more lasting impression than improved technique. They optimistically reported "the feeling of increased organizational power" and a growing realization throughout EARIS of the function of management as "a working partner of the technician, not his master nor his servant." In passing, the Report noted "one area of real frustration" related to the failure of the National Production Council to approve a set of regulations on operating procedures, functions and responsibilities within EARIS. In retrospect, it is clear that the Council's failure to act was a direct consequence of US-Egyptian impasse during 1956.

EARIS Phase II In Retrospect

The Suez War of 1956 brought to an abrupt halt US participation in EARIS activities. In his letter dated October 19, 1956, Admiral Stevens notified EARIS Co-Director Hussein Fahmy the indefinite suspension of all USOM/E activities effective November 1, 1956. In the wake of the precipitous departure of the US Mission, EARIS Division Chief Roscoe Bell found the moment propitous to perform two program evaluations between November 1956 and February 1957. These evaluations took place during the evacuation of the USOM/E staff first in Naples and then in Washington, D.C. These evaluations, which were made available by Mr. Bell from his personal files, were far more objective than those performed earlier in the more constrained Egyptian context. In other words, now that the EARIS program had been interrupted, the US staff did not have to worry about writing an evaluation to impress their Egyptian counterparts. On the basis of these evaluations and recent interviews a more comprehensive and objective picture of EARIS can be pieced together.

1. The Staff's Perception of Egypt--Roscoe Bell and his men witnessed the confluence of a complex set of factors and events which shaped their perceptions of Egyptian reality. These included the powerful force of Egyptian nationalism directed at the lingering British presence, the reformist idealism of the military elite around Nasser, and the US determination to "woo Egypt" at practically any cost. They noted the pervasive Egyptian "phobia" of avoiding any outside domination or direction, and the tendency to reject the "substitution of US domination for British domination." All too frequently, US and British interests were linked in the Egyptian mind into one single Western interest--a perception that was detrimental to EARIS operations.

2. The Staff's View of Egyptian Counterparts--The foregoing macro-level factors were instrumental in generating specific problems within EARIS. The collective critical judgements of Roscoe Bell's staff, included the following points:

a) In view of the US over-anxiety to woo Egypt, certain US officials readily acceded to Egyptian requests; within EARIS this led to Admiral Stevens' ignoring of the technical judgements of US and Egyptian technicians when these were in disagreement with the Egyptian Administrator.

b) Despite the high level of training of Egyptian specialists, these young men had exceedingly limited experience in their field of work. Regardless of their limited experience, it was almost impossible for them to accept US advice due to their extreme nationalism. The importance of job security, combined with nationalism and feelings of loyalty to the regime, prompted these young Egyptians to emulate RCC attitudes in their dealings with US personnel, even though privately they might have been pro-American.

c) There was a dire need for stronger co-direction of EARIS. Political and personal factors prevented effective co-direction. There was persistent ignoring of the technical judgements of the staff, who were often subjected to "insults and misinterpretations" day after day.

d) The failure of the Mission Director to provide "good leadership" and support for US personnel, resulted in low morale and frustration, to the extent that of more than twenty staff members, only four elected to return to the Mission; and eight technicians did not serve for their full term.

e) Virtually all the EARIS staff, past and present, felt their tenure in Egypt "professionally unproductive" despite the conviction that their personal impact on the Egyptians gained "respect and lasting friendship for the US."

f) The Director's unreceptive attitude toward Roscoe Bell's recommendations, and his reluctance to support the staff, convinced them that EARIS "was doomed to failure" and prompted them to consider resigning en masse.

3. Self-View of the Staff

a) Despite their careful selection and previous foreign experience, not all the US staff were perfectly adapted to their jobs in EARIS. The orientation of US employees in Egyptian culture, history, and developing good relations with Egyptians, needed "a much more serious effort" than provided by the Mission. However, the staff was "by and large, an excellent group of men" in terms of qualifications and dedication to the job. With few exceptions, the men enjoyed their personal associations with Egypt and its people.

b) The factors that motivated the staff to stay on the job despite their manifest dissatisfaction included:

- Loyalty to the US--"we were going to stay in Egypt and we were going to take public and private insults smiling."
- Professional pride and determination not to be a quitter
- The hope that things would get better
- Unwillingness to jeopardize their career with the International Cooperation Administration (ICA).

Progress Report on Phase II

In the assessment of the US staff, the overall geographic and ethnographic configuration of EARIS in Fall 1956 is seen in the following table:

| Size | Total | Province | | |
|---|---|---|---|---|
| | | Buhera (Abis) | Fayoum (Qoota) | Fayoum (Kom Oshim) |
| Acres | 34,500 | 25,000 | 6,000 | 3,500 |
| Farms | 7,000 | 5,000 | 1,200 | 700 |
| People | 40,000 | 30,000 | 7,200 | 4,200 |
| Villages | 11 | 8 | 2 | 1 |
| Kind of Area | | (Swamp) | (Desert) | (Desert) |

On the basis of documents and recollections of the staff, at the time of the US evacuation, the accomplishments of EARIS were uneven and its progress behind schedule. After a slow beginning, by 1955 EARIS had achieved an organizational momentum of its own--a momentum aborted under the impact of political events. A critical review of its accomplishments between 1953-1956 may be summarized in the following progress report:

1. Administration/Funding--The administrative organs were staffed, but administrative regulations were not adopted by the Egyptians. The project agreements were concluded and signed by both governments except in community development. About 96% of the funds were committed in project agreements. Audits showed "superior fiscal management." The organization functioned "passably, generally according to Egyptian standards and methods." The American impact was minimal.

> "We failed to teach the EARIS Administrator and staff good principles and practices of staff work and delegation of authority. The EARIS Administrator...dominated his staff and kept the whole group in fear of doing things unless directed by him."

2. Reclamation Works and Roads (Abis, Qoota, and Kom Oshim)--Reclamation works were designed for all three areas. Construction was virtually completed in Abis and Qoota and begun at Kom Oshim. Road building was almost completed at Abis but not begun in Qoota or Kom Oshim. The Egyptian experience in new project and road construction and canal lining by modern methods was "practically nil." The US impact was minimal because the Co-Directors did not insist on utilization of joint Egyptian-American engineering judgements.

3. Land Reclamation and Development (Abis, Qoota and Kom Oshim)--Soil and salinity surveys were made as a basis for selection of reclaimable land. Satisfactory progress was registered in most of the Abis project with 1,500 acres of fully reclaimed and 18,500 acres in various stages of reclamation. In Qoota a start was made on reclamation of 4,000 acres of which only 400 were cropped. In Kom Oshim only soil surveys were completed. The US impact was considerable in soil surveys and there was some impact in reclamation progress surveys. No significant influence was noted in agronomic practices (crop selection, fertilizers, irrigation, leveling), although some "slight impact" was registered in agricultural mechanization. Because of poor training of maintenance personnel, and reluctance to accept US advice, mechanization was not successful. Moreover, there was inadequate US staff and the Co-Directors did not require the Egyptians to use available US expertise. Egyptian engineers and agriculturalists needed field experience in large doses, coupled with intensive and continuing on-the-job training. A large number of interviewees repeatedly stated the persistent reluctance of highly trained Egyptian specialists to work in the field. They witnessed a strong tendency among the educated Egyptian staff to spend time in the office as if working in the field was below their newly acquired social status. Furthermore, the Egyptians would not accept US advice on the correct use

of machinery in land leveling and other operations. Crop failures were the result of poor land preparation and inexperienced field agronomists.

4. Village Construction--One village was built, a second under construction, and a third had been designed. Village No. 1 had been inhabited long enough to provide lessons for the planning of the remaining six villages in Abis and the two in Fayoum. The US impact was "slight" on construction of Village No. 1; there was some impact in redesign of the second and third villages. There was no noticable impact on construction methods, although some ideas were "beginning to take root." Due to lack of time, effort, and training, the design did not adopt modular construction with concrete blocks. Nor was it possible to introduce any elements of "aided self-help" into housing construction, because the US Co-Director "didn't believe in it."

5. Community Development--This had been a priority item for the Americans in their desire to create "self-determined and self-governed communities of self-reliant farmers", who would not depend on the government to do the job for them. In terms of accomplishments, 88 families were resettled in Abis in March 1955. In their first crop year, ending Oct. 30, 1956, all the fallahin were reported to have met financial obligations from their crops. A cooperative was organized and "in full swing" with good participation by the fallahin Board of Directors. Elections were held for an agricultural advisory council, street shaykhs, and for a community council. About half of the settler families participated in the community education program. A clinic was operating, but had not gotten started "on a real public health program." Government workers in the village and in the central office were beginning "to get the feel of developing the people to do for themselves." The US impact was considerable in agricultural extension and the development of the community patterns of self-administration. There was some US influence on education and health. The failures in this area were "merely delays, and slow progress was made all through, but the progress is firm."

In conclusion, there had been considerable accomplishment, though this was felt to be "discouragingly slow in relation to the opportunities presented." The US contributions were very limited relative to what the US personnel had to offer. Failures resulted from the lack of direction and coordination by the Co-Directors through the Deputy system, as well as from the political and cultural factors outlined above. The quality of US technicians was reasonably good, although most of them lacked adequate preparation and historical/cultural/linguistic knowledge for working in Egypt.

It is evident that at the time of their precipitous departure, the US Mission Staff anticipated a return to Egypt "in the course of the next several months." In preparation for this short term eventuality, the EARIS Staff under Bell recommended a continuation of US involvement in EARIS because of:

1) Its unique character as a joint program with the potential for grass roots impact and replicability;
2) Its potential for setting up a grass roots community government of fallahin and bureaucrats;
3) The need to improve the success of EARIS which has been labeled as a "US project", in contrast to the Egyptian "pink-tinged" Liberation Province;

4) The substantial US investment in EARIS which can be made to pay-off in Egypt and elsewhere in the Middle East only when completed.

However, Bell emphasized that before its reactivation, firm agreement was needed on the following points:

1) An extension of time by at least two years beyond 1960.
2) Designation of working Deputy Co-Director with offices in EARIS.
3) Regular meetings of the Co-Directors to consider the technical basis for policy decisions and to give direction to the Egyptian Administrator.
4) Agreement by the Co-Directors to require that the Administrator use US technicians, especially in fields where there is a shortage of Egyptian practical experience. A total of seven or eight full-time and seven part-time US employees were considered necessary to restart the project.

By all indications, the conflict between the US Staff and Admiral Stevens was extremely serious and costly, in detracting from the overall American effort. With one or two exceptions, all the interviewees expressed their vehement disapproval of the Admiral's administrative and personal conduct, which ranged from his display of soldierly arrogance and martial authoritarianism, to his lack of administrative ability and insensitivity to the Egyptian environment. During the difficult years of 1955-56, the staff felt that Stevens was too accomodating to the Egyptians ostencibly for political reasons. As a consequence, he failed to provide leadership and support for his subordinates. To be sure, it was Roscoe Bell, one of Stevens' chief critics, who had originally pressed the Admiral to conform to the changing conditions of Egypt. However, by the time of the US evacuation, Stevens appears to have become too accomodating--a position which compromised the viability and functional utility of the US Mission. Thus, the staff rejected Stevens' "political" alibi that it was "necessary to agree with the Egyptians, to get along with them." Such was the situation on the eve of the Suez War which contrary to Bell's expectations, ushered a long period of American inactivity in EARIS, from Oct. 1956 to June 1959.

## EARIS PHASE III: A NEW BEGINNING AND PHASING OUT (1959-65)

Despite President Eisenhower's important role in bringing about an Anglo-French-Israeli withdrawal from Egyptian territory, there were no immediate prospect of improvement in Egyptian-American relations. The ability of the Nasser government to sustain itself against the tripartite attack, brought the Egyptian President massive dividends in charismatic support across the Arab world. Under the banner of Pan-Arabism, Nasser lent his support to Algerian revolutionaries against France, the Palestinians against Israel and Jordan, as well as to other dissatisfied elements to overthrow Arab ruling elites who failed to conform to Egyptian unity schemes. These activities culminated in the founding of the United Arab Republic (UAR) by Egypt and Syria (February 1958), Palestinian disturbances in Jordan (1957-61), the Lebanese Civil War (1958), and the Iraqi

Revolution against the pro-British Hashemite Dynasty (June 1958).

In the American (and Soviet) perspective, the specter of a United Arab nation under Nasser constituted substantial cause for alarm; hence the promulgation of the Eisenhower Doctrine which pledged military support in case of Communist aggression. These considerations, coupled with Soviet economic and military support of Egypt, made any resumption of US economic aid to Nasser's government impossible. Nevertheless, it was in the American interest to provide a modicum of economic assistance, to keep alive the prospect of a US alternative to the growing Soviet role. It was also necessary for the United States to come to terms with the Egyptian revolutionary regime, which showed all the signs of internal strength and permanence.

The foregoing considerations, combined with the passing of Secretary Dulles, and Eisenhower's decision to assume a more active policy-making role, provided the backdrop for the incremental resumption of US aid to Egypt in April 1958. After 1959, the US aid program through PL 480 and other agreements was expanded substantially until 1964 when a new phase of US-Egyptian confrontation began as a prelude to the June 1967 War.

The USOM returned to Egypt in March 1959 and in May a team of three American technicians arrived to reactivate US participation in EARIS. Later they were joined by a fourth specialist. US funding for the year 1958-1959 was $1,700,000. In July 1959, 351 families were resettled in Abis to bring its total to 1200 families. However, the US contribution for FY-1960 dropped to a mere $119,400, while USOM contributions to non-EARIS programs were increased substantially. In December 1960 however, the US agreed to contribute an additional LE 1,462,000, simultaneously with the signing of a new agreement extending EARIS until December 1964. The 60/40 ratio was maintained throughout this period in Egyptian-American funding. In June 1963, a final grant of LE 1,200,000 was made to complete the EARIS project. It should be noted that the considerable increase in US economic aid during 1961-64 was a direct consequence of US-Egyptian rapprochement, forged under the Kennedy Administration.

It is virtually impossible to account for developments during the Egyptian stewardship of EARIS on the basis of available US documents and interviews. AID Director John Kean (1961-64), reported substantial progress by the Egyptians; after their return in 1959, the US Staff reported that in its absence 2394 families had been resettled at Abis and Qoota, for a grand total of 3715. By October 1962, AID/E reported considerable progress in the Abis and Qoota areas as follows:

1. In Abis, villages 1, 2, 3 and 4 were completed. In villages 5 and 6, 630 houses were under construction. In addition, 6,700 faddans were ready for distribution, 2,301 under leaching, and 6,800 under reclamation. However, the 1962 AID report placed the total for settled families in Abis and Qoota at 2,614 which was inconsistent with Ward Shephard's evaluation as cited above, unless, 1,100 families were resettled between October 1962 and April 1963. The usual family allotment was somewhat smaller than 5 faddans. On the other hand, the 1965 Mission Report gave the following statistics on accomplishments until Jan. 1, 1965:

| | Resettled Families | Reclaimed Faddans | Under Reclamation | Houses Under Construction |
|---|---|---|---|---|
| ABIS | 4,500 | 22,500 | 8,000 | 1,750 |
| QOOTA | 515 | 4,200 | - | 375 |
| KOM OSHIM | - | 3,200 | - | 600 |

2. The resettlement program was considered a success since only five families returned to their original villages, and applications to settle in EARIS villages exceeded the available farms by several thousand. Meanwhile, the Ministry of Agrarian Reform and Reclamation was adopting the EARIS model for use in other areas.

3. The production of cotton, wheat, barsim and corn on the early farms was well above the national average. Settlers in villages 1 and 2 owned 3 heads of cattle or buffalo on the average. Proximity to Alexandria had encouraged vegetable production at Abis, which increased by over 100% in acreage in the last two years. There was a decrease in cotton acreage due to the cost of insecticides and fertilizers. Meanwhile, dairy production increased 200%. Increases in barsim growing prompted plans to develop demonstration pit silos covered with mud. Settlers from 1959-62 had more than doubled the family income.

4. Village housing provided pure running water and toilet facilities in each house. However, there was much needed development in sanitary improvement. There had been a "lack of motivation" on the part of individuals to keep the villages free from dirt and animal manure. In villages 3, 4, 5 and 6, the animal shelters were moved away from housing units, to the outside edge of the village--a "big step" in changing traditional Egyptian village patterns. Similar requests had been made by villages 1 and 2.

5. The village communities included mosques, hospitals, and schools, all of which were well equipped. Under Egyptian law all farmers were required to belong to agricultural cooperatives in order to receive seeds, insecticides, and sell basic crops. These cooperatives constituted an important manifestation of community development. The schools reported an average attendance of over 70% in grades one to six. Also well attended were special night education classes for adults. Special training was offered to women in home economics.

## The New US Role in EARIS

The new American commitment to fund EARIS was not accompanied by the dispatch of a large staff, as was the case before 1956. In fact, the staff consisted of four full-time specialists--a total far below Roscoe Bell's recommendation of 1956. It consisted of: Prof. Paul Keim, University of California, Civil Engineer, Advisor to the Co-Directors; William Kallus, Mechanical Engineer, Supervision of repair workshops; Dr. Alvin Lackey, University of Missouri, Community Development Advisor; Vard Shephard, Dean of California Polytechnic, Food and Agriculture Officer.

The small staff clearly manifested the reduced role of the USOM/E and EARIS in keeping with the lessons learned during the fifties. The areas of American involvement were specific and well defined, corresponding to areas of maximal Egyptian need. Under Kailus, three German mechanics were selected to operate the workshops at Abis, Qoota and Kom Oshim, in addition to carrying out in-service instruction in farm equipment repair. As a result, there were notable improvements in this area, although the lack of spare parts remained a serious problem.

Dr. Lackey was in charge of community development until August 1962; his work consisted of selecting the new settlers and relocating them in new communities. Lackey used the principle "of voluntary self selection" in his work, which was a unique approach to the problem. Therefore, there was no forced resettlement, and people were given the opportunity to return to their original homes. Lackey also instituted a system of self selection/election of leaders prior to resettlement, which was quite successful. These leaders were used by US-Egyptian officials to communicate information to the peasants, reduce the level of uncertainty and rumor and act as spokesmen for the peasants. Dr. Lackey reported excellent results with the visits of high level government officials to EARIS villages and the managerial work of Egyptian officials in the resettlement process. A strong feature of EARIS was the daily contact maintained by Egyptian professional personnel who actually lived in the villages. In settler selection, criteria were developed to promote redistribution of income and rectification of past abuses. Thus, the settlers were recruited from overpopulated regions of landless farm laborers who were also in good health, had good character, had at least one child of working age and no more than four children between 21-51. In the Abis case some fishermen and army veterans also received land. Among the professionals recruited, insufficient attention had been given to provide for full range of occupations. As a result there was no one to provide certain important farm and non-farm services. While EARIS provided vocational training, those who were trained could not find work in the villages, since there were no local industries. Also, little attention was given to future expansion, when the farmers' children grew up and wanted land of their own. Special care was exercised not to split clusters of families which had lived as neighbors before resettlement. In addition to five faddans of land, each settler was given a house, a pregnant gamoosa, food and a subsidy--all of which had a deterrent effect on the fallah's motivation to self-help.

Prof. Keim was instrumental in restarting EARIS in 1959. Under his direction the Housing and Reclamation Programs were greatly improved and speeded up during 1960 and 1961. Excellent contacts were established with the Ministry of Agriculture and Agrarian Reform, which assisted in implementing "many of the Egyptian obligations." At the end of Mr. Keim's tour, there was a slowdown in the implementation of new project work orders, due to the cabinet reorganization of Aguust 1961, which created a separate and independent Ministry of Agrarian Reform and Land Reclamation. This Ministry assumed responsibility for EARIS operations. No replacement was made for Keim and none for Lackey after his departure in August 1962, which reduced the US staff to Kailus and Shephard. EARIS was phased out on December 31, 1964.

# VI. OVERALL EVALUATION OF EARIS

## ACHIEVEMENTS

In retrospect, EARIS appears to have been an unprecedented undertaking in terms of its basic philosophy and comprehensiveness of goals. The overall tenor of the interviews indicated substantial agreement on the fundamental soundness of the EARIS concept along with some criticism regarding its implementation. Clearly, it was a good learning experience for both the Egyptians and the American participants. In the collective judgement of the US personnel, EARIS was "the right thing to do at the right time."

Any comprehensive assessement of EARIS, would necessitate a choice of criteria and standards of evaluation. From a short-term political perspective, clearly EARIS became a failure--it was stillborn--once Secretary Dulles decided against US participation in building the High Dam. However, by staying with EARIS until its completion, the American side demonstrated its faith in the basic philosophy of EARIS and determination to make it a success. Consequently, EARIS along with other AID projects, kept alive the viability of an American alternative to the Soviet Union from 1959 to 1973. As such, EARIS constituted a positive US accomplishment in Egyptian minds that set the stage for the reactivation of large-scale American assistance during the Sadat era. In this sense, it is possible to discern a long-term political benefit from the US role in EARIS.

In addition, EARIS produced certain important social and personal benefits for both the Egyptian and US personnel. Despite their disagreements within EARIS, most US participants reported longlasting friendships with their Egyptian counterparts. Incredibly, these friendly personal ties survived the political fluctuations in US-Egyptian relations. Despite their cultural naivete, the inherent openness of the Americans placed them in sharp contrast to the self-encapsulation of the Soviet advisors. As a result, the Egyptian response to the Americans was reported as being generally warm in terms of cordiality and hospitality.

Considered by itself, EARIS had become an ongoing concern by 1965. During the late sixties and seventies, three of the original US staff visited the EARIS villages and found thriving and healthy communities. It was felt that the Project was considered a success by both the Egyptian government and the fallahin settlers. There was less agreement among the American staff however, about the magnitude of the US advisory impact. It appears that the US influence contributed to the development of Egyptian long-term planning skills, application of systematic developmental procedures, and the adoption of a comprehensive approach to building EARIS. In addition the US staff had a positive impact on machine maintenance and repair, technical education, project design and the adoption of large-scale management procedures. Perhaps the most significant area of salutary influence was community development and resettlement. The field of community development had been a persistent American concern, despite the paucity of Egyptian interest. In this area, the US staff attempted to inculcate among Egyptian peasants and staff rudimentary democratic ideals and processes of self-governance. In their personal conduct and dealings with the

peasants, US personnel emphasized non-authoritarian and egalitarian modes of behavior with some success.

PROBLEM AREAS: A CRITICAL DIAGNOSIS

Political problems notwithstanding, there existed several major problem areas in EARIS which merit careful analysis in terms of their potential role in shaping future US-Egyptian social-economic-political relationships.

Clash Of Philosophies And Cultures

In view of their diverse historical experiences and cultural bearings, it was only natural that the Egyptians and Americans found themselves at odds regarding their approach to specific problems. From the outset one could discern substantial clashes in outlook, operational codes and social ideologies. At a time when the new Egyptian regime was interested in quick and spectacular results, the American staff was emphasizing broad-based, carefully planned and comprehensive rural development.

The clash of idologies and modalities became most apparent in the US conception of EARIS, in sharp contrast with the Egyptian-planned Tahrir Province. In developmental terminology, Tahrir vs EARIS represented two distinct and divergent approaches--'modernization from the top' vs 'modernization from below.' In the American perception, the Tahrir province represented a clear example of 'modernization from the top', where the Egyptian government followed etatist-socialist principles by providing financing, organizational direction and technical cadres, and permitted only limited peasant participation. In sharp contrast, the American approach to EARIS emphasized voluntaristic, grass roots peasant participation in democratic village self-governance. Furthermore, EARIS provided a powerful inducement--the opportunity to own land and housing--which was lacking in the Tahrir experiment. Only in recent years Tahrir land was given to the peasants. Throughout their involvement in EARIS, the US staff reiterated its commitment to peasant individualism and the development of the human being and the community. It was significant that the US staff--from Hannum, Tannous to Roscoe Bell and Dr. Lackey, never wavered in this belief.

In time, most US personnel were successful in transcending their culture-shock and accommodating themselves to the Egyptian cultural milieu. Gradually, there was the realization that US-induced modernization would have to proceed incrementally, within the existing cultural setting. After all, the practice of elite-imposed modernization had been the dominant operational modality in Egypt since Muhammad Ali and the Pharaoes. Indeed, it was difficult, if not impossible for the Americans to sail against the tide of Egyptian history. Nor were they well equipped culturally for the tasks ahead. In this regard, the American EARIS contingent suffered from four handicaps:

1. The virtual lack of preparation in Egyptian culture, history and language prior to service in Egypt. It was to the credit of the American personnel that once in Egypt, they proceeded to acquaint themselves with the native culture, and some like A. B. Bonds acquired proficiency in Arabic.

2. The complete absence of American cultural anthropologists and area specialists from the USOM/E staff, with the notable exception of Afif Tannous who provided invaluable service. Consequently, US planning and policy-making became 'culturally blindfolded' to the detriment of the staff's overall effectiveness. For example, any competent area specialist would have councelled the US staff to pursue its policies of village participatory democracy within an Islamic framework, which would have reinforced their cultural and religious legitimacy. Many of those interviewed

strongly recommended the use of cultural anthropologists in addition to the employment of personnel who would combine technical skills with a modicum of area specialization.

3. The paucity of general technical preparation on the specifics of the EARIS Project prior to service in Egypt. The interviewees repeatedly complained about the lack of briefings in the US regarding the details of their assignments in EARIS. In view of the unique features of the EARIS Project, few of the Americans were ready for such a comprehensive undertaking in rural development. Moreover, it appears that some US personnel did not possess the type of expertise necessary for land reclamation projects in the Egyptian physical setting. Several staff members recognized their mistake in "pushing them toward large-scale mechanization" and the need for simpler machines. Furthermore, there were instances where some US personnel displayed patronizing attitudes toward the Egyptians, at a time when Nasser was desperately attempting to instill in his countrymen a sense of dignity--Karama. This type of behavior led to inter-personal conflicts, particularly when highly trained Egyptian personnel with advanced American degrees, were being advised by US personnel, some of which were less educated but more experienced.

4. The reluctance to utilize native expertise was an important self-criticism, which emerged in a latent manner from interviews. Specifically, in the areas of land reclamation and irrigation, the Egyptians had a wealth of historical experience, which appears to have been neglected by some US technicians.

Organizational Deficiencies

The evidence clearly points to a plethora of organizational shortcomings with EARIS and USOM/E, which transcended the personal problems associated with Admiral Stevens' stewardship. Inherent factors of instability within the US staff included:

1) difficulties in the chain of command
2) insufficient staff support from Washington
3) failures in recruiting a sufficient number of qualified personnel
4) problems in staff coordination
5) high turnover rate of AID people which impeded program continuity

In more general terms, the staff did not possess an integrated policy framework; nor did it have an institutionalized mechanism of ongoing evaluation. With the exception of Hannum, Bonds, Lackey and Kean and a few others, the staff lacked social scientific and policy-relevant expertise, although they excelled in technical areas.

The foregoing shortcomings however, did not detract appreciably from the overall excellence of the EARIS and USOM/E staff. In terms of their educational training, professional expertise and character attributes, these were high caliber individuals, who projected the finest traditions of American magnanimity and generosity. The cultural and psychological problems they faced, had been present since time immemorial; nor did they have any control over the shortsighted policies of their hierarchs in Washington.

Egyptian Deficiencies

There were several general problem areas on the Egyptian side as seen from the perspective of the American participants. These were:

1. The Egyptian tendency to procrastinate, which necessitated unlimited amounts of patience on the part of US personnel.

2. The reluctance of educated Egyptian personnel to work in the field, which they felt was below their dignity.

3. The Egyptian predilection for overstaffing. By June 30, 1962, EARIS had 1,538 employees on its payroll, in addition to temporary laborers and government personnel attached to EARIS from various ministries. The US staff found it difficult to reduce the size of the EARIS bureaucracy, in view of the Egyptian law that made it practically impossible to discharge employees. Regarding this practice, the American side could not appreciate The Egyptian government's political and economic reasons for guaranteeing a job to all college/university graduates.

4. The reluctance of Egyptian administrators to encourage American-conceived community development projects.

Indeed, one aspect of the Tahrir project which brought American criticism, was precisely the lack of Egyptian concern for community development. In pressing for community development along democratic lines, the American staff manifested some degree of insensitivity to the ideological predispositions of the Nasserite regime, which emphasized etatist collectivism. Hence, the government's lack of interest in community development.

5. The inclination on the part of some Egyptians to disregard American advice on technical and managerial matters.

6. The frequent failure of the Egyptian government to provide counterpart technical personnel and meet funding deadlines.

COST-BENEFIT ANALYSIS

Without any exception, the American staff considered EARIS a success; some called it "a monumental success." In the judgement of this evaluator, the achievements of EARIS were considerable, despite the political and interpersonal difficulties which surrounded its evolution. A more definitive judgement would have to await the results of extensive field studies. Meanwhile, the question that remains to be answered from both American and Egyptian perspectives is: success at what price?

The search for an answer requires that the EARIS Project is considered in terms of cost-benefit analysis--a technique which places primary focus on financial criteria rather than on social criteria. The fundamental question concerns the total cost of EARIS in terms of capital invested by both governments.

According to calculations based on the documentary material, the total cost of EARIS by late 1964 had reached $42,500,000--a figure slightly above that reported by the US Mission. This sum did not include the salaries and allowances of US and Egyptian personnel attached to EARIS, who were paid by their respective governments. The total cost of the average EARIS individual unit in 1964 was reported as $7,000, including reclamation, canals, drains, roads, mosques, schools, hospitals, buildings and streets.

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* The official exchange rate between 1953 and 1964 decreased from about $3 per LE, to $2.4 per LE; these rates were used by the US staff in EARIS documents.

This represented a $1,000 increase from estimates made by the US staff in January 1963, and a three-fold increase from 1955 estimates. AID documents reported that these expenditures were "considerably in excess" of the funds originally allocated. In any case, a per unit cost of $7,000 represented a substantially large investment in the 1960's and even today by Egyptian standards. In order to analyze such an expenditure in cost-benefit terms, several methods may be employed:

1. Comparison of cost per unit with cost of similar projects in the same sector.
2. Comparison of cost per unit to value of rent as set by the Agrarian Reform Laws.
3. Comparison of rate of return on investment in land reclamation, with investment in other sectors of production e.g., transportation, industry, tourism.

According to Ministry of Treasury standards, as set by Dr. Abd al-Mun'im al-Qaysuni during the early sixties, the EARIS investment of $1,400 per faddan would be considered too high a cost for land reclamation and land development. In fact, the acceptable Egyptian figure was less than half the EARIS investment of $1,400, or $670.

In calculating cost of land in the Egyptian setting of 1953-64, it should be noted that under the Agrarian Reform laws, rent could not exceed seven times the value of taxes, and the value of the faddan could not exceed ten times the value of rent. On this basis, the value of the best acreage would at most be LE 240 as compared with @ LE 600/650 for per unit cost of EARIS acreage.

In calculating the total costs incurred by the Egyptian government, the cost of financing needs to be considered. It had been originally decided to charge the peasant 3% compound interest on roughly $2,700, the rest of the cost being born by EARIS. It has been reported that the Egyptian government eventually stopped insisting on repayment of the loan due to the peasants' inability to repay the mortgage despite the extension of the payment period from 33 ½ to 40 years. The Egyptian government would loose even if payments were forthcoming, since it was borrowing on the open market at the rate of 8% or 9% to fund its 60% portion of EARIS. As a regime committed to massive expenditures for the High Dam, heavy industry, and large-scale defense, it could not afford the luxury of continuing to subsidize the well-being of a small sector of its peasantry. Hence, the progressive diminution of the regime's interest in EARIS type high cost projects and its concomitant reluctance to approve expensive 'fringe' items such as community development. If this analysis is correct, then, despite Egyptian plans and promises to replicate EARIS, much comprehensive emulation may not have taken place. Instead, it is plausible that any replication of EARIS was done on a selective basis, where only some features of the EARIS experiment were used elsewhere.

## A FUTURE EARIS?

Is it desirable to have EARIS type projects in the foreseeable future? The answer would be in the affirmative in terms of the social benefits that EARIS brought to thousands of Egyptian peasants, by providing them with

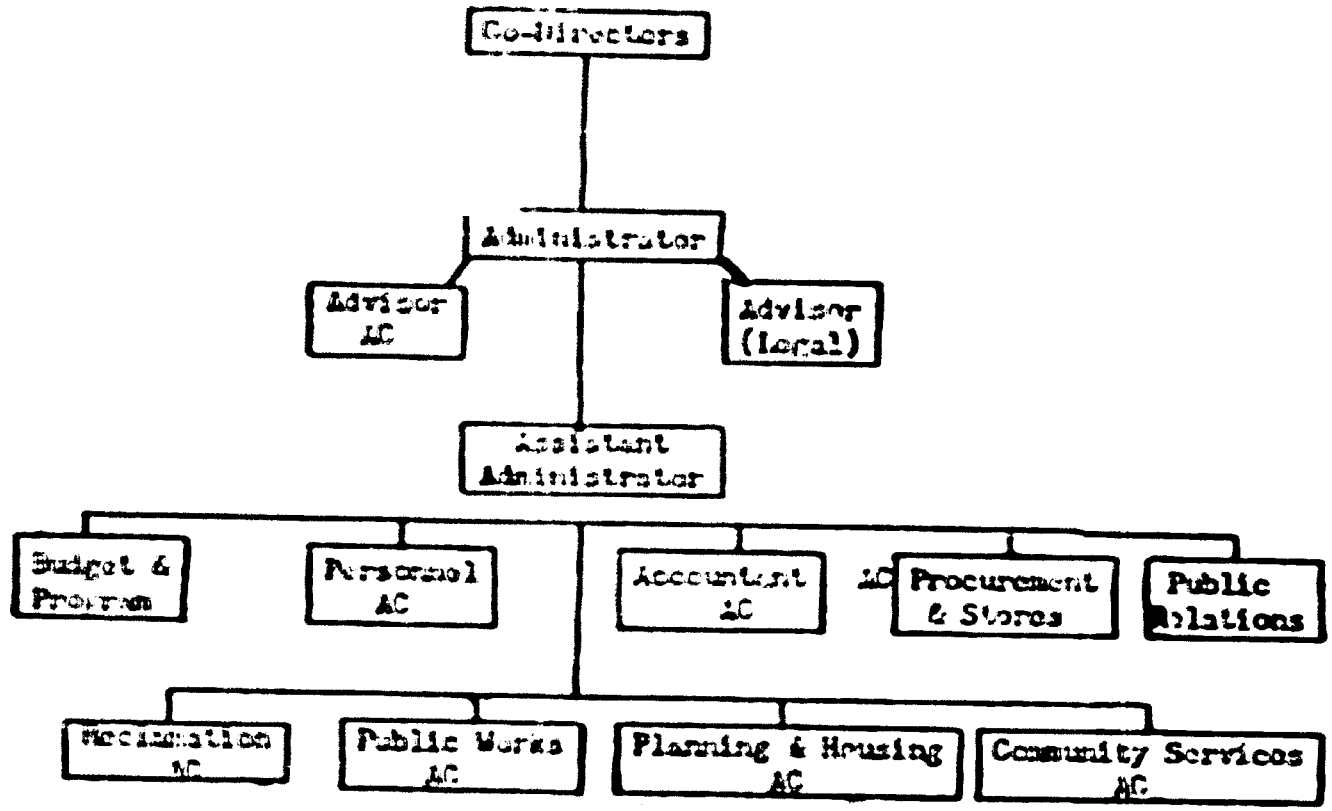
housing, income and other amenities. However, the high cost factor, compounded by rising inflation rates, will probably make the replication of EARIS economically prohibitive.

The opinions expressed in interviews with the American participants ranged from recommendations to replicate EARIS, to strong reservations about the future of land reclamation in Egypt. Suggestions included: changing cropping patterns, substituting exportable fruits and vegetables for cotton, and concentrating AID funds on developing light industries and small businesses, which would constitute a return to the original American philosophy of self-help. In the opinion of the evaluator, it is possible to relieve urban congestion to some degree by establishing small industry-based settlements in suitable desert locations, around which small-scale land reclamation might be possible. Such mating of small industry and small farming had been planned for EARIS villages, but not implemented.

Regardless of its trials and tribulations, EARIS remains an enduring landmark of Egyptian-American cooperation. For most of its American co-creators, EARIS is but a memory of a generally rewarding experience. But for the fallah settler, EARIS is a living reality; only he and his children can be the ultimate judges of its success.

ANNEX 1

Tentative EAPIS Organization
1953




American Collaborators = AC

ANNEX 2

## ESTIMATED DEVELOPMENT COSTS - ABIS AREA OF BUHEIRA PROVINCE

| | 1953-54 | 1954-55 1,120 Feds. | 1955-56 | 1956-57 | 1957-58 4,480 Feds. | 1958-59 | 1959-60 14,400 Feds. | Total |
|---|---|---|---|---|---|---|---|---|
| Reclamation and Development | $892,000 | $1,510,000 | $1,316,000 | $652,000 | $206,000 | $213,000 | $254,000 | $5,043,000 |
| Area-wide Utilities | 32,000 | 32,000 | 122,000 | 121,000 | 243,000 | 243,000 | - | 793,000 |
| Community Physical Development | 33,000 | 33,000 | 127,000 | 127,000 | 254,000 | 255,000 | - | 829,000 |
| Housing | 100,000 | 100,000 | 482,000 | 469,000 | 937,000 | 937,000 | - | 3,025,000 |
| TOTAL | $1,057,000 | $1,675,000 | $2,047,000 | $1,369,000 | $1,640,000 | $1,648,000 | $254,000 | $9,670,000 |

Note: Not included are costs for community organization activities, education, health and sanitation, and agriculture services. These require further study.