ECONOMIC COOPERATION ADMINISTRATION

PD-ACC-981

# Fiscal Year 1951 and Proposed Fiscal Year 1952 Programs

*for*

# SOUTHEAST ASIA, PHILIPPINES AND FORMOSA

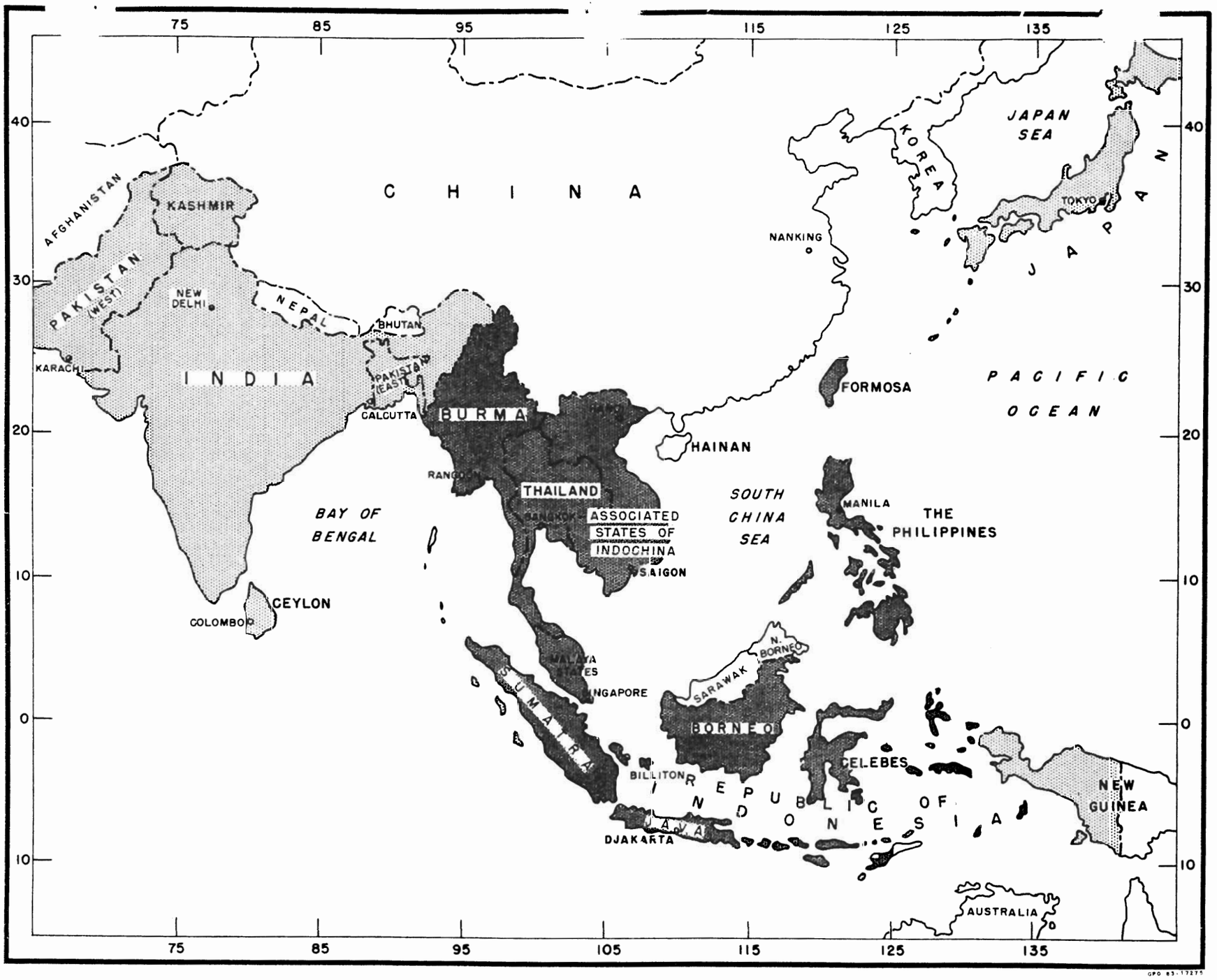
●

| | |
|---|---|
| Formosa | Burma |
| Philippines | Indonesia |
| Indochina | Thailand |

FAR EAST PROGRAM DIVISION

BEST AVAILABLE

July 1951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PAKISTAN (EAST)
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BURMA
RANGOON
THAILAND
BANGKOK
ASSOCIATED STATES OF INDOCHINA
SAIGON
BAY OF BENGAL
CEYLON
COLOMBO
MALAYA STATES
SINGAPORE
SUMATRA
BILLITON
JAVA
DJAKARTA
SARAWAK
N. BORNEO
BORNEO
CELEBES
REPUBLIC OF INDONESIA
NEW GUINEA
AUSTRALIA
HAINAN
SOUTH CHINA SEA
FORMOSA
MANILA
THE PHILIPPINES
NANKING
KOREA
JAPAN SEA
JAPAN
TOKYO
PACIFIC OCEAN
75
85
95
105
115
125
135
40
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July, 1951

# ECA PROGRAMS IN SOUTHEAST ASIA, PHILIPPINES AND FORMOSA

## Introductory Note

The economies of the southeast Asia region are relatively underdeveloped in a day when progress toward general economic development has come to be passionately desired. Actually, far from being on the road to improvement, many of them are now in danger of serious retrogression. As for consumption, most people in this part of the world have less to eat and wear and fewer tools than before the war.

In seeking to improve their situation these countries labor under several severe handicaps. Most of them only recently gained independence and consequently lack the trained organizers, administrators, and technicians required even to maintain formerly existing services and levels of production, let alone register advances. They also lack educational and training facilities, modern production techniques, mechanisms for mobilizing domestic savings, realisitc long-term development plans, an effective approach to needed agrarian and other social and economic reforms. Their tasks are, furthermore, made much more difficult of accomplishment by destruction of physical facilities during World War II (especially Philippines and Burma); by current hostilities (Associated States of Indochina) or threatened attack (Formosa); by large-scale insurgency or banditry (Philippines and Burma) or at least a marked degree of internal insecurity (Indonesia and Thailand).

Just at this time when progress is so difficult to make, the need for it is especially great. National independence - the breaking of the colonial tie - was supposed to better conditions of life for the people of Asia. If their present governments cannot deliver on that promise and that expectation, stability will disappear; in all probability, Communism will then take over. Timely outside aid, including aid from the United States, is needed to help the countries of southeast Asia deal with these problems.

Aid extended to the area in fiscal year 1951 amounted to $157.3 million. The $184.2 million program proposed for fiscal year 1952 is designed to make a substantial additional contribution toward meeting such of the needs for aid set forth above as it is believed should be met on a grant basis. It will further U.S. objectives because it can be expected to increase the economic and political stability of the countries in this region, strengthen their will and capacity to resist internal and external Communist aggression, associate their aspiration for national independence with a desire to make common cause with the rest of the free world, and help them deal effectively with their problems of economic adjustment and development.

The proposed grants are mainly for (1) technical assistance and the small-scale complement of supplies and equipment required to make technical assistance effective, and (2) in certain countries (Formosa particularly, but also to a substantial extent in the Philippines and the

and the Associated States of Indochina), additional supplies of useful producer and consumer goods, introduced for sale through commercial channels. The latter type of aid is proposed where needed to prevent the defense build-up and other factors that limit supply in relation to demand from accentuating shortages to the point of wrecking economic stability. Large-scale capital development projects are not included in this program for countries with adequate borrowing capacity. It is proposed that, within the limits of debt-servicing capacity, assistance extended for such projects be on a loan basis and be provided by the regular lending agencies. The closest possible integration of loans and grants is planned, however, so that, in any country where both loans and grants are involved, the two forms of aid will complement and mutually reinforce one another.

In general the country programs proposed for southeast Asia in fiscal year 1952 provide a continuation of aid begun in fiscal year 1951 in the following fields: (1) essential public services, including training, with emphasis on improved medical, sanitation, agricultural, and other services at the village level (since these economies are predominately agrarian, the programs are very largely centered in the rural communities); (2) expanded production in agriculture, fisheries and forestry, and promotion of small and cottage industries; (3) repair and improvement of essential public works, especially transportation facilities such as highways, railways, ports, and inland waterways; (4) general education; (5) improvement of public administration; and, where applicable and desired, (6) economic support of defense efforts.

The carrying out of aid projects in the area requires not only the expenditure of dollars for imported equipment and supplies and for the salaries of American personnel but also - generally in at least equal and frequently in greater measure - the expenditure of local currency. This local currency is drawn, except insofar as it represents an additional, direct contribution from the budget of the country in question, from the special counterpart account for which all ECA bilateral agreements make provision. While these counterpart funds are owned by the aid-recipient governments, the bilateral agreements further provide that all withdrawals from these funds must be approved by ECA. Thus ECA is in a position to guide the use of local currency counterpart funds as well as the use of direct dollar aid.

The aid-recipient countries are unquestionably making great efforts to help themselves. U.S. aid, while it is considered to be contributing vitally to the efforts being exerted by those peoples and governments to improve their situation, is in most cases extremely small in relation to the national incomes and the government budgets of the countries concerned. The countries are in all cases contributing manpower to the execution of ECA-sponsored projects. Most of them are making heavy contributions in money, by way of the counterpart funds and in some cases also directly, to meet the local currency costs of these projects - costs of labor, materials, equipment, etc. procured within the country. Generally speaking, the aid programs in this area are not supply programs; hence in the very nature of these programs an unusual amount of self-help is required.

Except where it is impossible for local government budgets to bear the additional burden of financing projects sponsored by ECA (Formosa, Associated States of Indochina), U.S.-financed imports of commodities for sale provide at

most only a portion of the counterpart required to operate the program, leaving the remainder to be supplied from local budget resources. In certain cases (notably Thailand) the recipient bears the entire burden of providing counterpart on a full commensurate value basis and meeting such additional local costs as may be involved, since no salable commodity imports are included in the aid program.

Southeast Asia together with South Asia comprises one of the greatest areas in the world for the production of important raw materials - minerals, fibers, fats and oils, and other deficiency items. In 1950 this region provided 99 percent of our (U.S.) new supply of natural rubber, 58 percent of our tin, 32 percent of our manganese ore, 99 percent of our jute, nearly all of our Manila hemp (abaca), all of our copra and coconut oil. This region likewise produces important quantities of such other commodities as quinine, graphite, kyanite, chromite, mica, beryl, sugar, tea, pepper, and shellac.

The present aid programs make some direct contribution to the further development of certain of these materials (minerals, abaca, coconut, rubber) and indirectly facilitate procurement of all such items by the substantial assistance given to the restoration of road, rail, river, and harbor transport facilities. It is not, however, the purpose of these economic aid programs to undertake large-scale projects for the development and procurement of deficiency materials. The Executive Branch of the U.S. Government has established other facilities for that purpose, and the necessary new funds are included in other requests to the Congress.

July, 1951

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FY 1951 PROGRAM

ALL S.E.A. COUNTRIES. Summary Table 1. Dollar Cost of Program By Country and Major Project Category

Dollar Costs (in thousands)

| Major Project Category | All S.E.A. Countries | Formosa | Philippines | Indochina | Burma | Indonesia | Thailand |
|---|---|---|---|---|---|---|---|
| 1. Emergency Relief a/ | 1,195 | - | - | 1,195 | - | - | - |
| 2. Public Health | 11,269 b/ | 68 | 596 | 3,729 c/ | 1,786 | 2,836 | 2,008 |
| 3. Agriculture, Forestry, Fisheries | 10,783 | 334 | 2,722 | 1,619 | 1,243 | 2,548 | 2,317 |
| 4. Transportation, Power, Other Public Works | 26,574 | 12,077 | 3,633 | 3,316 | 3,616 | - | 3,932 |
| 5. Handicraft and Manufacturing, Mining, Other Industry | 5,009 | 1,704 | 778 | - | 19 | 1,889 | 619 |
| 6. General Engineering Advisory Services | 2,384 | 884 | - | - | 800 | 700 | - |
| 7. Education | 915 | 19 | 218 | 30 | 648 | - | - |
| 8. Public Administration | 770 | 29 | 375 | 334 | 32 | - | - |
| 9. Maintenance of Essential Supply d/ | 98,419 | 77,506 e/ | 6,678 | 11,605 | 2,630 | - | - |
| TOTAL DOLLAR COST OF PROGRAM | 157,318 b/ | 92,621 e/ | 15,000 | 21,828 c/ | 10,774 | 7,973 | 8,876 |
| Percent of Total Program Cost, All S.E.A. Countries | 100.0% f/ | 58.8% | 9.5% | 13.9% | 6.9% | 5.1% | 5.6% |

ALL S.E.A. COUNTRIES. Summary Table 1.

(Footnotes)

a/ Includes food, clothing, blankets, medicines and temporary housing for Indochinese refugees. Wherever feasible, raw materials rather than finished goods have been imported for fabrication by the refugees themselves.

b/ Includes $34 thousand MDAP funds for Indochina and $246 thousand unallocated program funds obligated under an agreement between ECA and the Federal Security Agency (U. S. Public Health Service). See Summary Table 4, footnote f.

c/ Includes $34 thousand MDAP funds used for salaries and other dollar expenses of initial group of technicians sent to inaugurate health program.

d/ Common-use items (Formosa only) plus requisites for production and other essential civilian supplies. See Table 2, item 9, in individual country series.

e/ Net basis. Excludes $5,413 thousand released from previous year's obligations. See Formosa Table 2, item 9.

f/ Includes 0.2% ($246 thousand) of unallocated program funds. See footnote b.

ECA: Far East Program Division
Revised: July 21, 1951

FY 1951 PROGRAM

ALL S.E.A. COUNTRIES. Summary Table 2. Percentage Distribution: Dollar Cost of Program a/
By Country and Major Project Category

| Major Project Category | All S.E.A. Countries | Formosa | Philippines | Indochina | Burma | Indonesia | Thailand |
|---|---|---|---|---|---|---|---|
| 1. Emergency Relief | 0.7% | - | - | 5.5% | - | - | - |
| 2. Public Health | 7.2 | 0.1% | 4.0% | 17.1 | 16.6% | 35.6 | 22.6% |
| 3. Agriculture, Forestry, Fisheries | 6.8 | 0.4 | 18.1 | 7.4 | 11.5 | 31.9 | 26.1 |
| 4. Transportation, Power, Other Public Works | 16.9 | 13.0 | 24.2 | 15.2 | 33.6 | - | 44.3 |
| 5. Handicraft and Manufacturing, Mining, Other Industry | 3.2 | 1.8 | 5.2 | - | 0.2 | 23.7 | 7.0 |
| 6. General Engineering Advisory Services | 1.5 | 1.0 | - | - | 7.4 | 8.8 | - |
| 7. Education | 0.6 | 0.0 | 1.5 | 0.1 | 6.0 | - | - |
| 8. Public Administration | 0.5 | 0.0 | 2.5 | 1.5 | 0.3 | - | - |
| 9. Maintenance of Essential Supply | 62.6 | 83.7 | 44.5 | 53.2 | 24.4 | - | - |
| TOTAL DOLLAR COST OF PROGRAM | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

a/ Based on dollar figures shown in Table 1.

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ALL S.E.A. COUNTRIES. Summary Table 3. Percentage Distribution: Dollar Cost of Projects (excl.#9) a/
By Country and Major Project Category

| Major Project Category | All S.E.A. Countries | Formosa | Philippines | Indochina | Burma | Indonesia | Thailand |
|---|---|---|---|---|---|---|---|
| 1. Emergency Relief | 2.0% | - | - | 11.7% | - | - | - |
| 2. Public Health | 19.1 | 0.5% | 7.2% | 36.5 | 21.9% | 35.6% | 22.6% |
| 3. Agriculture, Forestry, Fisheries | 18.3 | 2.2 | 32.7 | 15.8 | 15.3 | 31.9 | 26.1 |
| 4. Transportation, Power, Other Public Works | 45.1 | 79.9 | 43.7 | 32.4 | 44.4 | - | 44.3 |
| 5. Handicraft and Manufacturing, Mining, Other Industry | 8.5 | 11.3 | 9.3 | - | 0.2 | 23.7 | 7.0 |
| 6. General Engineering Advisory Services | 4.1 | 5.8 | - | - | 9.8 | 8.8 | - |
| 7. Education | 1.6 | 0.1 | 2.6 | 0.3 | 8.0 | - | - |
| 8. Public Administration | 1.3 | 0.2 | 4.5 | 3.3 | 0.4 | - | - |
| 9. Maintenance of Essential Supply | - | - | - | - | - | - | - |
| TOTAL DOLLAR COST OF PROGRAM | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

a/ Based on dollar figures shown in Table 1, excluding project #9 (Maintenance of Essential Supply).

FY 1951 PROGRAM

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ALL S.E.A. COUNTRIES. Summary Table 4. Dollar Cost of Programs By Country and Major Cost Components

Dollar Costs (in thousands)

| Country | Total Dollar Cost of Program | Cost of Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | T.A. Experts a/ | | Trainees b/ | |
| | | | | No. of Persons | Cost | No. of Persons | Cost |
| Formosa | 92,621 c/ | 91,416 | 1,205 | 25 | 995 d/ | 50 | 210 |
| Philippines | 15,000 | 13,975 | 1,025 | 69 | 1,025 | - | - |
| Indochina | 21,828 e/ | 21,542 | 286 | 26 | 286 | - | - |
| Burma | 10,774 | 9,298 | 1,476 | 54 | 1,458 d/ | 3 | 18 |
| Indonesia | 7,973 | 7,055 | 918 | 39 | 907 d/ | 6 | 11 |
| Thailand | 8,876 | 8,054 | 822 | 62 | 765 | 14 | 57 |
| All S.E.A. Countries | 157,072 | 151,340 | 5,732 | 275 | 5,436 | 73 | 296 |
| Unallocated Program Costs | 246 f/ | - | 246 | - | 246 | - | - |
| TOTAL COST, S.E.A. PROGRAMS | 157,318 e/ | 151,340 | 5,978 | 275 g/ | 5,682 | 73 h/ | 296 |
| Percent of Total Program Cost | 100.0% | 96.2% | 3.8% | - | 3.6% | - | 0.2% |

ALL S.E.A. COUNTRIES. Summary Table 4.

(Footnotes)

a/ Experts sent to country. Cost shown represents actual dollar obligations.

b/ Persons brought from country for training. Cost shown represents actual dollar obligations.

c/ Net basis. Excludes $5,413 thousand released from previous year's obligations. See Formosa Table 2, item 9.

d/ Includes total cost of contract with U.S. engineering firm - comprising fixed fee, cost of back-up provided by home office, administrative and overhead expenses, etc., in addition to pay of personnel sent to field.

e/ Includes $34 thousand MDAP funds used for salaries and other dollar expenses of initial group of technicians sent to inaugurate health program in Indochina.

f/ Obligated under an agreement between ECA and the Federal Security Agency (U.S. Public Health Service) to cover the cost of recruiting, orientation and incidental travel of health technicians prior to assignment to a specific S.E.A. post, plus cost of related administrative and consultative services.

g/ Man-year equivalent, 234. Total 275 persons distributed by major project category as follows: Public Health, 85; Agriculture, Forestry, Fisheries, 66; Transportation, Power, Other Public Works, 25; Handicraft and Manufacturing, Mining, Other Industry, 17; General Engineering Advisory Services, 47 (estimated); Education, 8; Public Administration, 27. For distribution by country, see Table 1 in individual country series.

h/ Man-year equivalent, 54. Total 73 persons distributed by major project category as follows: Public Health, 12; Agriculture, Forestry, Fisheries, 27; Transportation, Power, Other Public Works, 8; Handicraft and Manufacturing, Mining, Other Industry, 16; Education, 4; Public Administration, 6. For distribution by country, see Table 1 in individual country series.

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ALL S.E.A. COUNTRIES. Summary Table 5. Percentage Distribution: Dollar Cost of Program a/
By Country and Major Cost Components

| Country | Total Dollar Cost of Program | Cost of Supplies & Equipment | Cost of Services | | |
|---|---|---|---|---|---|
| | | | Total | T.A. Experts | Trainees |
| Formosa | 100.0% | 98.7% | 1.3% | 1.1% | 0.2% |
| Philippines | 100.0 | 93.2 | 6.8 | 6.8 | - |
| Indochina | 100.0 | 98.7 | 1.3 | 1.3 | - |
| Burma | 100.0 | 86.3 | 13.7 | 13.5 | 0.2 |
| Indonesia | 100.0 | 88.5 | 11.5 | 11.4 | 0.1 |
| Thailand | 100.0 | 90.7 | 9.3 | 8.6 | 0.7 |
| ALL S.E.A. COUNTRIES | 100.0 | 96.2 | 3.8 | 3.6 | 0.2 |

a/ Based on dollar figures shown in Table 4.

FY 1951 PROGRAM

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ALL S.E.A. COUNTRIES. Summary Table 6. Supplies and Equipment Breakdown By Country and Major Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | All S.E.A. Countries | Formosa | Philippines | Indochina | Burma | Indochina | Thailand |
|---|---|---|---|---|---|---|---|
| 1. Food | 18,119 | 17,037 | - | 1,082 | - | - | - |
| 2. Feed and Fertilizer | 23,260 | 19,209 | 3,371 | 575 | 25 | 75 | 5 |
| 3. Natural Fibers | 12,564 | 9,411 | 170 | 2,738 | 245 | - | - |
| 4. Tobacco | 1,002 | 1,002 | - | - | - | - | - |
| 5. Other Agricultural Products | 1,613 | 1,500 | 50 | - | 63 | - | - |
| 6. Fuels | 13,443 | 10,867 | 23 | 2,520 | - | - | 33 |
| 7. Industrial Raw Materials | 21,006 | 10,283 | 2,157 | 2,632 | 2,505 | 1,952 | 1,477 |
| 8. Capital Equipment | 31,725 | 7,389 | 5,444 | 8,265 | 2,266 | 2,486 | 5,875 |
| 9. Other Manufactures and Raw Materials | 28,608 | 14,718 | 2,760 | 3,730 | 4,194 | 2,542 | 664 |
| TOTAL SUPPLIES AND EQUIPMENT | 151,340 | 91,416 a/ | 13,975 | 21,542 | 9,298 | 7,055 | 8,054 |
| Percent of Total, All S.E.A. Countries | 100.0% | 60.4% | 9.2% | 14.2% | 6.2% | 4.7% | 5.3% |

a/ Net basis. Excludes $5,413 thousand released from previous year's obligations. See Formosa Table 3, footnote b.

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FY 1951 PROGRAM

ALL S.E.A. COUNTRIES. Summary Table 7. Percentage Distribution: Supplies and Equipment Breakdown a/
By Country and Major Commodity Group

| Commodity Group | All S.E.A. Countries | Formosa | Philippines | Indochina | Burma | Indonesia | Thailand |
|---|---|---|---|---|---|---|---|
| 1. Food | 12.0% | 18.6% | - | 5.0% | - | - | - |
| 2. Feed and Fertilizer | 15.4 | 21.0 | 24.1% | 2.7 | 0.3% | 1.1% | 0.1% |
| 3. Natural Fibers | 8.3 | 10.3 | 1.2 | 12.7 | 2.6 | - | - |
| 4. Tobacco | 0.6 | 1.1 | - | - | - | - | - |
| 5. Other Agricultural Products | 1.1 | 1.6 | 0.4 | - | 0.7 | - | - |
| 6. Fuels | 8.9 | 11.9 | 0.2 | 11.7 | - | - | 0.4 |
| 7. Industrial Raw Materials | 13.9 | 11.3 | 15.4 | 12.2 | 26.9 | 27.7 | 18.3 |
| 8. Capital Equipment | 20.9 | 8.1 | 38.9 | 38.4 | 24.4 | 35.2 | 72.9 |
| 9. Other Manufactures and Raw Materials | 18.9 | 16.1 | 19.8 | 17.3 | 45.1 | 36.0 | 8.3 |
| TOTAL SUPPLIES AND EQUIPMENT | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

a/ Based on dollar figures shown in Table 6.

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FY 1952 PROGRAM (ILLUSTRATIVE)

ALL S.E.A. COUNTRIES. Summary Table 1. Estimated Dollar Cost of Program a/
By Country and Major Project Category

| Major Project Category | Dollar Costs (in thousands) All S.E.A. Countries | Formosa | Philippines | Indochina | Burma | Indonesia | Thailand |
|---|---|---|---|---|---|---|---|
| 1. Emergency Relief | 1,600 | - | - | 1,600 | - | - | - |
| 2. Public Health | 19,020 | 1,120 | 2,250 | 6,440 | 3,750 | 2,600 | 2,860 |
| 3. Agriculture, Forestry, Fisheries | 22,840 | 1,950 | 10,050 | 2,490 | 2,800 | 3,240 | 2,310 |
| 4. Transportation, Power, Other Public Works | 22,800 | 12,890 | 3,450 | 2,950 | 2,850 | 410 | 250 |
| 5. Handicraft and Manufacturing, Mining, Other Industry | 9,130 | 5,820 | 450 | 510 | 1,200 | 500 | 650 |
| 6. General Engineering Advisory Services | 2,050 | 800 | - | - | 700 | 550 | - |
| 7. Education | 3,580 | 50 | 500 | 400 | 1,400 | 300 | 930 |
| 8. Public Administration | 1,080 | 180 | 500 | - | - | 400 | - |
| 9. Maintenance of Essential Supply b/ | 102,100 | 67,190 | 18,200 | 14,910 | 1,800 | - | - |
| TOTAL DOLLAR COST OF PROGRAM | 184,200 | 90,000 | 35,400 | 29,300 | 14,500 | 8,000 | 7,000 |
| Percent of Total Program Cost, All S.E.A. Countries | 100.0 | 48.9% | 19.2% | 15.9% | 7.9% | 4.3% | 3.8% |

a/ Does not include any portion of funds that may be approved for basic materials development (in Title I of proposed Mutual Security Act.)

b/ Common-use items (Formosa only) plus requisites for production and other essential civilian supplies. See Table 2, item 9, in individual Country series.

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FY 1952 PROGRAM (ILLUSTRATIVE)

ALL S.E.A. COUNTRIES. Summary Table 2. Percentage Distribution: Estimated Dollar Cost of Program a/
By Country and Major Project Category

| Major Project Category | All S.E.A. Countries | Formosa | Philippines | Indochina | Burma | Indonesia | Thailand |
|---|---|---|---|---|---|---|---|
| 1. Emergency Relief | 0.9% | - | - | 5.4% | - | - | - |
| 2. Public Health | 10.3 | 1.2% | 6.4% | 22.0 | 25.9% | 32.5% | 40.8% |
| 3. Agriculture, Forestry, Fisheries | 12.4 | 2.2 | 28.4 | 8.5 | 19.3 | 40.5 | 33.0 |
| 4. Transportation, Power, Other Public Works | 12.4 | 14.3 | 9.7 | 10.1 | 19.7 | 5.1 | 3.6 |
| 5. Handicraft and Manufacturing, Mining, Other Industry | 5.0 | 6.5 | 1.3 | 1.7 | 8.3 | 6.3 | 9.3 |
| 6. General Engineering Advisory Services | 1.1 | 0.9 | - | - | 4.8 | 6.9 | - |
| 7. Education | 1.9 | 0.0 | 1.4 | 1.4 | 9.6 | 3.7 | 13.3 |
| 8. Public Administration | 0.6 | 0.2 | 1.4 | - | - | 5.0 | - |
| 9. Maintenance of Essential Supply | 55.4 | 74.7 | 51.4 | 50.9 | 12.4 | - | - |
| TOTAL DOLLAR COST OF PROGRAM | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

a/ Based on dollar figures shown in Table 1.

FY 1952 PROGRAM (ILLUSTRATIVE)

ECA: Far East Program Division
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ALL S.E.A. COUNTRIES. Summary Table 3. Percentage Distribution: Estimated Dollar Cost of Projects (excl.#9)a/ By Country and Major Project Category

| Major Project Category | All S.E.A. Countries | Formosa | Philippines | Indochina | Burma | Indonesia | Thailand |
|---|---|---|---|---|---|---|---|
| 1. Emergency Relief | 1.9% | - | - | 11.1% | - | - | - |
| 2. Public Health | 23.2 | 4.9% | 13.1% | 44.8 | 29.5% | 32.5% | 40.8% |
| 3. Agriculture, Forestry, Fisheries | 27.8 | 8.6 | 58.4 | 17.3 | 22.0 | 40.5 | 33.0 |
| 4. Transportation, Power, Other Public Works | 27.8 | 56.5 | 20.1 | 20.5 | 22.5 | 5.1 | 3.6 |
| 5. Handicraft and Manufacturing, Mining, Other Industry | 11.1 | 25.5 | 2.6 | 3.5 | 9.5 | 6.3 | 9.3 |
| 6. General Engineering Advisory Services | 2.5 | 3.5 | - | - | 5.5 | 6.9 | - |
| 7. Education | 4.4 | 0.2 | 2.9 | 2.8 | 11.0 | 3.7 | 13.3 |
| 8. Public Administration | 1.3 | 0.8 | 2.9 | - | - | 5.0 | - |
| 9. Maintenance of Essential Supply | - | - | - | - | - | - | - |
| TOTAL DOLLAR COST OF PROGRAM | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

a/ Based on dollar figures shown in Table 1, excluding project #9 (Maintenance of Essential Supply).

FY 1952 PROGRAM (ILLUSTRATIVE)

ECA: Far East Program Division
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ALL S.E.A. COUNTRIES. Summary Table 4. Estimated Dollar Cost of Program a/
By Country and Major Cost Components

Dollar Costs (in thousands)

| Country | Total Dollar Cost of Program | Cost of Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | T.A. Experts b/ | | Trainees c/ | |
| | | | | No. of Persons | Cost | No. of Persons | Cost |
| Formosa | 90,000 | 88,206 | 1,794 | 52 | 1,244 d/ | 110 | 550 |
| Philippines | 35,400 | 34,410 | 990 | 45 | 540 | 90 | 450 |
| Indochina | 29,300 | 28,170 | 1,130 | 65 | 780 | 70 | 350 |
| Burma | 14,500 | 12,952 | 1,548 | 67 | 1,348 d/ | 40 | 200 |
| Indonesia | 8,000 | 6,191 | 1,809 | 75 | 1,234 d/ | 115 | 575 |
| Thailand | 7,000 | 5,595 | 1,405 | 85 | 1,020 | 77 | 385 |
| ALL S.E.A. COUNTRIES | 184,200 | 175,524 | 8,676 | 389 e/ | 6,166 | 502 f/ | 2,510 |
| Percent of Total Program Cost, All S.E.A. Countries | 100.0% | 95.3% | 4.7% | - | 3.3% | - | 1.4% |

ALL S.E.A. COUNTRIES. Summary Table 4.

(Footnotes)

a/ Does not include any portion of funds that may be approved for basic materials development (in Title I of proposed Mutual Security Act).

b/ Experts sent to country. Cost computed on uniform basis of $12,000 per person, allowing for average lapse of 3 months.

c/ Persons brought from country for training. Cost computed on uniform basis of $5,000 per person.

d/ Includes total cost of contract with U. S. engineering firm - Comprising fixed fee, cost of back-up provided by home office, administrative and overhead expenses, etc., in addition to pay of personnel sent to field.

e/ Man-year equivalent, approximately 345. Total 389 persons distributed by major project category as follows: Emergency Relief, 2; Public Health, 120; Agriculture, Forestry, Fisheries, 119; Transportation, Power, Other Public Works, 18; Handicraft and Manufacturing, Mining, Other Industry, 14; General Engineering Advisory Services, 46; Education, 44; Public Administration, 26. For distribution by country, see Table 1 in individual country series.

f/ Man-year equivalent, approximately 406. Total 502 persons distributed by major project category as follows: Public Health, 121; Agriculture, Forestry, Fisheries, 148; Transportation, Power, Other Public Works, 72; Handicraft and Manufacturing, Mining, Other Industry, 29; Education, 54; Public Administration, 78. For distribution by country, see Table 1 in individual country series.

FY 1952 PROGRAM (ILLUSTRATIVE)

ECA: Far East Program Division
Revised: July 21, 1951

ALL S.E.A. COUNTRIES. Summary Table 5. Percentage Distribution: Estimated Dollar Cost of Program[a/]
By Country and Major Cost Components

| Country | Total Dollar Cost of Program | Cost of Supplies & Equipment | Cost of Services | | |
|---|---|---|---|---|---|
| | | | Total | T.A. Experts | Trainees |
| Formosa | 100.0% | 98.0% | 2.0% | 1.4% | 0.6% |
| Philippines | 100.0 | 97.2 | 2.8 | 1.5 | 1.3 |
| Indochina | 100.0 | 96.1 | 3.9 | 2.7 | 1.2 |
| Burma | 100.0 | 89.3 | 10.7 | 9.3 | 1.4 |
| Indonesia | 100.0 | 77.4 | 22.6 | 15.4 | 7.2 |
| Thailand | 100.0 | 79.9 | 20.1 | 14.6 | 5.5 |
| ALL S.E.A. COUNTRIES | 100.0 | 95.3 | 4.7 | 3.3 | 1.4 |

a/ Based on dollar figures shown in Table 4.

ECA: Far East Program Division
Revised: July 21, 1951

FY 1952 PROGRAM (ILLUSTRATIVE)

ALL S.E.A. COUNTRIES. Summary Table 6. Estimated Supplies and Equipment Breakdown By Country and Major Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | All S.E.A. Countries | Formosa | Philippines | Indochina | Burma | Indonesia | Thailand |
|---|---|---|---|---|---|---|---|
| 1. Food | 20,223 | 18,100 | 1,095 | 1,028 | - | - | - |
| 2. Feed and Fertilizer | 22,610 | 17,867 | 3,050 | 700 | 600 | 388 | 5 |
| 3. Natural Fibers | 19,458 | 12,673 | 285 | 6,000 | 500 | - | - |
| 4. Tobacco | - | - | - | - | - | - | - |
| 5. Other Agricultural Products | 3,213 | 90 | 2,952 | 50 | 20 | 100 | 1 |
| 6. Fuels | 15,043 | 10,500 | 1,818 | 2,725 | - | - | - |
| 7. Industrial Raw Materials | 24,932 | 13,047 | 3,720 | 3,124 | 2,344 | 1,489 | 1,208 |
| 8. Capital Equipment | 46,778 | 13,210 | 12,854 | 8,961 | 5,861 | 2,393 | 3,499 |
| 9. Other Manufactures and Raw Materials | 23,267 | 2,719 | 8,636 | 5,582 | 3,627 | 1,821 | 882 |
| TOTAL SUPPLIES AND EQUIPMENT | 175,524 | 88,206 | 34,410 | 28,170 | 12,952 | 6,191 | 5,595 |
| Percent of Total, All S.E.A. Countries | 100.0% | 50.3% | 19.6% | 16.0% | 7.4% | 3.5% | 3.2% |

ECA: Far East Program Division
Revised: July 21, 1951

FY 1952 PROGRAM (ILLUSTRATIVE)

ALL S.E.A. COUNTRIES. Summary Table 7. Percentage Distribution: Estimated Supplies and Equipment Breakdown a/
By Country and Major Commodity Group

| Commodity Group | All S.E.A. Countries | Formosa | Philippines | Indochina | Burma | Indonesia | Thailand |
|---|---|---|---|---|---|---|---|
| 1. Food | 11.5% | 20.5% | 3.2% | 3.6% | - | - | - |
| 2. Feed and Fertilizer | 12.9 | 20.2 | 8.9 | 2.5 | 4.6% | 6.3% | 0.1% |
| 3. Natural Fibers | 11.1 | 14.4 | 0.8 | 21.3 | 3.8 | - | - |
| 4. Tobacco | - | - | - | - | - | - | - |
| 5. Other Agricultural Products | 1.8 | 0.1 | 8.6 | 0.2 | 0.2 | 1.6 | 0.0 |
| 6. Fuels | 8.6 | 11.9 | 5.3 | 9.7 | - | - | - |
| 7. Industrial Raw Materials | 14.2 | 14.8 | 10.8 | 11.1 | 18.1 | 24.0 | 21.6 |
| 8. Capital Equipment | 26.7 | 15.0 | 37.3 | 31.8 | 45.3 | 38.7 | 62.5 |
| 9. Other Manufactures and Raw Materials | 13.2 | 3.1 | 25.1 | 19.8 | 28.0 | 29.4 | 15.8 |
| TOTAL SUPPLIES AND EQUIPMENT | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

a/ Based on dollar figures shown in Table 6.

# FORMOSA. ECA-FINANCED PROJECTS

1. Emergency Relief — None

2. Public Health — Dollar Costs

FY 51: $ 68,000

FY 52: 1,120,000

Formosa, like other Far Eastern countries, suffers from a relatively high incidence of preventable, communicable diseases and a dearth of health facilities. In recognition of these health problems, the Joint Commission on Rural Reconstruction (JCRR) has, from the inception of its program, emphasized rural health projects, financed largely with local currency counterpart funds. These projects include the distribution of medical supplies and equipment salvaged from the Chinese mainland; research in malaria control and training of anti-malaria workers; demonstration programs in tuberculosis control; rehabilitation of rural public waterworks; and strengthening of existing rural health organizations by furnishing of supplies and equipment and financing of supervisory technical teams. In FY 52 it is planned to continue projects such as these and in addition, to import medicines, medical supplies and equipment and bring students and public health personnel to the U.S. for advanced training.

Rural Health Stations

FY 51: $ 18,000

FY 52: 750,000

As part of the ECA and JCRR programs for FY 50 and FY 51, antibiotics and other drugs and medical supplies were distributed among the Island's more than 200 health stations, and technical assistance was also made available to them. Additional assistance in the form of drugs and medical supplies is believed necessary for FY 52 because of a critically short supply in Formosa, which is due to: (1) disruption of the Hongkong market caused by curtailment of U.S. shipments and heavy purchasing by the Chinese Communists, (2) shortage of Chinese foreign exchange resources available for imports, and (3) near-exhaustion of stocks of ECA drugs and medical supplies diverted to Formosa from the Chinese mainland. To alleviate the shortage of drugs and medical supplies, it is planned to import additional amounts with ECA FY 52 funds for distribution to rural health centers, use in demonstration projects and allocation to hospitals, schools and physicians.

Training and Information

FY 51: $ 50,000

FY 52: 370,000

As a necessary step in the building up of adequate public health staffs, it is planned to bring students and

public health technicians to the U.S. for advanced courses and in-service training. During FY 51, funds were provided for eight student public health trainees in the U.S. If present plans materialize, this number will be increased to 20 in FY 52. Arrangements are currently being made with the College of Physicians and Surgeons of Columbia University for coordinating this training program with the medical education activities of Taiwan University. In this connection public health personnel will be sent from the U.S. to Formosa to train local technicians - doctors, nurses, laboratory technicians, specialists in environmental sanitation and other practical workers in all fields of public health. As in the past two fiscal years, audio-visual equipment will be used by American specialists in instructing the native populace in sanitation, hygiene, and treatment and prevention of disease.

3. Agriculture, Forestry, Fisheries

FY 51: $ 334,000

FY 52: 1,950,000

Formosa's agricultural as well as other economic difficulties result basically from the need to support from the limited resources of the Island a large military establishment, a national government and a greatly enlarged population. A number of factors aggravate these difficulties. The average Formosan farm covers less than five acres; crop yields, while better than in some regions of the Far East, are not high; and farmers, knowing little of scientific farming, are at the mercy of natural calamities, crop pests and livestock diseases. Moreover, the majority are tenants who pay large portions of their main crop as rent, and who lack the incentive, means, and knowledge to improve their own lot.

The population pressure on agricultural, forestry, and fisheries resources is evident in the fact that since Chinese evacuation of the mainland in the winter of 1949-50, the population of Formosa has increased between 1,500,000 and 2,000,000, or by approximately 20 percent. Moreover, a large proportion of the influx of immigrants was made up of Nationalist Army personnel who cannot be diverted from their military assignments to farming. Adding to the population pressure is the natural increment of population, estimated at 300,000 per year.

Another unfavorable factor, a scarcity of trained agricultural scientists and technicians, results principally from the repatriation of Japanese who, during the era of Japanese control had constituted the staff of a highly developed agricultural extension service, and from the lack of governmental funds for the training of replacements. Without U.S. assistance in the field of agriculture, the Formosan economy would be unable to make the substantial expenditures necessary for defense and agricultural reconstruction and still keep the budget within manageable limits.

The Joint Commission on Rural Reconstruction, established by the China Aid Act of 1948 and financed by ECA aid funds, was the first major attempt by the U.S. Government to support a comprehensive attack on the basic problems common to farmers in most of Asia. The importance of this attack arises from the fact the discontent among the farming class is a principal contributing cause of Communist success in Asia. At first on the Chinese mainland, and later in Formosa, JCRR carried on a broad-scale program of rural reconstruction, in full cooperation with and in large measure through the local government.

Although treated here as primarily an agricultural institution, JCRR has the broad function of organizing and carrying out all parts of the U.S. aid program that have a direct effect on the rural areas of Formosa. In addition to its projects designed to improve farm techniques, crop yields, and livestock breeding, the Commission devotes efforts to strengthening public health activities in the rural areas, encouraging rent reduction and land tenure reforms, strengthening the local farmers' associations, improving irrigation facilities, and disseminating public information. It shares actively in the joint ECA/JCRR training program of sending students to the U.S. for higher education and in-service training in agriculture and natural science. JCRR inspectors supervise and inspect the distribution of ECA fertilizer (valued at a total of **$19.2 million in FY 51**), to see that the arrangements for barter of fertilizer in exchange for rice are carried out according to agreement.

A feature of the JCRR program is its emphasis on types of activities capable of bringing prompt benefits to rural people. While recognizing the value of long-range programs of research and education, the essence of the program lies in its insistence on giving first attention to the quick solution of the most urgent problems recognized by the farmers themselves.

Direct dollar requirements of the Commission's program have been small, with most projects financed primarily from local currency counterpart funds. Costs of technical assistance were the chief dollar item in FY 51. In FY 52, JCRR will continue to provide technical services; in fact, the American staff will be augmented to include experts in such specialized fields as rural economics, animal diseases, rural home improvement and and youth programs. In FY 52 JCRR will move into longer-range planning and development, and, in addition to making the maximum use of resources available locally, will finance the importation of equipment and other necessary items, including the following:

(1) Equipment, apparatus, and supplies for training, laboratory, and demonstration purposes in the strengthening of agricultural institutions, experiment stations, and diagnostic centers for animal disease control;

(2) Pesticides, such as granosan, grain protectorates, etc. for use in pest control programs;

(3) Purebred livestock such as Indian Kankrej cattle, poultry and Berkshire hogs;

(4) Seeds for green manuring and soil conservation crops;

(5) Equipment for irrigation purposes, such as pumps, pipes, and fittings.

During FY 52 JCRR will again supervise the distribution of several million dollars worth of chemical fertilizers needed for the two major crops, rice and sugar. In the informational field, the Commission will continue, as in FY 51, to share in an island-wide, audio-visual education program designed to reach small groups of farmers. Information specialists will be made available, and such media as the press and radio, wall newspapers, simple pamphlets, film strips, instructional comic books, and posters will again be utilized to create understanding and enthusiam among the farmers for the benefits of the rural program.

During FY 51, funds were provided for bringing 11 graduate students and in-service trainees to the U.S. for advanced study and training in agriculture. In FY 52 this program will be expanded to enable an additional 33 trainees to receive training in the U.S.

Other types of projects undertaken by ECA and JCRR in the field of agriculture and forestry include the improvement of logging operations and a survey of the sugar industry, particularly as regards irrigation facilities. Because most of the readily accessible timber resources in Formosa have already been exploited, and because of the lack of necessary equipment to carry on logging operations on the steep mountains of the interior, Formosa is currently importing most of its lumber requirements, amounting to almost $1,000,000 annually. These imports can be greatly reduced or possibly eliminated by the exploitation of local timber stands to supply lumber for building construction, furniture, railroad ties, poles, piling, and raw material for the pulp and paper industry. There is also a possibility that various special woods, if properly handled, could be exported.

The pulp and paper industry established by the Japanese is now operating at approximately 45 percent of capacity and does not even supply the local demand. If full capacity could be utilized, not only could local demand be met, but eventually a sizeable export trade could be developed. For FY 52 it is proposed to assist Formosa in tapping its hitherto inaccessible timber stands by providing transportation equipment, logging equipment, cableways, and spare parts and machinery for rehabilitating a drying plant.

Production of sugar, Formosa's chief export, is dependent to a large extent on irrigation. In order to explore the possibility of improving irrigation facilities and increasing sugar output, the Chinese employed the services of a private firm to drill a large number of deep water wells. Upon completion of the contract for this work, it was deemed advisable, before proceeding with other similar projects, to survey thoroughly all aspects of sugar cane growth and the effects of underground water and surface water utilization. ECA provided funds in FY 51 for the financing of such a survey.

4. <u>Transportation, Power, Other Public Works</u>

FY 51: $12,077,000

FY 52: 12,890,000

At the end of World War II, transportation facilities in Formosa were wholly inadequate, owing to bomb damage and a shortage of imported materials to effect necessary repairs and normal maintenance. Some rehabilitation has been accomplished through a combination of Chinese efforts and ECA assistance; but much remains to be done. The concentration of Chinese military forces in Formosa has made further demands on the transportation system with tanks and heavy vehicles imposing an added burden on both highways and bridges. The Taiwan Railway constitutes the main inland transportation service but movement of agricultural supplies, equipment and passengers also depends on highways leading from the railheads and ports. Along with repair of the highways themselves, additional buses and trucks are badly needed to replace overaged vehicles, many of which were left by the Japanese forces while others have been in civilian service since prior to the war.

One of the prime requisites for strengthening the economy

of Formosa is greater electric power output. For this purpose, Formosa is richly endowed from the standpoint of water power, owing to the high central mountain ranges, and before the war a capacity peak load of 153,000 kw was achieved. However, much of the power system was destroyed by bombing during the war with the consequence that on VJ Day capacity was only about 30,000 kw. Since that time the Chinese have made improvements permitting a peak power load up to 200,714 kw, spending for this purpose $5.8 million of free dollar exchange. Despite these strides, the power system of Formosa remains wholly inadequate even to meet the ordinary civilian requirements for lighting, and power is available for only a limited number of hours after dark. Of greater economic importance, however, is the shortage of power for industrial purposes.

The other great deficiency in the field of public works is the lack of adequate rural waterworks systems to provide uncontaminated water for drinking and other purposes. Of somewhat less urgency is the need for additional housing facilities to cope with the problem presented by the huge influx of immigrants from the Chinese mainland. Both these problems are being taken into account in the planning of JCRR and ECA assistance during FY 52.

Railways

FY 51: $4,099,000

FY 52: 5,000,000

During FY 50 and FY 51 ECA contributed to the rehabilitation of Formosa's railway system by assisting with procurement of cross ties, steel rails, steel spans and paint for bridges, telephone and copper wire for the car distribution system, locomotive and car repair materials, and rolling stock.

During FY 52, ECA aid will be utilized, in cooperation with self-help efforts of the Chinese, to complete the rehabilitation of the railway system. Steel items will be purchased mainly from Japan. Heavier rails will be substituted for light rails in the Western System of the Taiwan Railway, where the use of 30 kg/m rails prevents the operation of fast heavy locomotives at high speeds. Removed rails which are still serviceable will be used on the lighter Eastern System to replace badly worn rails.

A new railway bridge is to be purchased for the Western System in order to permit denser load requirements and continuous traffic. Signal equipment will be installed to permit traffic increases, particularly in the congested port area near the cities of Keelung and Taipei, and on single track sections in other areas of the Western Railway System. Additional worn out rolling stock will be replaced.

The above improvements are expected to raise daily tonnage capacity on the railroad from 22,000 tons toward the figure of 25,000 tons per day - still below the optimum figure of 32,000 tons, which represents the handling capacity of the harbors. Highway facilities are inadequate to fill the gap.

Highways

FY 51: $2,717,000

FY 52: 1,000,000

The economy of Formosa is basically agricultural. In order to bring rice, sugar cane, sweet potatoes, peanuts and other crops from the hinterland to the railheads and ports, the present highway system and freight and passenger vehicles must be maintained and improved. For this purpose, ECA procured during

during FY 50 and FY 51 such items as culvert pipe, bridge paint, auto assemblies, engine replacements, bus chassis and other motor transport replacement and repair parts. In conjunction with the ECA program, the Taiwan Provincial Highway Bureau procured reinforcing bars for highway bridges out of its own resources. Although cement production in Formosa is sufficiently high to permit much basic construction, such equally essential items as reinforcement rods and bridge steel will be obtained through ECA financing in order to continue the road improvement program during FY 52. As a companion measure to the improvement of the highways themselves, ECA has sought to furnish some replacements for worn out trucks and buses. Since motor vehicles cannot be produced in Formosa, replacements are a necessary dollar import, as are new chassis and spare parts. These will all be among the items procured by ECA during FY 52.

Harbors

FY 51: -

FY 52: $1,200,000

No assistance was given to harbor improvement projects by ECA during FY 50 and FY 51. During FY 52, however it is planned to utilize ECA funds to assist with construction of a "dangerous-cargo" wharf at Kaohsiung and installation of discharging facilities at minor ports. A serious explosion occurred in 1949 at Kaohsiung which damaged harbor facilities and destroyed about ten city blocks. Rehabilitation of the harbor, including construction of a dangerous-cargo pier, is essential for the unloading of ammonium nitrate fertilizer and also because the port is in constant use by the Chinese military for the unloading of ammunition.

Construction of discharging facilities at several minor ports along the west coast will make possible the loading of sugar, rice, salt, mineral ores, lumber, etc., directly on to coastal transport vessels, and thus relieve the overburdened trunk line of the Taiwan Railway Western System. At the present time the need for these facilities is particularly pressing as the Taiwan Railway is assuming an ever greater burden of military transportation. While the above harbor improvements will require principally the expenditure of local currency, fairly substantial U.S. dollar funds will be needed to provide equipment.

Ship Repair

FY 51: $ 150,000

FY 52: 605,000

Approximately 33 out of an estimated total of 70 operable Chinese vessels in excess of 2,500-ton capacity are not being used because of poor mechanical condition.

With fertilizer imports totaling approximately 280,000 tons annually and crude oil imports totaling at least 96,000 tons, additional shipping must be made available. On the export side, sugar sold on a C&F basis can compete in world markets only if Chinese bottoms are available. Sugar exports alone during 1950 were approximately 600,000 tons (representing 60 cargoes of Liberty-size vessels).

Aside from handling the foreign trade requirements of the Formosan economy, Chinese bottoms should be a valuable source of dollar income under present world conditions of

acute shipping shortages. With proper organization and some essential improvements, it is estimated that gross earnings of $10,000,000 can be realized through the employment of Chinese vessels in world trade. The rehabilitation program provides for sale of the oldest vessels as scrap, and repair of the serviceable vessels, with essential spare parts and equipment provided through ECA financing. This program represents the continuation on a larger scale of ship repair projects initiated in prior fiscal years.

Power

FY 51: $4,098,000

FY 52: 4,500,000

It is estimated that Formosa's industrial needs will require additional power capacity to 124,000 kw. Once installed, this capacity will permit expansion and better operation of industries, such as the manufacture of fertilizer which is required for rice and sugar, the principal crops of the Island. In the case of the fertilizer industry alone, it is estimated that annual savings in foreign exchange of as much as $7.0 million can be realized. Another important potential user of electricity is an aluminum plant in Formosa which is expected to produce 8,000 metric tons of aluminum ingots, during calendar year 1951, with bauxite supplies just now becoming available from the Quemoy Islands. In addition to power generating capacity, improvements of the transmission and distribution systems throughout the island are also required in order to carry the power to industries and irrigation projects.

Of the additional 124,000 kw needed for industrial purposes, 87,000 kw will be provided through ECA projects to be completed with FY 51 funds and the remaining 37,000 kw with FY 52 funds, as follows:

| FY 51 | ECA-Financed Dollar Costs |
|---|---|
| Replacement and Improvement of Existing Transmission and Distribution System | $1,016,000 |
| Addition of Coal Pulverizers for Pei-pu Steam Station | 207,000 |
| Rehabilitation of Li-Wu Power Station and East-West Transmission Tie-Line Project | 669,000 |
| Addition of Power Transformers for Taipeh Sub-station | 316,000 |
| Tien-Leng Reconstruction Project | 1,890,000 |
| Total | $4,098,000 |

| FY 52 | |
|---|---|
| Second Generator for Tien-Leng Hydro-electric Plant, Coils for Existing Generators at "Sun-Moon Lake," Generator for Hydro-electric Plant at Urai | $2,500,000 |
| Continued Rehabilitation of Power Distribution and Transmission Systems | 2,000,000 |
| Total | $4,500,000 |

Even with the completion of these projects, however, the total power requirements, both civilian and military, will not be adequately met. Under current conditions, the Chinese military establishment enjoys priority in using the limited power output for its arsenals, communication, radar, and ordinary illumination purposes, at the expense of civilian uses.

Telecommunications

FY 51: $ 989,000

FY 52: -

The automatic telephone system at Taipei, installed in 1937, was heavily damaged by Allied bombing during the war. Restoration of the system was begun in 1946 but resulted in considerable "cannibalization" of existing lines. FY 51 funds were, therefore, committed by ECA for procurement in Japan of automatic switchboards with 4,000-line capacity. Funds were also made available for the purchase of auxiliary equipment including replacements for underground cables damaged during the war.

Rural Water Supply (JCRR)

FY 51: -

FY 52: $500,000

The Japanese built an efficient water supply system in Formosa which was adequately maintained until World War II, when most of the public waterworks were either damaged by bombs or suffered from lack of maintenance. After the war, those in the large cities and towns were rehabilitated, but because of lack of funds the rural systems were neglected. In cooperation with the Provincial Health Department, JCRR undertook during FY 50 and FY 51 to repair and rehabilitate many of the rural waterworks systems. During FY 51 a total of 77 systems were repaired, using materials available locally and financing the projects from local currency counterpart funds. For FY 52 it is proposed to continue this rehabilitation work with the expenditure of local currency and, in addition, U.S. dollars would be used to procure equipment and parts including essential imports of pipe, fittings, and pumps.

Training and Information

FY 51: $ 24,000

FY 52: 85,000

In the fields of transportation, power, engineering and irrigation some training of local technicians is being undertaken both under ECA-financed contracts and by the Chinese themselves who have financed underground water development projects for the benefit of the sugar crop. Prior to the war, Japanese specialists were given nearly all the assignments of primary responsibility, thus severely limiting training opportunities for the native population. Recognition of this deficiency has led to plans for utilizing FY 52 funds in a program of training technicians in the U.S.

Seventeen candidates will be selected and brought to the U.S. for training in American industries and universities. After benefiting from this experience, the trainees will be required to return to Formosa to assume responsibilities in connection with the development of railways, highways, electric power and irrigation. Informational media will be employed to enlist support for the program of U.S. assistance in the fields of transportation, power and public works, and to counteract Communist propaganda.

5. Handicraft and Manufacturing, Mining, Other Industry

FY 51: $1,704,000

FY 52: 5,820,000

Industry plays an important part in the Formosan economy. The industrial base, while not as highly developed as that of Japan, is still far more advanced than that of any mainland province of China. Much of the industry was built by the Japanese during their 50-year administration (1895 to 1945) and development and construction of many other facilities has been undertaken by the Chinese Government since VJ Day, with the expenditure of nearly U.S. $30.0 million of its own funds, augumented by $2.5 million of UNRRA and ECA assistance prior to FY 50.

Of special importance to the economy of Formosa are the electric power, fertilizer manufacturing and textile industries. While ECA has already given considerable aid to power development and has supplied raw materials for both fertilizer manufacturing and textiles, there is much room for sound development of other industries but imports of key equipment are required to permit efficient operations. While these items of equipment individually represent only small expenditures, in the aggregate considerable foreign exchange is required.

A related problem in the development of industries is local currency financing. In the potentially dangerous inflationary situation that exists in Formosa, ECA economists are working with the Chinese Government to steer a course between unlimited extension of industrial credit, on the one hand, and a tight restriction of credit on the other, through a careful selective process of granting loans which will quickly result in an economic gain in terms of actual production. A wider development of several currently under-equipped industries is sought.

With regard to the mining industry, external assistance is urgently needed to (1) improve the output of coal; (2) increase the output of ores required by local industries; (3) increase mineral production for export.

Manufacturing (Small Industries)

FY 51: $ 939,000

FY 52: 4,330,000

During FY 50 and FY 51 ECA assisted in the development or rehabilitation of the following industries: cresote, alkali, chemical fertilizer, pulp and paper, and cement manufacturing. The industries which ECA plans to assist during FY 52 have been selected on the basis of their potential export earnings, local currency needs, import requirements, and the extent to which successful operation can be assured by facilities already in existence:

(1) Pulp and Paper. The Japanese established a pulp and paper industry on Formosa capable of producing double the present output. ECA funds will be used to replace deteriorated machinery in the various factories. It is

estimated that if full capacity of these factories can be reached with local sulphur and pulp supplies, a $4,000,000 yearly export trade will result.

(2) Salt. This is one of the principal exports to Japan and is expected to total $2,500,000 during the calendar year 1951. At present, however, the Chinese Government recovers little or no profit because the expense of handling is so great. For production of better and lower-cost salt, certain handling machinery to be used in the salt fields will be supplied by ECA.

(3) Cement. The cement industry could develop over $2,000,000 of export trade by the installation of proper mixing equipment costing approximately $300,000.

(4) Aluminum. Except for the absence of key items of equipment, the aluminum industry can produce foil to line boxes for tea, which is one of the major exports of Formosa. This missing equipment is relatively inexpensive, and its purchase will be financed by ECA so as to assure deliveries of aluminum foil to local tea factories.

(5) Textile Manufacturing. A problem continues to exist in Formosa of meeting the demand for textile products in general and in particular for special fabrics and dyes. Whereas the present spindleage in Formosa (estimated at 78,000 by June 1951) is sufficient to supply 2.1 lbs. per capita, this is still far below the prewar China per capita availability of 3.5 lbs. and compares even less favorably with the Japan availability of 12.8 lbs. Until an expansion of capacity takes place and the introduction of dyeing facilities, the demand for imported textiles will continue at the current annual level of almost $12,000,000. To reduce this drain on scarce foreign exchange, ECA has thus far sought to encourage domestic production by financing imports of raw cotton and providing technical advice. As a further step in cutting import requirements, ECA will finance replacement of worn out producing units installed prior to the war and will introduce dyeing facilities.

(6) Funds will also be used to finance minor equipment needs of the following industries: chemical, ceramic, foundry and machine works.

Mining

FY 51: $ 720,000

FY 52: 1,400,000

Mining projects were not among those sponsored by ECA during FY 50 and FY 51. During FY 52 ECA proposes to assist mining development with a view to increasing and improving coal production, raising output of ores required for local industry, and increasing production of mining products for export. Substantial coal reserves exist in Formosa, and before the war exports of coal provided significant amounts of foreign exchange. At present the coal supply is used in the development of thermal-electric power needed to offset the loss of generating capacity from some hydro-electric plants during the dry season and to meet the

requirements of the Taiwan Railway. Present plans call for the improvement of mining and coal washing equipment which will not only serve to meet domestic needs but will generate an estimated $1,000,000 annually from exports.

Other than coal, the ores needed for local industries include pyrites for the manufacture of calcium super-phosphate. If local supplies are properly developed, import savings of $600,000 can be realized during FY 1952. Similarly, local sulphur deposits can be exploited to obtain a low grade sulphur ore which, after purification, can be used in the manufacture of pulp and paper and of ammonium sulphate. With a chronic shortage of bags in Formosa for fertilizer, cement, and sugar, supplies of sulphur for the paper industry are especially needed. Improvement in the output of minerals such as monazite sand, mica, low grade nickel and copper can be achieved. When present development plans are carried out, it is expected that a monthly output of 400 tons of refined copper can be achieved, against 60 tons now. ECA funds during FY 52 will be used to provide mining machinery, equipment and supplies and technical assistance.

Training

FY 51: $ 45,000

FY 52: 90,000

As in the fields of transportation, power and public works, there is a shortage of technically trained native personnel in mining and industry, largely as a result of the Japanese practice of employing their own technicians in key industries. To correct this situation and facilitate the development of key industries, a program for in-service and academic training in the U. S. is contemplated during fiscal 1952, with an estimated 18 trainees.

6. General Engineering Advisory Services

FY 51: $ 884,000

FY 52: 800,000

Under Japanese administration, Formosa's light industry was well advanced and has since been substantially increased through Chinese efforts. In order to assure efficient operation of existing industrial plants and to develop new facilities, a management engineering firm has been employed by the Chinese Government under a contract financed by ECA. The objective of this group is to improve the industrial facilities of Formosa to the point where the Island can become self-supporting.

The technical recommendations of the engineering group relating to harbors, railway transportation, highway transportation, bridges, calcium-cyanamide and ammonium-sulphate production, electric power, sugar refining, petroleum refining, etc. have already been put into effect in large measure by means of funds provided both by the Chinese Government and ECA. ECA financing of the management engineering contract, amounting to $800,000 during FY 52, will permit the continuation of the services thus

far performed in Formosa and in the U. S. by this group of American engineers, most of whom have had previous China experience in Formosa and on the mainland. With the help of this group, it is hoped that by the year 1955 export earnings and import savings can be improved so as substantially to correct Formosa's current unfavorable foreign exchange position.

7. Education

FY 51: $ 19,000

FY 52: 50,000

Like other Asian countries, Formosa has a scarcity of scientifically-trained people. With a view to eventually relieving this shortage, ECA funds were committed during FY 51 to bring four Formosan students to the U. S. for study in natural science. This program will be expanded during FY 52 to enable ten Formosan students to pursue studies in the fields of natural and social sciences at selected American universities.

8. Public Administration

FY 51: $ 29,000

FY 52: 180,000

Because of the colonial status of Formosa under Japanese control, almost all positions of importance in the government, at both political and technical levels, were filled by Japanese; consequently very few Formosans were trained to fill responsible government positions. Although to a large extent mainland Chinese have filled the gap left by the departure of the Japanese, it is desirable that Formosans be trained in social sciences and public administration so that a strong corps of native administrators can be created. To this end, ECA plans to bring to the U. S. 12 Formosan trainees for undergraduate and graduate education and for in-service training in the fields of the social sciences and public administration. Such a training program was initiated in FY 51. It is also planned to send to Formosa several U. S. experts to render advisory services in government finance, central banking, and tax administration and to make program evaluations and special surveys of economic development and planning.

9. Maintenance of Essential Supply

FY 51: $77,506,000

FY 52: 67,190,000

In the case of Formosa, military and economic factors combine to require that ECA aid to the Island consist predominantly of the importation of commodities. The first objective of ECA imports is to offset sizable foreign exchange deficits and to provide essential imports without which agricultural and industrial production would be severely curtailed and essential consumer goods, such as textiles, food products, paper products and chemicals,

would be in extremely short supply. The second objective of commodity financing is to counteract the inflationary pressure caused by large government budget deficits.

The budgetary predicament, stemming largely from the necessity of allocating approximately 70 percent of National, Provincial and local budgetary expenditures to the military establishment, is such that during 1950 government revenues met only one-half of overall government expenditures, and the government resorted to liquidation of a large portion of its gold and foreign exchange holdings in order to meet its obligations. During the current year, with its reserves largely depleted, the government is relying heavily on the sales proceeds of ECA-financed commodities, and is faced with the necessity of resorting to dangerously inflationary new issues of local currency unless it can increase its revenues or reduce its expenditures.

The difficulties involved in reducing government expenditures are increased by the expanded military program which, to be effective, requires the construction of warehouses, airfields, barracks, roads, hospitals, air raid protection, and fuel handling facilities, and the local manufacture of uniforms and bedding. ECA will undertake to help finance both dollar and local currency costs of these U. S. military assistance projects. The local costs are to be covered in part from sales proceeds of ECA-imported commodities.

Common-use Items

FY 51: $12,525,000

FY 52: 12,725,000

Items in this category to be imported during FY 52 are as follows: fats and oils, meats, wool, soy beans and/or peanuts, POL, iron and steel materials and products, copper and copper products, other non-ferrous metals and products, textiles, drugs, pharmaceuticals and pesticides. A similar list of items were imported during FY 51.

Requisites for Production

FY 51: $41,473,000

FY 52: 37,715,000

Items in this category to be imported during FY 52 will be as follows: copra and/or tallow, fertilizer, cotton, wool, POL and products, and iron and steel mill materials and products. Similar items were imported during FY 51.

Other Essential Civilian Supplies

FY 51: $23,508,000

FY 52: 16,750,000

Items in this category to be imported during FY 52 will be as follows: bread grain, soy beans and/or peanuts, textiles, drugs and pharmaceuticals and pesticides. Similar items were imported during FY 51.

ECA: Far East Program Division
July, 1951

FY 1951 PROGRAM

ECA: Far East Program Division
Revised: July 21, 1951

FORMOSA. Table 1. Dollar Cost of Program By Major Project Category

| Major Project Category | Dollar Costs (in thousands) Total Dollar Cost | Cost of Supplies & Equipment | Cost of Services Total | T.A. Experts a/ | Trainees b/ |
|---|---|---|---|---|---|
| 1. Emergency Relief | - | - | - | - | - |
| 2. Public Health | 68 | 18 | 50 | 11 | 39 |
| 3. Agriculture, Forestry, Fisheries | 334 | 180 | 154 | 100 | 54 |
| 4. Transportation, Power, Other Public Works | 12,077 | 12,053 | 24 | - | 24 |
| 5. Handicraft and Manufacturing, Mining, Other Industry | 1,704 | 1,659 | 45 | - | 45 |
| 6. General Engineering Advisory Services | 884 | - | 884 c/ | 884 c/ | - |
| 7. Education | 19 | - | 19 | - | 19 |
| 8. Public Administration | 29 | - | 29 | - | 29 |
| 9. Maintenance of Essential Supply d/ | 77,506 | 77,506 | - | - | - |
| TOTAL DOLLAR COST OF PROGRAM | 92,621 e/ | 91,416 | 1,205 | 995 f/ | 210 g/ |
| Percent of Total Program Cost | 100.0% | 98.7% | 1.3% | 1.1% | 0.2% |

FORMOSA. Table 1.

(Footnotes)

a/ Experts sent to country. Cost shown represents actutal dollar obligations.

b/ Persons brought from country for training. Cost shown represents actual dollar obligations.

c/ Total cost of contract with U.S. engineering form. Includes fixed fee, cost of back-up provided by home office, administrative and overhead expenses, etc., in addition to pay of personnel sent to field.

d/ Common-use items plus requisites for production and other essential civilian supplies. See Table 2, item 9.

e/ Net basis. Excludes $5,413 thousand released from previous year's obligations. See Table 2m item 9.

f/ Provides for an estimated 25 persons and covers additional services rendered under engineering contract. Total number of persons distributed as follows: Public Health, 2; Agriculture, 8; General Engineering Advisory Services, 15 (estimated). Total man-year equivalent, approximately 20.

g/ Provides for 50 persons - 36 students for one year's post-graduate study and training, and 14 chemists for a 5-week tour of U.S. chemical plants. Student trainees distributed as follows: Public Health, 8; Agriculture, 11; Transportation, Power, Other Public Works, 5; Handicraft and Manufacturing, Mining, 2; Education, 4; Public Administration, 6.

FY 1951 PROGRAM

ECA: Far East Program Division
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FORMOSA. Table 2. Estimated Breakdown of Program By Type of Project

Dollar Costs (in thousands)

| Type of Project | Total Dollar Cost of Project | | Percent of Total Program Dollar Cost | | Percent of Total Project Dollar Cost (excl. project #9) | |
|---|---|---|---|---|---|---|
| 1. Emergency Relief | - | | - | | - | |
| 2. Public Health | 68 | | 0.1% | | 0.4% | |
| Rural Health Stations | | 18 | | 0.0 | | 0.1 |
| Technical Services | | 11 | | 0.0 | | 0.1 |
| Training | | 39 | | 0.1 | | 0.2 |
| 3. Agriculture, Forestry, Fisheries | 334 | | 0.4 | | 2.2 | |
| Joint Commission on Rural Reconstruction (JCRR) | | 180 | | 0.2 | | 1.2 |
| Underground Water Well Drilling | | 100 | | 0.1 | | 0.7 |
| Training | | 54 | | 0.1 | | 0.3 |
| 4. Transportation, Communications, Power, Other Public Works | 12,077 | | 13.0 | | 80.0 | |
| Transportation | | 6,966 | | 7.5 | | 46.2 |
| Railways | | 4,099 | | 4.4 | | 27.2 |
| Highways | | 2,717 | | 2.9 | | 18.0 |
| Ship Repair | | 150 | | 0.2 | | 1.0 |
| Power | | 4,098 | | 4.4 | | 27.1 |
| Telecommunications | | 989 | | 1.1 | | 6.5 |
| Training | | 24 | | 0.0 | | 0.2 |

FY 1951 PROGRAM

FORMOSA. Table 2. Estimated Breakdown of Program By Type of Project

Dollar Costs (in thousands)

| Type of Project | Total Dollar Cost of Project | | Percent of Total Program Dollar Cost | | Percent of Total Project Dollar Cost (excl. project #9) | |
|---|---|---|---|---|---|---|
| 5. Handicraft and Manufacturing, Mining, Other Industry | 1,704 | | 1.8% | | 11.3% | |
| Manufacturing (Small Industries) | | 939 | | 1.0 | | 6.2 |
| Creosote | | 300 | | 0.3 | | 2.0 |
| Alkali | | 61 | | 0.1 | | 0.4 |
| Ammonium Sulphate | | 275 | | 0.3 | | 1.8 |
| Pulp and Paper | | 70 | | 0.1 | | 0.5 |
| Cement | | 233 | | 0.2 | | 1.5 |
| Mining (gold, copper, coal) | | 720 | | 0.8 | | 4.8 |
| Training | | 45 | | 0.0 | | 0.3 |
| 6. General Engineering Advisory Services | 884 | | 1.0 | | 5.8 | |
| 7. Education | 19 | | 0.0 | | 0.1 | |
| 8. Public Administration | 29 | | 0.0 | | 0.2 | |
| 9. Maintenance of Essential Supply | 77,506 a/ | | 83.7 | | - | |
| Common-use Items | | 12,525 b/ | | 13.5 | | - |
| Requisites for Production | | 41,473 c/ | | 44.8 | | - |
| Other Essential Civilian Supplies | | 23,508 d/ | | 25.4 | | - |
| TOTAL DOLLAR COST OF PROGRAM | 92,621 a/ | | 100.0% | | | |
| Dollar Cost of All Projects (excl. #9) | 15,115 | | | | 100.0% | |

FORMOSA. Table 2.

(Footnotes)

a/ Net basis. Excludes $5,413 thousand released from previous year's obligations.

b/ Commodity Components as follows: fats and oils, 1,220; bread grains, 860; soy bean meal, 400; POL and products, 5,000; prefabricated tropical huts, 58; iron and steel mill materials and products, 1,879; miscellaneous copper items, 441; lead, 4; brass, 36; tin, 8; paper, 26; medicines, 96; miscellaneous chemicals, 67; sprayers, 14; generators and motors, 59; engines and turbines, 65; construction, mining and conveying equipment, 166; miscellaneous electrical apparatus, 69; industrial machinery, 16; crude rubber, 400; textiles, 700; wearing apparel, 900; burlap bags, 20; miscellaneous non-metallic minerals, 21.

c/ Commodity Components as follows: fertilizer, 19,209; raw cotton, 9,411; POL and products, 5,867; sheet and bar steel, 203; pig iron, 150; tin plate, 345; misc. iron and steel products, 1,500; non-ferrous ores and concentrates, 300; aluminum foil, 120; tin, 80; miscellaneous lumber products, 792; kraft pulp, 126; paper, 600; hides and skins, 732; creosote, 87; miscellaneous industrial chemicals, 500; electrical apparatus, 491; sulphur, 110; pyrites, 200; miscellaneous non-metallic minerals, 349; miscellaneous raw materials and manufactured commodities, 301. See Table 3, salable commodities.

d/ Commodity Components as follows: bread grains, 5,975; fats and oils, 7,732; dairy products, 500; other foods, 750; tobacco, 1,002; soy bean meal, 1,100; drugs, 382; medicines, 600; textiles, 4,480; burlap bags, 187. See Table 3, salable commodities.

ECA: Far East Program Division
Revised: July 21, 1951

FY 1951 PROGRAM

FORMOSA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | | Cost of Salable Commodities a/ | |
|---|---|---|---|---|
| 1. Food | 17,037 | | 14,957 | |
| Bread Grains - wheat and flour | | 6,835 | | 5,975 |
| Fats and Oils - soy beans, tallow, peanuts, soy bean oil, coconut oil | | 8,952 | | 7,732 |
| Dairy Products - dried and evaporated milk | | 500 | | 500 |
| Other Foods - canned fruits and vegetables, and dried salt fish | | 750 | | 750 |
| 2. Feed and Fertilizer | 19,209 | | 19,209 | |
| Fertilizer - nitrogenous, phosphate, etc. | | 19,209 | | 19,209 |
| 3. Natural Fibers | 9,411 | | 9,411 | |
| Cotton (raw) | | 9,411 | | 9,411 |
| 4. Tobacco | 1,002 | | 1,002 | |
| 5. Other Agricultural Products | 1,500 | | 1,100 | |
| Soy bean meal | | 1,500 | | 1,100 |
| 6. Fuels | 10,867 | | 5,867 | |
| Petroleum and Products - crude oil, gasoline, lubricants, etc. | | 10,867 | | 5,867 |

FY 1951 PROGRAM

FORMOSA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

| Commodity Group | C & F Dollar Cost (in thousands) Total Cost | Cost of Salable Commodities a/ |
|---|---|---|
| 7. Industrial Raw Materials | 10,283 | 5,017 |
| Iron and Steel Mill Materials and Prod., including Ferro-Alloys | 2,009 | 698 |
| Sheet and bar steel | 203 | 203 |
| Pig iron | 150 | 150 |
| Tinplate | 345 | 345 |
| Pipe and fittings | 109 | - |
| Steel rails | 879 | - |
| Welding rods | 5 | - |
| Locomotive and car repair material | 318 | - |
| Non-ferrous Ores and Concentrates | 300 | 300 |
| Bauxite and cryolite | 300 | 300 |
| Aluminum | 169 | 120 |
| Aluminum foil and products | 169 | 120 |
| Copper | 1,812 | - |
| Wire | 179 | - |
| Tubes and sheets | 39 | - |
| Misc. materials | 1,594 | - |
| Lead and Lead Products | 42 | - |
| Zinc and Zinc Products | 3 | - |
| Other Non-ferrous Metals | 194 | 80 |
| Brass | 49 | - |
| Tin | 106 | 80 |
| Other | 39 | - |

FY 1951 PROGRAM

FORMOSA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | | Cost of Salable Commodities a/ |
|---|---|---|---|
| Lumber and Sawmill Products | | 2,438 | 792 |
| Crossties | | 1,594 | - |
| Poles | | 52 | - |
| Misc. lumber products | | 792 | 792 |
| Paper and Pulp | | 752 | 726 |
| Kraft pulp | | 126 | 126 |
| Paper | | 626 | 600 |
| Hides and Skins | | 732 | 732 |
| Chemicals and Related Products | | 1,832 | 1,569 |
| Medicinal and pharmaceutical preparations - penicillin, aureomycin, etc. | | 1,078 | 982 |
| Creosote | | 87 | 87 |
| Paint | | 23 | - |
| Misc. chemicals | | 644 | 500 |
| 8. Capital Equipment | 7,389 | | 491 |
| Agricultural Equipment | | 14 | - |
| Sprayers | | 14 | - |

FY 1951 PROGRAM

FORMOSA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | | Cost of Salable Commodities a/ | |
|---|---|---|---|---|
| Industrial Machinery and Equipment | | 7,375 | | 491 |
| Generators and motors | | 641 | | - |
| Engines and turbines | | 349 | | - |
| Motor vehicles and parts | | 890 | | - |
| Railroad transportation equipment | | 416 | | - |
| Construction, mining and conveying equipment | | 623 | | - |
| Metalworking machinery | | 16 | | - |
| Misc. electrical apparatus | | 2,118 | | 491 |
| Industrial machinery, n.e.c. - telephone stations, cable and parts, misc. equipment for ammonium sulphate plant, etc. | | 2,322 | | - |
| 9. Other Manufactures and Raw Materials | 14,718 | | 7,927 | |
| Rubber and Rubber Products | | 1,186 | | 700 |
| Crude rubber | | 400 | | - |
| Rubber products | | 786 | | 700 |
| Textiles | | 5,405 | | 4,667 |
| Cotton fabrics | | 5,198 | | 4,480 |
| Burlap bags | | 207 | | 187 |

FY 1951 PROGRAM

FORMOSA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | Cost of Salable Commodities a/ |
|---|---|---|
| Miscellaneous | 8,127 | 2,560 |
| Misc. iron and steel products - prefabricated tropical huts, hand tools, etc. | 6,086 | 1,500 |
| Non-metallic minerals and products - sulphur, pyrites, etc. | 705 | 659 |
| Commodities, n.e.c. - shoes, X-ray film, scientific instruments, etc. | 1,336 | 401 |
| TOTAL DOLLAR COST | 91,416 b/ | 64,981 |
| Percent Salable Commodities | | 71.1% |

a/ Requisites for production plus other essential civilian supplies. See Table 2, item 9. Common-use items are not expected to be sold.

b/ For distribution by major project category, see Table 1, Column 2. Total shown excludes $5,413 thousand released from previous year's obligations. Adjustment from gross to net obligations basis was effected by cutbacks in the following items: bread grains, 500; fats and oils, 1,876; fertilizer 2,537; and raw cotton, 500.

FY 1952 PROGRAM (ILLUSTRATIVE)

ECA: Far East Program Division
Revised: July 21, 1951

FORMOSA. Table 1. Estimated Dollar Cost of Program a/
By Major Project Category

| Major Project Category | Dollar Costs (in thousands) Total Dollar Cost | Cost of Supplies & Equipment | Cost of Services Total | T.A. Experts b/ | Trainees c/ |
|---|---|---|---|---|---|
| 1. Emergency Relief | - | - | - | - | - |
| 2. Public Health | 1,120 | 876 | 244 | 144 | 100 |
| 3. Agriculture, Forestry, Fisheries | 1,950 | 1,605 | 345 | 180 | 165 |
| 4. Transportation, Power, Other Public Works | 12,890 | 12,805 | 85 | - | 85 |
| 5. Handicraft and Manufacturing, Mining, Other Industry | 5,820 | 5,730 | 90 | - | 90 |
| 6. General Engineering Advisory Services | 800 | - | 800 d/ | 800 d/ | - |
| 7. Education | 50 | - | 50 | - | 50 |
| 8. Public Administration | 180 | - | 180 | 120 | 60 |
| 9. Maintenance of Essential Supply e/ | 67,190 | 67,190 | - | - | - |
| TOTAL DOLLAR COST OF PROGRAM | 90,000 | 88,206 | 1,794 | 1,244 f/ | 550 g/ |
| Percent of Total Program Cost | 100.0% | 98.0% | 2.0% | 1.4% | 0.6% |

FORMOSA. Table 1.

(Footnotes)

a/ Does not include any portion of funds that may be approved for basic materials development (in Title I of proposed Mutual Security Act).

b/ Experts sent to country. Cost computed on uniform basis of $12,000 per person, allowing for average lapse of 3 months.

c/ Persons brought from country for training. Cost computed on uniform basis of $5,000 per person.

d/ Total cost of contract with U.S. engineering firm. Includes fixed fee, cost of back-up provided by home office, administrative and overhead expenses, etc., in addition to pay of personnel sent to field.

e/ Common-use items plus requisites for production and other essential civilian supplies. See Table 2, item 9.

f/ Provides for an estimated 52 persons and covers additional services rendered under engineering contract. Total number of persons distributed as follows: Public Health, 12; Agriculture, 15; General Engineering Advisory Services, 15 (estimated); Public Administration, 10. Total man-year equivalent, approximately 50.

g/ Provides for an estimated 110 persons distributed as follows: Public Health, 20; Agriculture, 33; Transportation, Power, Other Public Works, 17; Manufacturing and Mining, 18; Education, 10; Public Administration, 12. Total man-year equivalent, approximately 103.

FY 1952 PROGRAM (ILLUSTRATIVE)

ECA: Far East Program Division
Revised: July 21, 1951

FORMOSA. Table 2. Estimated Breakdown of Program By Type of Project

| Type of Project | Dollar Costs (in thousands) Total Dollar Cost of Project | | Percent of Total Program Dollar Cost | | Percent of Total Project Dollar Cost (excl. project #9) | |
|---|---|---|---|---|---|---|
| 1. Emergency Relief | - | | - | | - | |
| 2. Public Health | 1,120 | | 1.2% | | 4.9% | |
| Rural Health Stations | | 750 | | 0.8 | | 3.3 |
| Training and Information | | 370 | | 0.4 | | 1.6 |
| 3. Agriculture, Forestry, Fisheries | 1,950 | | 2.2 | | 8.6 | |
| Agriculture: Joint Commission on Rural Reconstruction (JCRR) | | 450 | | 0.5 | | |
| Forestry | | 1,000 | | 1.1 | | |
| Training and Information | | 500 | | 0.6 | | |
| 4. Transportation, Power, Other Public Works | 12,890 | | 14.3 | | 56.5 | |
| Transportation | | 7,805 | | 8.6 | | 34.2 |
| Railways | | 5,000 | | 5.5 | | 21.9 |
| Highways | | 1,000 | | 1.1 | | 4.4 |
| Harbors | | 1,200 | | 1.3 | | 5.3 |
| Ship Repair | | 605 | | 0.7 | | 2.6 |
| Power | | 4,500 | | 5.0 | | 19.7 |
| Rural Water Supply (JCRR) | | 500 | | 0.6 | | 2.2 |
| Training and Information | | 85 | | 0.1 | | 0.4 |

FY 1952 PROGRAM (ILLUSTRATIVE)

FORMOSA. Table 2. Estimated Breakdown of Program By Type of Project

| Type of Project | Dollar Costs (in thousands): Total Dollar Cost of Project | | Percent of Total Program Dollar Cost | | Percent of Total Project Dollar Cost (excl. project #9) | |
|---|---|---|---|---|---|---|
| 5. Handicraft and Manufacturing, Mining, Other Industry | 5,820 | | 6.5 | | 25.5 | |
| Manufacturing (Small Industries) | | 4,330 | | 4.8 | | 19.0 |
| Mining | | 1,400 | | 1.6 | | 6.1 |
| Training | | 90 | | 0.1 | | 0.4 |
| 6. General Engineering Advisory Services | 800 | | 0.9 | | 3.5 | |
| 7. Education | 50 | | 0.1 | | 0.2 | |
| 8. Public Administration | 180 | | 0.2 | | 0.8 | |
| 9. Maintenance of Essential Supply | 67,190 | | 74.6 | | - | |
| Common-use Items | | 12,725 a/ | | 14.1 | | - |
| Requisites for Production | | 37,715 b/ | | 41.9 | | - |
| Other Essential Civilian Supplies | | 16,750 c/ | | 18.6 | | - |
| TOTAL DOLLAR COST OF PROGRAM | 90,000 | | 100.0% | | | |
| Dollar Cost of All Projects (excl. #9) | 22,810 | | | | 100.0% | |



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FORMOSA. Table 2.

(Footnotes)

a/ Commodity components as follows: fats and oils, 420; meats, 580; wool 500; soy beans and/or peanuts, 1,000; POL, 6,500; iron and steel mill materials and products, 2,222; copper and copper products, 541; other non-ferrous metals and products, 50; textiles, 816; drugs, pharmaceuticals and pesticides, 96.

b/ Commodity components as follows: copra and/or tallow, 1,600; fertilizer, 17,867; cotton, 11,573; wool, 600; POL and products, 4,000; iron and steel mill materials and products, 2,075. See Table 3, salable commodities.

c/ Commodity components as follows: bread grains, 4,500; soy beans and/or peanuts, 10,000; textiles, 1,500; drugs, pharmaceuticals and pesticides, 750. See Table 3, salable commodities.

ECA: Far East Program Division
Revised: July 21, 1951

FY 1952 PROGRAM (ILLUSTRATIVE)

FORMOSA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | | Cost of Salable Commodities a/ | |
|---|---|---|---|---|
| 1. Food | 18,100 | | 16,100 | |
| Bread Grains | | 4,500 | | 4,500 |
| Fats and Oils | | 13,020 | | 11,600 |
| Soy beans and/or peanuts | | 11,000 | | 10,000 |
| Copra and/or tallow | | 1,600 | | 1,600 |
| Other fats and oils | | 420 | | - |
| Meats | | 580 | | - |
| 2. Feed and Fertilizer | 17,867 | | 17,867 | |
| Fertilizer | | 17,867 | | 17,867 |
| 3. Natural Fibers | 12,673 | | 12,173 | |
| Cotton | | 11,573 | | 11,573 |
| Wool | | 1,100 | | 600 |
| 4. Tobacco | - | | - | |
| 5. Other Agricultural Products | 90 | | - | |
| Seeds | | 10 | | - |
| Animal Breeding Stock | | 80 | | - |

FY 1952 PROGRAM (ILLUSTRATIVE)

FORMOSA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | | Cost of Salable Commodities a/ | |
|---|---|---|---|---|
| 6. Fuels | 10,500 | | 4,000 | |
| Petroleum and Products- | | | | |
| Crude oil, gasoline, lubricants | | 10,500 | | 4,000 |
| 7. Industrial Raw Materials | 13,047 | | 2,825 | |
| Iron and Steel Mill Materials and Products, including Ferro-Alloys | | 6,895 | | 2,075 |
| Copper and Copper Products | | 1,926 | | - |
| Other Non-Ferrous Metals and Products | | 50 | | - |
| Lumber and Sawmill Products | | 2,500 | | - |
| Chemicals and Related Products - drugs and pharmaceuticals, including pesticides | | 1,676 | | 750 |
| 8. Capital Equipment | 13,210 | | | |
| Agricultural Equipment | | 100 | | - |
| Industrial Machinery and Equipment | | 13,110 | | - |
| Generators, Motors, turbines, etc. | | 2,835 | | - |
| Freight cars and other railway equipment | | 750 | | - |
| Road building equipment | | 1,000 | | - |
| Construction, mining and conveying equipment - pumps, drills, cranes, conveyors, dredge, etc. | | 2,800 | | - |
| Industrial machinery, n.e.c. - machine tools, pipe and fittings, etc. | | 5,725 | | - |

FY 1952 PROGRAM (ILLUSTRATIVE)

FORMOSA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | | Cost of Salable Commodities[a] | |
|---|---|---|---|---|
| 9. Other Manufactures and Raw Materials | 2,719 | | 1,500 | |
| Textiles | | 2,316 | | 1,500 |
| Miscellaneous | | 403 | | |
| Laboratory equipment | | 180 | | - |
| Audio-visual equipment and Supplies | | 223 | | - |
| **TOTAL DOLLAR COST** | 88,206[b] | | 54,465 | |
| Percent Salable Commodities | | | 61.7% | |

a/ Requisites for production plus other essential civilian supplies. See Table 2, item 9. Common-use items are not expected to be sold.

b/ For distribution by major project category, see Table 1, column 2.

## PHILIPPINES. ECA-FINANCED PROJECTS

1. Emergency Relief — None

2. Public Health — Dollar Costs

FY 51: $ 596,000

FY 52: 2,250,000

Public health conditions in the Philippines, though better than in some Southeast Asia countries, are highly unfavorable, despite progress made by the joint efforts of the Philippine and U. S. Public Health Services under the Rehabilitation Act of 1946. Death rates from all causes are still around 16.5 per 1,000 population compared with 9 in the United States.

Though ranking ninth among primary causes of death in the Philippines, malaria - because of its weakening effects - results in the greatest economic drain. An estimated 4 million attacks occur each year, about half among the national labor force, causing an estimated loss of 10 to 20 million man-days annually. Figuring each man-day loss at 2.6 pesos (U. S. $1.25), the total estimated loss in manpower value amounts to $12.5 to $25.0 million per year. This drain on the economy is particularly high when compared with the contemplated dollar cost of the ECA-sponsored public health program for FY 52 directed in large part toward malaria control.

Malaria, however, is only one of many diseases contributing to socio-economic instability in the Philippines. Tuberculosis, for example, accounts for 13 percent of all deaths in the country. By comparison, only 9 percent of total deaths are attributable to old age. Venereal disease rates are likewise high, and leprosy too has become an increasingly grave problem. Nutritional diseases such as beri beri also exact a pathetic toll, particularly among mothers and children. ECA assistance in expanding and improving present public health services and facilities will thus provide eloquent evidence of the interest of the U. S. and Philippine Governments in the welfare of the Filipino people. Moreover, improved health will help strengthen the Philippine economy and enable the country to more effectively combat subversive movements.

### Rehabilitation of Hospitals, Laboratories and Health Centers

FY 51: $ 91,000

FY 52: 470,000

Because of scarcity of modern apparatus, supplies and equipment, as well as lack of technically trained health workers, laboratory, hospital and health center facilities in the Philippines are inadequate to provide even the minimum of necessary health services. Rehabilitation and expansion of the Alabang Serum and Vaccine Laboratory, begun with ECA funds in FY 51, will increase the production of anti-typhoid, cholera, dysentery, smallpox, rabies and BCG vaccines sufficiently to meet total Philippine needs and provide some for export to neighboring Asiatic countries. In FY 52 restoration and modernization of the Manila Public Health Laboratory will also be undertaken.

Rehabilitation of provincial hospitals in Central Luzon and health centers throughout the Philippines

will be begun on a modest scale during FY 52. Initial efforts will be directed toward rural areas where health facilities and services are most meagre and Hukbalahap activity is greatest.

Endemic Disease Control
(Malaria, tuberculosis, nutritional diseases, etc.)

FY 51: $ 390,000

FY 52: 1,100,000

ECA FY 51 funds were committed for the procurement of drugs, pharmaceuticals and other medical supplies and equipment, as well as for medical personnel needed for an expanded endemic disease control program in FY 52. The object of malaria control projects, for example, will be to eliminate the disease from regions where ECA and/or the Philippine Government plan to stimulate colonization, road construction, agricultural development, exploitation of minerals, lumber and hydroelectric power. The means to be employed in malaria control are several: One malaria-control training center is to be established; four permanently-based control and treatment units will be set up in connection with farm and land settlement projects on Mindanao, Palawan and Luzon; two mobile control units are to function in connection with road construction, lumbering and mining development projects throughout the Islands; and ten malaria-control teams will be organized and equipped to work in the rural areas.

The objective of the anti-tuberculosis project is to substantially augment the nation-wide anti-tuberculosis campaign started jointly by the Philippine and U. S. Public Health Services and discontinued in 1950 with termination of U.S.P.H.S. activities in the Philippines. Regional chest clinics, offering a full range of tuberculosis services will be set up in provincial capitols and other towns and cities. In addition, ten BCG vaccination teams will be provided with transportation and other equipment and supplies. Five community health centers will be established in key areas, featuring clinics for the diagnosis and treatment of malaria, tuberculosis, venereal disease, malnutrition, and child and maternal ailments.

School Health Program

FY 51: $ 15,000

FY 52: 360,000

Probably few undertakings could have more immediate and dramatic impact on Filipino parents, including those now sympathetic with the Huks, than a program for the improvement of the health of school children. The proposed program will have two phases: The diagnostic and treatment phase, and the health education phase. Under the first, drugs and medicines (anthelmintics, vitamins, hematinics, antibiotics, etc.) will be made available for the treatment of school children. Primary emphasis will be on the elimination and prevention of intestinal parasites affecting over 90 percent of Filipino children, and responsible for malnutrition, anemia and underdevelopment.

The educational phase of the program will feature instruction of the school children by the use of movies and other media, in elementary hygiene, sanitation and other preventive and curative measures consistent with indigenous facilities. It is believed that ECA assistance with this program, which will benefit an estimated 4 million children in a large percentage of Philippine families, will substantially reduce the

ailments mentioned, improve present school health organization and instill lasting sanitary practices in homes, thereby increasing the productive efficiency of the population.

Village Sanitation
(Water purification, etc.)

FY 51: -

FY 52: $170,000

Many of the enteric and other diseases such as typhoid fever, dysentery and cholera are caused by the lack of uncontaminated drinking water. An estimated 75 percent of the Philippine population is supplied with water from shallow wells, springs, and rivers, without treatment to assure safety. This project aims at providing adequate supplies of potable water to 453 rural communities throughout the Philippines by the following means: (1) Drilling 85 artesian wells; (2) installing 50 chlorinating units for rural water supply systems; (3) providing chlorine for 366 water works; (4) furnishing supplies and equipment for the construction of two water purification plants, each with 300,000 gallons daily capacity; and (5) establishing one water analysis station for laboratory control of water supplies.

Training and Information

FY 51: $100,000

FY 52: 150,000

Training programs are carried on in connection with all ECA-sponsored projects in the health field. The purpose of course is to train sufficient numbers of Filipinc technicians and specialists to permit the continuation and expansion of public health services after the termination of ECA aid. Of particular importance will be the training of nurses for the Public Health Service.

Another phase of the program, involving general health education for the rural population, will be implemented in the following manner: Motor trucks equipped with motion picture apparatus, pamphlets, comic books and other literature pertaining to public health problems will tour rural areas; Filipino lecturers familiar with the local dialect will speak in the various barrios and poblaciones. Audio-visual aids will also be used to magnify in the minds of the villagers the substantive benefits of the ECA health program, aa well as to induce changes in habits, customs and practices required to make healthful living attainable.

3. Agriculture, Forestry, Fisheries

FY 51: $ 2,722,000

FY 52: 10,050,000

Agriculture, fisheries and forestry are the corner stones of the Philippine economy. In 1950 these sectors accounted for approximately 65 percent of the Philippine gross national product, and provided the livelihood of nearly 70 percent of the population. As in other parts of Asia, however, the agricultural methods and techniques employed are primitive.

Rice yields are only around a third of those of Japan. The tenancy rate is high, particularly in

densely populated Central Luzon, and despite laws to the contrary, landlords receive a disproportionate share of the crop. Credit is available to small farmers only at usurious rates. The need for rapid general improvement in agricultural production and distribution facilities is underscored by the fact that though the Philippine population has increased 25 percent since prewar, agricultural production has not yet reached prewar levels. The result has been a substantial decline in nutritional standards.

Agricultural College and Experiment Station (Los Banos)

FY 51: $1,027,000

FY 52: 200,000

The improvement of Philippine agriculture requires the maintenance of a well-equipped and well-staffed agricultural college and central experiment station. To increase rice production, for example, requires soil surveys and analyses, the breeding, testing and distribution of improved seed varieties, and sound long-term fertilization and rotation practices.

Identification of seed and plant varieties in abaca and coconuts, among the most important dollar earners, has scarcely been begun. Breeding of adapted varieties of barley, tobacco and cotton awaits experimentation. Furthermore, the possibility of canning and exporting many of the native fruits depends on selection of varieties and the development of culture and processing techniques. Money spent in rehabilitating the Central Experiment Station at Los Banos will accomplish these and other objectives and will yield maximum returns in the form of increased agricultural production and exports.

During FY 51 ECA funds were obligated for technical assistance and for such items as laboratory and shop equipment and supplies, fertilizers, seeds, and animals for experimental purposes. An arrangement was also worked out whereby Cornell University will "adopt" Los Banos and provide personnel to strengthen teaching and experimentation programs. Additional FY 52 aid will be directed toward completing the rehabilitation of Los Banos.

Abaca Research and Development

FY 51: $ 88,000

FY 52: 150,000

It is highly important, both to the United States and to the Philippines, that abaca production in the Islands be increased. Around one-sixth of the Philippine population depends for its livelihood on production of this strategic material, and from the U. S. point of view, it is needed for stockpiling. Moreover, production costs in the Philippines are considerably lower than those for abaca produced in Central America.

ECA assistance to abaca development has as its objective increased production through intensified efforts to control and eradicate mosaic disease and to improve practices in abaca culture and fiber production. The immediate problem is to bring science into play to prevent the spread of mosaic disease and minimize the destruction it causes. Improved methods of abaca culture will increase yields and pave the way for the successful establishment of new plantations by ensuring planters adequate sources of healthy planting materials. ECA's

contribution in FY 52, in addition to technical assistance, will consist of laboratory equipment, sprayers, tractors, and abaca stripping machines; insecticides, construction materials, laboratory chemicals and glassware, and transportation equipment. A moderate amount was obligated for similar purposes in FY 51.

Coconut Research and Development

FY 51: $ 77,000

FY 52: 175,000

Increased production of coconuts is also important for both the Philippine economy and the United States. Its importance for the U.S. stems from our need of strategic copra and coconut oil for stockpiling purposes. The significance of expanded production to the Philippine economy is equally clear: during 1950, the value of coconut products exported was 56 percent of total exports; moreover, the total area in coconuts is second only to rice, comprising about 24 percent of the total cultivated acreage in the Philippines.

The purpose of the present project is to rehabilitate and improve the coconut industry through effective control of coconut pests and diseases. The most destructive disease attacking the coconut is "Kadang Kadang", the cause of which is still unknown. The disease has already seriously affected central and southern Bicol provinces where 142,000 hectares of coconut plantations (almost 15 percent of the total under cultivation) are exposed to it. Immediate efforts will be directed toward establishment of the cause of the disease in order that control may be imposed before it spreads to the vast coconut regions in south central Luzon.

In addition to disease control undertakings, detailed studies will be made of scientific culture and land-use practices (including use of fertilizer, planting of cover crops and propagation of superior varieties), as well as studies relating to improved methods of producing copra and allied coconut products. Some ECA funds were committed in FY 51, and additional aid will be extended in FY52 for agricultural implements, construction materials, insecticides, laboratory and transportation equipment, as well as for technical advice.

Fiber Research and Development
(Ramie and Jute)

FY 51: $191,000

FY 52: -

The Philippines at present are totally dependent upon outside sources for the jute sacks, bags and burlap needed by the rice, sugar and coconut industries. In 1950 about 17 million jute bags and over 100 million square yards of jute burlap -- worth almost 12 million pesos -- had to be imported. Defense requirements in the United States and elsewhere have since cut into availabilities for the Philippines.

Funds obligated during FY51 were for research on culture and actual planting in sufficiently extensive areas to produce enough fiber for processing into finished products on pilot-plant scale. It is believed that successful demonstration of this project will result in sufficient expansion of jute planting by private growers to meet raw material requirements for at least two commercial jute mills. ECA FY51 funds were committed for such items as agricultural machinery, transportation equipment and pilot plant supplies. FY52 grant aid is not planned for this project because of its suitability for loan financing.

Seed Improvement and Multiplication

FY 51:

FY 52: $300,000

An important reason for low rice and corn yields in the Philippines is the lack of an adequate supply of improved seeds for small farmers. Rice yields per hectare, for example, are only about one-third of average yields in Japan. In view of the importance of rice and corn as staples in the Philippine diet, ECA plans during FY 52 to assist the Philippine Department of Agriculture in a program of seed improvement, multiplication and distribution. Seed farms are to be improved and expanded to permit increased production of higher yielding strains of rice, corn and other seeds. These seeds will then be distributed to Filipino farmers at as low a cost as possible and where necessary, on a credit basis.

A large part of the expense to be incurred for the project will be in local currency to be provided by the Philippine Government. ECA's contribution will take the form of technical assistance (probably one seed farm development specialist and one corn breeder) and such equipment as tractors, cultivation implements, threshing machinery, fertilizers, irrigation pumps, and storage bins. No ECA funds were obligated for this project during FY51.

Irrigation

FY 51: $ 500,000

FY 52: 3,000,000

The need for increasing rice production in the Philippines is readily apparent. The rice deficit for 1951 is expected to be around 100,000 metric tons and by 1955 could easily be 350,000 tons, if output per hectare is not increased and the present rate of population growth (2.2 percent per year) continues. Even if adequate foreign exchange resources are available, the Philippines might have serious difficulty in importing such a substantial quantity -- on the one hand, because of disturbed internal conditions and on the other, because of rapid population growth in the three rice exporting countries: Burma, Indochina and Thailand.

The area of the Philippines accounting for the largest part of the rice deficit, and at present the focal point of dissident activity, is the overcrowded central plain of Luzon. The population density in this area is around 400 per square mile; farms are extremely small and the tenancy rate is the highest in the Philippines (50 to 70 percent). ECA plans to provide some 200 irrigation pumps for installation here. The necessary canals, ditches, reservoirs and retention dams will also be constructed. An additional 200,000 acres of rice land will thus be brought under irrigation and production thereby increased by around 100,000 tons of rough rice per year. Production of corn, beans, peanuts and other crops will also be increased. Such material gains should help curb the susceptability of Luzon's tenant farmers to Hukbalahap recruiters and propagandists.

Most of the "real costs" will be in terms of local labor and construction materials to be provided by the Philippine Government. ECA funds will be required in FY52 for irrigation pumps, construction and other machinery and equipment, and technical assistance. The procurement of similar items was authorized by ECA in FY51.

Cadastral and Soil Surveys
and Soil Conservation

FY 51: $154,000

FY 52: 250,000

Improvement of agricultural production is basically dependent upon knowledge of the soil. Proper husbandry of soil resources has not yet been given the recognition it deserves in the Philippines; consequently crop yields are low and soil loss enormous.

Appropriate crops and fertilizers can best be determined only after thorough soil analysis. The Soil Division of the Philippine Department of Agriculture can now handle only 1,000 samples annually, though yearly requests for such services far exceed this number. Cadastral surveys are also needed to clarify the present confused land title situation. Lack of clear titles at present discourages the farmer from developing his property, and precludes his use of government credit facilities, which are available only to those possessing clear titles.

Specific objectives of this project are: (1) to enable the Division of Soil Survey and Conservation to undertake the analysis of at least 10,000 soil samples annually; (2) to expand testing already under way on major crop fertilization and soil conservation; (3) to expedite soil classification by provinces and detailed soil surveys for special crops; (4) to initiate cooperative projects, in terracing, in developing shelter belts (as was done in the U.S. "dust bowl"), and in reseeding of land subject to erosion. ECA contributes to these projects by providing technical assistance and dollar aid in procuring laboratory equipment and supplies, and agricultural equipment such as tractors, rice drills and fertilizer distributors.

Animal Production and
Disease Control

FY 51: $50,000

FY 52: 500,000

Current plans provide for the importation of superior animals and poultry for breeding and propagation purposes and their distribution to government experimentation centers and model farms. Purebred sires will be used extensively for upgrading local stock and the offspring of imported stock will in the future be distributed at reasonable cost to farmers throughout the Islands.

Some feeds, such as alfalfa, oats and fish meal, will also have to be imported in order to avoid too abrupt a change to indigenous feeds.

Shortage of good foundation stock, especially of large animals, is a very real problem in the Philippines, although some progress has been made in this respect. Surveys of the livestock and poultry population after the war revealed a loss of 70 per cent of the prewar total. Findings of the Philippine Bureau of Animal Industry through several years of upgrading since the war show that native cattle have attained, on average, about a 30 percent increase in dressed weight, and upgrading of hogs has resulted in average increases in dressed weight of 75 percent.

Cereal Pest and
Rodent Control

FY 51: -

FY 52: $300,000

Yearly losses of rice, corn and other grains due to pests and rodents is estimated at about 5 percent of total production. As part of its FY 1952 program, ECA plans to make available pesticides and other exterminators, along with experts to demonstrate their proper use. These specialists will also advise on the design and construction of grain storage units least vulnerable to pest and rodent attack.

Land Settlement (Mindanao)

FY 51: $ 120,000

FY 52: 2,750,000

The frustrated desire of the tenant farmer for land of his own is probably the greatest single cause of political unrest in the Philippines. Fortunately there is a large area of potentially productive but unutilized land available for homesteading on the Island of Mindanao.

Land settlement and the establishment of rural communities on the island will serve a number of extremely important purposes: (1) It will serve as a safety valve to population pressure in the overcrowded central plain of Luzon where, as previously noted, the tenancy rate is highest and Hukbalahap bands are most active. Migration from Luzon to Mindanao, now proceeding on a small scale, will be accelerated. (2) The promise of homesteads will serve as a powerful incentive to insurrectionists to lay down their arms and take up farming. (3) National food production, as well as the output of such strategic materials as abaca, copra, lead and zinc, will be substantially increased. Foreign exchange outlays for food imports will thus be curtailed and earnings from exports increased. (4) Settlement and development of the island will render it militarily more tenable in the event of another war and will have wide political impact because of its significance to the Filipinos as a long-cherished symbol of economic progress.

The undertaking -- which ECA will assist -- cuts across nearly all functional lines and will involve the clearing and draining of land, road building and the establishment of farm communities. Wells will be drilled and rudimentary water systems constructed; warehouses and storage buildings will be erected, and community rice mills and canning factories constructed. Each newly founded community will be assisted to develop farms, piggeries, dairies and food processing establishments. Finally, farm implements, irrigation pumps and animal and poultry breeding stock will be made available to settlers.

Most of the expenditures connected with this program will be in local currency and will come from counterpart funds. ECA funds were obligated during FY 51 for necessary imported supplies, equipment and technical assistance. Aid in this form will be continued and expanded during FY 52.

Agricultural Extension

FY 51: $220,000

FY 52: 175,000

Research findings of the Central Experiment Station and other research centers must be made available to Philippine farmers if agricultural output and exports are to be raised. Some good research has already been done, but the results have not been getting to the farmers due to an inadequate extension program. An extension service that would acquaint farmers with presently known facts about rice varieties, fertilizers and crop rotation would materially increase rice production. This is also true for crops such as corn, bananas and peanuts. Most of the necessary funds for the projected

extension program will be provided by the Philippine Government. American technical advisers will assist in improving the extension system, using documentary films and other methods effectively employed by county agents in the United States. ECA FY 52 aid is programmed for: equipment and materials for information publicity; field equipment and supplies such as power sprayers, soil augers, plows, insecticides, etc.; home economic equipment; carpentry tools and supplies; and technical assistance.

Rural Credit and Community Self-Development

FY 51: —

FY 52: $1,200,000

An important obstacle to the development of small-scale farming and a source of unrest among small land holders is the non-availability of credit on reasonable terms. They now find it necessary to borrow from money lenders or middlemen at rates up to 200 percent, with the result that many Filipino farmers are continually in debt. In FY 52 ECA plans to provide technical advisors to study the credit situation and devise means of expanding rural credit facilities.

The "community self-development" part of this project is patterned on the JCRR program now in progress on Formosa. Rural community leaders, in conjunction with ECA advisers, will diagnose community needs and attack those problems which can be effectively cured in a short period of time. A nominal wage will be paid local farmers to work on projects from which they themselves will benefit. Using primarily indigenous materials and equipment, such community projects as these will be undertaken: the construction of irrigation systems, warehouses, rice and tobacco storage buildings, rice mills, canning facilities, piggeries and dairies. Assuming the "felt need", community wells may also be drilled, village markets constructed and farm production, marketing and credit cooperatives organized.

As most of the costs will involve local currency, ECA's contribution will consist mainly of technical assistance and minor amounts of supplies and equipment. Assuming this type of activity can be made as effective in the Philippines as in Formosa, the impact value will be immeasurably greater than the dollar cost involved.

Training and Information

FY 51: $ 50,000

FY 52: 200,000

The training of Filipino agricultural specialists and technicians will be conducted in connection with all ECA-sponsored projects in this field. The object of this phase of ECA operations is to provide the Islands with sufficient trained nationals to permit a continuation of effective agricultural, forestry and fishesies programs after U.S. assistance is terminated. Another facet of this operation will involve bringing Filipino technicians and students to the U.S. for study and in-service training.

In the informational field, audio-visual media of all kinds will be used to inform the people of the benefits available to them under the ECA program and to instruct them in improved agricultural methods, techniques

and practices applicable in the Philippines.

Technical Services, n.e.c.

FY 51: $245,000

FY 52: -

ECA funds were obligated in FY51 to provide the Philippine Government with technical advisers competent to work on several, rather than single ECA-sponsored projects in the agricultural field. The cost of such services, because of the difficulty in precise allocation, has been included under a separate project heading.

Forest Products Laboratory
(Wood Utilization Research)

FY 51: -

FY 52: $150,000

In the field of forestry development, there is a tremendous opportunity to make use of what is probably the least utilized of all Philippine natural resources. Though forests cover some 53 percent of the Philippine land area and contain the largest potentially accessible stands of hard woods in the world, only 12 of 3,000 known species of wood found in the Islands are commercially used. A research laboratory is needed to determine the adaptability of Philippine woods for uses that will create a wider demand for timber products. The equipment of such a laboratory would indirectly contribute to increased foreign exchange earnings through expanded exports and savings on imports. In FY 52 ECA plans to provide the technical apparatus, supplies, equipment and technical services required to establish such a laboratory.

Reforestation and Water
Shed Protection

FY 51: -

FY 52: $300,000

There is at present no comprehensive system of replanting burned or cut-over timber land. During FY 52 ECA will assist with the technical advisors and equipment and supplies required for reforestation in selected areas. A forestry nursery will be established to determine conditions required for germination, desired depth of planting, effect of light and shade and the effect of insects and fungi on seedlings. Seedlings will then be set out by the Philippine Forest Service. This project will help assure concentrated stands of valuable timber; moreover, soil erosion will be reduced, and Filipino technicians will receive valuable forestry training.

Fisheries Development (Swamp
Conversion to Fish Ponds)

FY 51: -

FY 52: $400,000

Next to rice and corn, fish and allied products are most important in the Philippine diet. Fish has long been a major, although insufficient source of protein in the Islands. The present level of protein consumption

is reported to be only 2.5 to 3 oz. per person per day, compared with average requirements of 4 oz. per day.

Productivity per fisherman in the Philippines is among the lowest for any country in the world - 1,500 pounds per year compared with 63,000 in Great Britain and 7,000 in Japan. This is due primarily to the great depth of the ocean surrounding the Islands and the scarcity of fish food. For sufficient supply, additional inland fisheries must be developed. The most favorable locale for this project is in Capiz Province where 12,000 acres of nija and mangrove swamps are available for conversion to fish ponds. In FY 52 machinery, equipment and supplies not available in the Philippines will be provided with ECA aid

4. Transportation, Power, Other Public Works

FY 51: $3,633,000

FY 52: 3,450,000

In relation to land area and population of the country, the Philippine transportation system is extremely underdeveloped. There are, for example, only about 16,000 miles of roads of all types and a little over 700 miles of railways. Some areas, such as Northern Mindanao, lack almost all such facilities. Inadequate transportation facilities generally limit the mobility of labor and retard the economic development of potentially productive areas. Another serious disadvantage is that political and administrative controls are made more difficult as are logistical problems arising in connection with the Government's campaign against the Huks.

Electric power generating facilities are likewise inadequate. This type of development, however, is considered adaptable to loan financing; hence, no provision has been made for ECA assistance in this field. Other public work type requirements relate to rehabilitation of community water systems and the construction of low-cost housing to accomodate the influx of people from the rural areas to the cities as the result of insurgent activities. ECA assistance in moderate amount is being given this type of project.

Railway Survey

FY 51: $60,000

FY 52: -

In FY 51 ECA funds were committed for experts and supplies required to make an economic, technical and managerial survey of the Manila Railroad, which comprises nearly all the operative rail mileage in the Philippines. The purpose of the survey will be to determine whether the line, which is now operating at a loss, has sufficient economic value to justify continuing operations at current high unit costs. Also to be investigated are technical and managerial measures needed to lower operating costs. No additional assistance has been planned for FY52.

Road Building and Repair

FY 51: $3,000,000

FY 52: 2,000,000

The purpose of this project will be to open up potentially productive areas on Mindanao and elsewhere to settlement, and to stimulate production of foodstuffs and such strategic materials as abaca, copra, lead and zinc. ECA's role will consist of encouraging, advising, and assisting the Highways Division of the Philippine Bureau of Public Works with the road building program. Bridge repair will comprise part of the project, as will the establishment of district road equipment repair and maintenance shops. Another important feature will be the training of Filipinos in U.S. methods of repair and maintenance of road equipment.

As the U.S. Bureau of Public Roads has for several years maintained a mission in the Philippines, and has consequently acquired a considerable knowledge of the country's road requirements, ECA has underwritten an arrangement whereby BPR engineers and technicians will supervise implementation of the road program. Funds were obligated in FY 51 for personnel, supplies and equipment required for this undertaking. ECA aid during FY 52 will take the form of road building equipment and spare parts, shop equipment, bridge steel, motor fuels and lubricants, and one additional technical adviser.

Low-Cost Housing

FY 51: $573,000

FY 52: 950,000

The need for a comprehensive program of low-cost housing construction is evident in all cities in the Philippines. This was noted in the Bell Report and the Philippine bilateral agreement (which forms the legal basis for ECA operations in the Islands) mentions specifically the need for housing accommodations for low-income groups. Thousands of families in Manila and other cities are living in shanties made of bits of tin, clapboard, abandoned army trucks and buses. Some are living in bombed buildings which have not yet been restored, and even aboard half-sunken ships in the harbor.

Housing for this low-income group can be provided only by government subsidy and through direct government effort. As funds for this purpose are not available, it is believed that, for political as well as economic reasons, ECA should assist the Philippine Government with a program of low-cost housing construction. The program envisaged, to be carried out principally in Manila, will follow the self-help principle and will be similar to the housing project carried out recently in Puerto Rico. Occupants of the shanty settlements will provide, under supervision of housing engineers and specialists, the labor required to build better houses. ECA will contribute such essential items as plumbing equipment, steel and hardware, water and sewer construction materials, paint, and electrical apparatus and equipment. Some ECA funds were obligated for such items in FY 51.

Retention Dams and
Drainage Facilities Construction

FY 51: -

FY 52: $500,000

Damage to crops resulting from heavy rainfall and lack of sufficient retention dams, reservoirs and

drainage facilities takes a heavy toll in the Philippines each year. In certain areas of Luzon and Mindanao, the need for such facilities is particularly acute. In the Manila - Baguio area also, potentially productive swamplands need to be drained to increase the available food supply and thereby lessen political dissension. Most of the cost will be for local labor and materials, paid for from counterpart funds. ECA participation in the project -- to begin in FY 52 -- will provide some technical assistance and such items as bulldozers, carry-alls, draglines, and certain steel products.

5. Handicraft and Manufacturing, Mining, Other Industry

FY 51: $778,000

FY 52: 450,000

While agriculture is and probably will remain the basic feature of the Philippine economy, a considerable measure of industrial development is a prerequisite to the achievement of balance and stability. Emphasis needs to be placed on certain basic industries directly geared to available raw materials. Assistance by ECA in the development of small industry and handicrafts will represent an essential first step toward further industrialization, and will demonstrate to the Filipinos the fallacy of communist propaganda which maintains that the United States intends to perpetuate a colonial economy in the Philippines.

The Philippine mining industry has potentially great importance to the country's economy. From 1931 to 1940 inclusive, the value of mineral production increased from less than $4 million to more than $47 million. Had it not been for the war, minerals produced in 1941 would probably have exceeded $50 million in value, thus surpassing sugar and copra as the major contributor of foreign exchange to the Philippine economy. Since the war mineral production has not regained its former level. In FY 50 metallic mineral production had reached only 50 percent of its 1940 value, with the volume much less than half that of a decade earlier. Manganese output even now is only about 30 percent of prewar.

This drop in mineral output deprives the Philippines of large potential foreign exchange earnings and limits imports by the United States of such strategic materials as copper, lead, zinc, chromite, and manganese. The primary need is to create conditions within the industry which will attract the necessary venture capital. Surveys and preliminary drillings demonstrating the extent and quality of ore deposits will be undertaken as a means of attracting capital both from domestic and foreign sources.

Industrial Survey

FY 51: -

FY 52: $100,000

This project will examine such aspects of the Philippine economy as marketing and credit facilities, consumer demand, availability of trained labor, transportation facilities, power availabilities and raw material supplies, with a view to determining the small industries, the development of which would be economically feasible and beneficial to the country. On the basis of these findings, plans for future assistance to industrial

development will be formulated. Technical assistance and some supplies and equipment will be made available by ECA for this undertaking during FY 52.

Handicraft and Small Industry Rehabilitation

FY 51: $156,000

FY 52: 200,000

The development of cottage and handicraft industries will have a wide impact in the Philippines by providing supplementary income to rural workers, who average less than 150 days of agricultural work annually. It will also provide an additional source of foreign exchange earnings. Funds were obligated during FY 51 for technical assistance and supplies to assist such industries as woodcarving, ceramics, handweaving, use of local fibers, bamboo and straw products, and the manufacture of dolls.

A joint ECA-UN team of handicraft and cottage industry specialists has already been sent to survey the needs of these industries and give technical advice. For example, an American weaving expert is advising on the redesign of indigenous hand looms, at very little cost, as a means of increasing production. Other experts are advising on inexpensive tooling changes feasible in the ceramics, food processing and other industries. Technical advice is also being given on such matters as the planning and execution of market research, as well as the grading and standardization of products. The plan is to make small though important changes in indigenous tools and equipment to permit more efficient production, rather than to introduce complicated and expensive new machinery. In addition to technical assistance, ECA during FY 52 will provide a small amount of tools, equipment, and supplies.

Mining School Repair and Equipment

FY 51: $99,000

FY 52: 150,000

The exploration and development of Philippine mineral resources is handicapped by a scarcity of trained Filipino geologists and mining engineers. The Bell Mission urged the establishment of a school of mineral industry and sciences at the University of the Philippines. Such a school now exists on an inadequate scale. In recognition of the need for rehabilitation and expansion of the existing school's facilities, some FY 51 ECA funds were obligated for laboratory apparatus. Additional supplies as well as technical assistance will be provided in FY 52. Unless training of increased numbers of geologists and mining engineers begins soon, the planned investigation of Philippine mineral resources will hardly lead to worthwhile development -- whether with private or government sponsorship. Moreover, prospecting and mapping, expected to extend over several years, will itself depend largely on the availability of Filipino technicians.

The following projects were included in the FY 51 program for the manufacture and mining sector, but will not be given additional ECA assistance in FY 52.

Coal Survey and Development

FY 51: $212,000

FY 52: -

The basic importance of fuel and power in any program for Philippine economic development is axiomatic and recognized by all who have examined the country's economic plight. Installed electric power is extremely limited and imported petroleum products are the principal source of industrial power. Despite some opinion to the contrary, representatives of the Bureau of Mines and the U. S. Geological Survey believe that Philippine coal can provide a large portion of domestic power requirements. A systematic survey of Philippine coal resources would therefore seem to be a prime economic need.

The project would consist of (1) a field investigation of ten Philippine coal fields, using diamond drilling to determine potential coal reserves as well as seam structure, and (2) establishment of a chemurgical laboratory to determine, among other things, the cokeability and carbonization properties of the coal. ECA FY 51 funds were committed for technical assistance, and such items as: coking ovens, electric furnaces, and laboratory and field equipment.

Strategic Minerals Survey

FY 51: $151,000

FY 52: -

On the basis of limited explorations it is believed that the production of several strategic minerals can be substantially increased. Included among these minerals are: manganese, copper, lead, zinc, chromite, sulphur, pyrite, limestone and phosphate. The project involves surveying of known and prospective deposits, including diamond drilling when warranted. The FY 51 funds already obligated will provide for such items as diamond core drills, geological mapping and prospecting apparatus and supplies, drafting and laboratory equipment and supplies, and in addition technical assistance. As strategic mineral development, at least after the preliminary exploratory phase, is believed adaptable to loan financing, no additional outlays are contemplated from ECA FY 52 funds.

Ilocos Textile Mill
(Completion and equipment)

FY 51: $160,000

FY 52: -

Due to the importance of textiles as an import item (in 1950, textile fibers and manufactures constituted about 16 percent of total imports), the Philippine Government has given high priority to the completion and equipment of Ilocos textile mill. In addition to the sizeable savings of foreign exchange which will result, the project is justifiable as a first step toward industrialization. ECA FY 51 funds were committed for textile machinery and electrical apparatus. No provision has been made for additional aid in FY 52. Further requirements that may develop may be met by loans.

6. General Engineering Advisory Services None

7. Education

FY 51: $218,000

FY 52: 500,000

Educational standards in the Philippines have been deteriorating for some years because of dislocations caused by the war and a greatly increasing school population for which facilities are in some cases totally lacking. The problem is particularly serious in the elementary grades where enrollment is heaviest and teaching requirements are not universally of a high standard. The majority of Filipino pupils do not go beyond the primary (first four) grades, in which attendance is theoretically compulsory but not enforced; many do not go beyond the second grade, and there are still thousands who do not go to school at all.

A particularly complicating problem is that of language. English is the language of instruction, but only in rare cases is it the language of the home. The national language, based on Tagalog, is a required subject, but it is spoken by only about one-quarter of the population. Therefore, for thousands of children who do not attend school beyond the early grades, instruction in reading, writing, arithmetic, natural and social sciences, etc., is far less effective than it would be if taught in a familiar language.

Rehabilitation of Vocational Schools

FY 51: $173,000

FY 52: 435,000

An effective vocational training program is a prerequisite to long-range agricultural and industrial development. Lasting results from recommended projects depend on the availability of trained manpower. For example, agricultural development projects for the introduction of advanced farming methods, irrigation, fertilization, animal breeding and seed improvement, as well as other projects in this field will be successful in the long run only if supplemented by the maximum dissemination of basic agricultural training, at least to the new generation of farmers. In industry also, expansion and diversification depend equally on availability of trained labor. Improvement of the quality and quantity of vocational training is therefore considered to be an indispensable part of an integrated development program.

In FY 52, ECA plans to assist with the rehabilitation of two Philippine vocational schools: the Camarines Sur Agricultural High School and the Iloilo School of Arts and Trades. Present facilities of the former are to be expanded to permit doubling of the current enrollment - from 350 to 700 students. The Iloilo school is to be expanded to permit an enrollment increase from 1400 to 1700 and the area served, now limited to Panay, will be expanded to include the Negros provinces and other areas of the western Visayas. If funds and personnel are available, additional trade and agricultural schools will be assisted. In FY 52 ECA will provide these various schools with farm machinery and equipment, spare parts, tools, animals, construction materials, vocational home-making equipment, reference materials and library books. Technical assistance will also be made available.

Specialized Teacher Training

FY 51: $45,000

FY 52: 65,000

In order that cottage industry equipment can be properly utilized by a broader segment of the population, teaching facilities for handicraft skills must be improved and expanded. Hence ECA proposes to assist in the rehabilitation of the Philippine School of Arts and Trades in Manila.

The currently planned project contemplates making this school the center for training of teachers from all provinces. Upon completion of training, they will be sent to handicraft production and shop centers in rural and small urban communities where they in turn will teach such types of work as weaving; fiber, straw and bamboo work; wood carving and doll making. They will also promote the general development of cottage industry as a supplemental source of income in rural areas and as a principal source of income for indigent urban families.

ECA's contribution will comprise machinery and equipment, including looms, sewing machines and saws; blueprinting equipment; supplies and materials, including dyes and plastics; construction materials; plumbing; electrical supplies; and office equipment.

8. Public Administration

FY 51: $375,000

FY 52: 500,000

In a very real sense, the major purpose of the Philippine aid program is to raise the competence of public administration in the country. With such improvement, the Philippines is a potentially strong and rich asset on the side of the free world, and without it, dollar assistance for economic development will at best have only a modest effect. It is therefore essential that experienced technicians in fields other than engineering work directly with the Philippine Government to ensure effective use both of resources provided by ECA and, more important, of all local and foreign exchange resources available for economic and social development of the country.

In performing these functions, American advisors will have three major responsibilities: (1) to give technical advice to agencies of the Philippine Government and to improve the organization and administration of the public service; (2) to help expedite, through advice of a more general policy nature, the improvements and reforms recommended by the Bell Mission; and (3) to appraise the efficiency of management and the general effectiveness in the use of ECA funds. Technical assistance of this type will be made available in FY 52 to nearly all major Philippine Government Departments and agencies. Some of the key personnel were recruited during FY 1951 and funds obligated for others to follow early in FY 52.

9. Maintenance of Essential Supply

FY 51: $ 6,678,000

FY 52: 18,200,000

The inclusion of a large volume of salable commodities as part of ECA aid to the Philippines is essential for the following reasons: (1) To allay inflationary pressures, which decrease the real income of workers and aggravate existing disparities of income distribution among economic groups. Military expenditures as well as ECA outlays for capital development will increase available purchasing power without an immediate and corresponding increase in the output of consumer goods and services. Salable commodities must therefore be imported to absorb purchasing power and thereby reduce inflationary pressure. (2) Salable commodities are also required to assure that sufficient local currency will be available to cover peso costs connected with ECA and JUSMAG projects. (3) Salable producers goods are necessary to fill specific production needs of the Philippine economy. (4) Salable consumer goods are needed to provide additional work incentives, and encourage prompter marketing of farm and other products.

Requisites of Production

FY 51: $ 6,196,000

FY 52: 17,105,000

Commodities imported to supplement production needs include: fertilizers, raw cotton, animal breeding stock, diesel oil and lubricants, tractors and spare parts, other agricultural machinery and parts, road building equipment, hand looms, rubber tires, tubes and hose, cotton yarn and twine, burlap bags, fish nets, etc. (See Table 2, item 9 in FY 51 and FY 52 tables following.)

Other Essential Civilian Supplies

FY 51: $ 482,000

FY 52: 1,095,000

Wheat flour is the only commodity in this category which is to be imported during FY 52. In FY 51 a slightly larger group of items was procured with ECA funds - more specifically, paints, pigments and varnishes and vegetable fiber products.

FY 1951 PROGRAM

ECA: Far East Program Division
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PHILIPPINES. Table 1. Dollar Cost of Program By Major Project Category

| Major Project Category | Dollar Costs (in thousands) Total Dollar Cost | Cost of Supplies & Equipment | Cost of Services Total | T.A. Experts a/ | Trainees b/ |
|---|---|---|---|---|---|
| 1. Emergency Relief | - | - | - | - | - |
| 2. Public Health | 596 | 546 | 50 | 50 | - |
| 3. Agriculture, Forestry, Fisheries | 2,722 | 2,477 | 245 | 245 | - |
| 4. Transportation, Power, Other Public Works | 3,633 | 3,423 | 210 | 210 | - |
| 5. Handicraft and Manufacturing, Mining, Other Industry | 778 | 663 | 115 | 115 | - |
| 6. General Engineering Advisory Services | - | - | - | - | - |
| 7. Education | 218 | 188 | 30 | 30 | - |
| 8. Public Administration | 375 | - | 375 | 375 | - |
| 9. Maintenance of Essential Supply c/ | 6,678 | 6,678 | - | - | - |
| TOTAL DOLLAR COST OF PROGRAM | 15,000 | 13,975 | 1,025 | 1,025 d/ | - |
| Percent of Total Program Cost | 100.0% | 93.2% | 6.8% | 6.8% | - |

PHILIPPINES. Table 1.

(Footnotes)

a/ Experts sent to country. Cost shown represents actual dollar obligations.

b/ Persons brought from country for training. Cost shown represents actual dollar obligations.

c/ Requisites for production plus other essential civilian supplies. See Table 2, item 9.

d/ Provides for 69 persons distributed as follows: Public Health, 1; Agriculture, Forestry, Fisheries, 16; Transportation, Power, Other Public Works, 13; Handicraft and Manufacturing, Mining, Other Industry, 12; Education, 2; Public Administration, 25. Total man-year equivalent, approximately 65.

ECA: Far East Program Division
Revised: July 21, 1951

FY 1951 PROGRAM

PHILIPPINES. Table 2. Estimated Breakdown of Program By Type of Project

| Type of Project | Dollar Costs (in thousands) Total Dollar Cost of Project | | Percent of Total Program Dollar Cost | | Percent of Total Project Dollar Cost (excl. project #9) | |
|---|---|---|---|---|---|---|
| 1. Emergency Relief | - | | - | | - | |
| 2. Public Health | 596 | | 4.0% | | 7.2% | |
| Endemic Disease Control (malaria, tuberculosis, etc.) | | 390 | | 2.6 | | 4.7 |
| School Health Program | | 15 | | 0.1 | | 0.2 |
| Laboratory Rehabilitation | | 91 | | 0.6 | | 1.1 |
| Training and Information | | 100 | | 0.7 | | 1.2 |
| 3. Agriculture, Forestry, Fisheries | 2,722 | | 18.1 | | 32.7 | |
| Agricultural College and Experiment Station (Los Banos) | | 1,027 | | 6.9 | | 12.3 |
| Abaca Research and Development | | 88 | | 0.6 | | 1.1 |
| Coconut Research and Development | | 77 | | 0.5 | | 0.9 |
| Fiber Research and Development (Ramie and Jute) | | 191 | | 1.3 | | 2.3 |
| Irrigation | | 500 | | 3.3 | | 6.0 |
| Soil Survey and Conservation | | 154 | | 1.0 | | 1.9 |
| Animal Production | | 50 | | 0.3 | | 0.6 |
| Land Settlement (Mindanao) | | 120 | | 0.8 | | 1.4 |
| Agricultural Extension | | 220 | | 1.5 | | 2.6 |
| Training and Information | | 50 | | 0.3 | | 0.6 |
| Technical Services, n.e.c. | | 245 | | 1.6 | | 3.0 |
| 4. Transportation, Power, Other Public Works | 3,633 | | 24.2 | | 43.7 | |
| Railroad Survey | | 60 | | 0.4 | | 0.7 |
| Road Building and Repair | | 3,000 | | 20.0 | | 36.1 |
| Low-Cost Housing | | 573 | | 3.8 | | 6.9 |

FY 1951 PROGRAM

PHILIPPINES. Table 2. Estimated Breakdown of Program By Type of Project

Dollar Costs (in thousands)

| Type of Project | Total Dollar Cost of Project | | Percent of Total Program Dollar Cost | | Percent of Total Project Dollar Cost (excl. project #9) | |
|---|---|---|---|---|---|---|
| 5. Handicraft and Manufacturing, Mining, Other Industry | 778 | | 5.2 | | 9.3 | |
| Coal Survey and Development | | 212 | | 1.4 | | 2.5 |
| Strategic Minerals Survey | | 151 | | 1.0 | | 1.8 |
| Handicraft and Small Industry Rehabilitation | | 156 | | 1.0 | | 1.9 |
| Ilocos Textile Mill (completion and equipment) | | 160 | | 1.1 | | 1.9 |
| Mining School Rehabilitation | | 99 | | 0.7 | | 1.2 |
| 6. General Engineering Advisory Services | - | | - | | - | |
| 7. Education | 218 | | 1.5 | | 2.6 | |
| Rehabilitation of Vocational Schools | | 173 | | 1.2 | | 2.1 |
| Specialized Teacher Training | | 45 | | 0.3 | | 0.5 |
| 8. Public Administration | 375 | | 2.5 | | 4.5 | |
| 9. Maintenance of Essential Supply | 6,678 | | 44.5 | | - | |
| Requisites for Production | | 6,196 a/ | | 41.3 | | - |
| Other Essential Civilian Supplies | | 482 b/ | | 3.2 | | - |
| TOTAL DOLLAR COST OF PROGRAM | 15,000 | | 100.0% | | | |
| Dollar Cost of All Projects (excl. #9) | 8,322 | | | | 100.0% | |

PHILIPPINES. Table 2.

(Footnotes)

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a/ Commodity components as follows: oil cake and meal, 92; fertilizer, 3,000; raw cotton, 170; printing paper and newsprint, 697; miscellaneous industrial chemicals, 240; tractors and parts, 302; irrigation pumps, 200; trucks, jeeps, etc., 457; unmanufactured leather, 505; rubber tires, casings and tubes, 20; cotton yarn and cloth, 222; cotton bags, 31; miscellaneous manufactured commodities, 260. See Table 3, salable commodities.

b/ Commodity components as follows: paints, pigments, varnish, etc., 398; vegetable fiber products, 84. See Table 3, salable commodities.

ECA: Far East Program Division
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FY 1951 PROGRAM

PHILIPPINES. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | | Cost of Salable Commodities a/ | |
|---|---|---|---|---|
| 1. Food | - | | - | |
| 2. Feed and Fertilizer | 3,371 | | 3,092 | |
| Protein Feeds | | 92 | | 92 |
| Oil cake and meal | | 92 | | 92 |
| Fertilizer | | 3,279 | | 3,000 |
| Nitrogenous | | 2,604 | | 2,425 |
| Phosphate, etc. | | 675 | | 575 |
| 3. Natural Fibers | 170 | | 170 | |
| Cotton (raw) | | 170 | | 170 |
| 4. Tobacco | - | | - | |
| 5. Other Agricultural Products | 50 | | - | |
| Animal Breeding Stock | | 50 | | - |
| 6. Fuels | 23 | | - | |
| Petroleum and Products | | 23 | | - |
| Asphalt | | 23 | | - |
| 7. Industrial Raw Materials | 2,157 | | 1,335 | |
| Iron and Steel Mill Materials and Prod., including Ferro-Alloys | | 401 | | - |
| Channels, bars, pipe, rods and structural steel | | 401 | | - |

FY 1951 PROGRAM

PHILIPPINES. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | | Cost of Salable Commodities a/ | |
|---|---|---|---|---|
| Copper and Brass | | 7 | | - |
| Brass, bronze and related products - cocks, screen, etc. | | 7 | | - |
| Zinc and Zinc Products (misc. items) | | 2 | | - |
| Lumber and Sawmill Products (misc. items) | | 9 | | - |
| Pulp, Paper and Paper Products | | 709 | | 697 |
| Printing paper and newsprint | | 709 | | 697 |
| Chemicals and Related Products | | 1,029 | | 638 |
| DDT and other pesticides | | 150 | | - |
| Penicillin, aureomycin, camoquin, etc. | | 130 | | - |
| Paint, pigments, varnish, etc. | | 455 | | 398 |
| Industrial chemicals - caustic soda, etc. | | 240 | | 240 |
| Other chemicals and chemical preparations | | 54 | | - |
| 8. Capital Equipment | 5,444 | | 959 | |
| Agricultural Equipment | | 825 | | 302 |
| Threshers, huskers, cultivators, sprayers, etc. | | 131 | | - |
| Agricultural tractors and parts | | 356 | | 302 |
| Crawler and track-laying tractors and parts | | 338 | | - |

FY 1951 PROGRAM

PHILIPPINES. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

| Commodity Group | C & F Dollar Cost (in thousands) Total Cost | | Cost of Salable Commodities a/ | |
|---|---|---|---|---|
| Industrial Machinery and Equipment | | 4,619 | | 657 |
| Generators and motors | | 88 | | - |
| Electrical apparatus - insulators, transformers, connectors, etc. | | 220 | | - |
| Construction equipment - pumping units, drill rigs, etc. | | 714 | | 200 |
| Excavators, bulldozers, graders, etc. | | 1,491 | | - |
| Textile machinery - testing equipment, sewing machines, etc. | | 267 | | - |
| Mining equipment - mine hoists, dump cars, winches, etc. | | 79 | | - |
| Trucks, jeeps, trailers, accessories, parts and servicing equipment | | 1,325 | | 457 |
| Industrial machinery, n.e.c. - indicating and recording machinery, office machines, parts, etc. | | 435 | | - |
| 9. Other Manufactures and Raw Materials | 2,760 | | 1,122 | |
| Leather and Leather Products | | | | |
| Unmanufactured leather | | 505 | | 505 |
| Rubber and Rubber Products | | | | |
| Tires, casings and tubes | | 120 | | 20 |
| Textiles | | 340 | | 337 |
| Vegetable fiber products - celotex insulation board and jute bags | | 86 | | 84 |
| Textile products - cotton yarn and cloth and cotton bags | | 254 | | 253 |

FY 1951 PROGRAM

PHILIPPINES. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | Cost of Salable Commodities a/ |
|---|---|---|
| Miscellaneous | 1,795 | 260 |
| Misc. iron and steel manufactures - small hand tools, steel shelves, partitions, cabinets, platform scales, etc. | 793 | - |
| Laboratory equipment - cameras, lamps, tanks, scissors, scales | 319 | - |
| Hospital supplies and equipment - operating tables, beds, X-ray machines, forceps, clamps, retractors, needles, syringes, etc. | 269 | - |
| Commodities, n.e.c. - photographic equipment and supplies, projectors, library equipment and supplies, technical books and periodicals, etc. | 414 | 260 |
| TOTAL DOLLAR COST | 13,975 b/ | 6,678 |
| Percent Salable Commodities | | 47.8% |

a/ Requisites for production plus other essential civilian supplies. See Table 2, item 9.

b/ For distribution by major project category, see Table 1, column 2.

FY 1952 PROGRAM (ILLUSTRATIVE)

ECA: Far East Program Division
Revised: July 21, 1951

PHILIPPINES. Table 1. Estimated Dollar Cost of Program a/
By Major Project Category

Dollar Costs (in thousands)

| Major Project Category | Total Dollar Cost | Cost of Supplies & Equipment | Cost of Services | | |
|---|---|---|---|---|---|
| | | | Total | T.A. Experts b/ | Trainees c/ |
| 1. Emergency Relief | - | - | - | - | - |
| 2. Public Health | 2,250 | 2,084 | 166 | 96 | 70 |
| 3. Agriculture, Forestry, Fisheries | 10,050 | 9,784 | 266 | 216 | 50 |
| 4. Transportation, Power, Other Public Works | 3,450 | 3,263 | 187 | 12 | 175 |
| 5. Handicraft and Manufacturing, Mining, Other Industry | 450 | 438 | 12 | 12 | - |
| 6. General Engineering Advisory Services | - | - | - | - | - |
| 7. Education | 500 | 333 | 167 | 132 | 35 |
| 8. Public Administration | 500 | 308 | 192 | 72 | 120 |
| 9. Maintenance of Essential Supply d/ | 18,200 | 18,200 | - | - | - |
| TOTAL DOLLAR COST OF PROGRAM | 35,400 | 34,410 | 990 | 540 e/ | 450 f/ |
| Percent of Total Program Cost | 100.0% | 97.2% | 2.8% | 1.5% | 1.3% |

PHILIPPINES. Table 1.

(Footnotes)

a/ Does not include any portion of funds that may be approved for basic materials development (in Title I of proposed Mutual Security Act).

b/ Experts sent to country. Cost computed on uniform basis of $12,000 per person, allowing for average lapse of 3 months.

c/ Persons brought from country for training. Cost computed on uniform basis of $5,000 per person.

d/ Requisites for production plus other essential civilian supplies. See Table 2, item 9.

e/ Provides for an estimated 45 persons (excluding 51 for whom funds were obligated in FY 1951) distributed as follows: Public Health, 8; Agriculture, Forestry, Fisheries, 18; Transportation, 1; Handicraft and Small Industry, 1; Education, 11; Public Administration, 6. Man-year equivalent also 45.

f/ Provides for an estimated 90 persons distributed as follows: Public Health, 14; Agriculture, Forestry, Fisheries, 10; Transportation and Public Works, 35; Education, 7; Public Administration, 24. Total man-year equivalent, approximately 70.

FY 1952 PROGRAM (ILLUSTRATIVE)

ECA: Far East Program Division
Revised: July 21, 1951

PHILIPPINES. Table 2. Estimated Breakdown of Program By Type of Project

Dollar Costs (in thousands)

| Type of Project | Total Dollar Cost of Project | | Percent of Total Program Dollar Cost | | Percent of Total Project Dollar Cost (excl. project #9) | |
|---|---|---|---|---|---|---|
| 1. Emergency Relief | - | | - | | - | |
| 2. Public Health | 2,250 | | 6.4% | | 13.1% | |
| Rehabilitation of Hospitals, Laboratories, and Health Centers | | 470 | | 1.4 | | 2.7 |
| Endemic Disease Control (malaria, tuberculosis, nutritional diseases, etc.) | | 1,100 | | 3.1 | | 6.4 |
| School Health Program | | 360 | | 1.0 | | 2.1 |
| Village Sanitation (water purification, etc.) | | 170 | | 0.5 | | 1.0 |
| Training and Information | | 150 | | 0.4 | | 0.9 |
| 3. Agriculture, Forestry, Fisheries | 10,050 | | 28.4 | | 58.4 | |
| Agriculture | | 9,200 | | 26.0 | | 53.5 |
| Agricultural College and Experiment Station (Los Banos) | | 200 | | 0.6 | | 1.2 |
| Abaca Research and Development | | 150 | | 0.4 | | 0.9 |
| Coconut Research and Development | | 175 | | 0.5 | | 1.0 |
| Seed Improvement and Multiplication | | 300 | | 0.8 | | 1.7 |
| Irrigation | | 3,000 | | 8.5 | | 17.4 |
| Cadastral and Soil Surveys and Soil Conservation | | 250 | | 0.7 | | 1.5 |
| Animal Production and Disease Control | | 500 | | 1.4 | | 2.9 |
| Cereal, Pest and Rodent Control | | 300 | | 0.8 | | 1.7 |
| Land Settlement (Mindanao) | | 2,750 | | 7.8 | | 16.0 |
| Agricultural Extension | | 175 | | 0.5 | | 1.0 |
| Rural Credit and Community Self-Development | | 1,200 | | 3.4 | | 7.0 |
| Training and Information | | 200 | | 0.6 | | 1.2 |

FY 1952 PROGRAM (ILLUSTRATIVE)

PHILIPPINES. Table 2. Estimated Breakdown of Program By Type of Project

Dollar Costs (in thousands)

| Type of Project | Total Dollar Cost of Project | | Percent of Total Program Dollar Cost | | Percent of Total Project Dollar Cost (excl. project #9) | |
|---|---|---|---|---|---|---|
| Forestry | | 450 | | 1.3 | | 2.6 |
| Forest Products Laboratory (wood utilization research) | | 150 | | 0.4 | | 0.9 |
| Reforestation and Water Shed Protection | | 300 | | 0.9 | | 1.7 |
| Fisheries | | 400 | | 1.1 | | 2.3 |
| Fisheries Development (swamp conversion to fish ponds) | | 400 | | 1.1 | | 2.3 |
| 4. Transportation, Power, Other Public Works | 3,450 | | 9.7 | | 20.1 | |
| Road Building and Repair | | 2,000 | | 5.6 | | 11.7 |
| Low-Cost Housing | | 950 | | 2.7 | | 5.5 |
| Retention Dams and Drainage Facilities Construction | | 500 | | 1.4 | | 2.9 |
| 5. Handicraft and Manufacturing, Mining, Other Industry | 450 | | 1.3 | | 2.6 | |
| Industrial Survey | | 100 | | 0.3 | | 0.6 |
| Handicraft and Small Industry Rehabilitation | | 200 | | 0.6 | | 1.1 |
| Mining School Repair and Equipment | | 150 | | 0.4 | | 0.9 |
| 6. General Engineering Advisory Services | - | | - | | - | |
| 7. Education | 500 | | 1.4 | | 2.9 | |
| Rehabilitation of Vocational Schools | | 435 | | 1.2 | | 2.5 |
| Specialized Teacher Training | | 65 | | 0.2 | | 0.4 |
| 8. Public Administration | 500 | | 1.4 | | 2.9 | |

FY 1952 PROGRAM (ILLUSTRATIVE)

PHILIPPINES. Table 2. Estimated Breakdown of Program By Type of Project

| Type of Project | Dollar Costs (in thousands) Total Dollar Cost of Project | | Percent of Total Program Dollar Cost | | Percent of Total Project Dollar Cost (excl. project #9) |
|---|---|---|---|---|---|
| 9. Maintenance of Essential Supply | 18,200 | | 51.4 | | - |
| Requisites for Production | | 17,105 a/ | | 48.3 | - |
| Other Essential Civilian Supplies | | 1,095 b/ | | 3.1 | - |
| TOTAL DOLLAR COST OF PROGRAM | 35,400 | | 100.0% | | |
| Dollar Cost of All Projects (excl. #9) | 17,200 | | | | 100.0% |

a/ Commodity components as follows: fertilizer, 2,850; raw cotton, 285; animal breeding stock, 500; diesel oil and lubricants, 1,370; tractors and spare parts, 1,000; other agricultural machinery and parts (harrows, plows, threshers, etc.), 2,732; bulldozers, scrapers, and other road building machinery and parts, 1,384; hand looms and spare parts, 66; unmanufactured leather, 1,697; rubber tires, tubes, hose, etc., 2,759; cotton yarn and twine, 908; burlap bags, 1,423; fish nets, 131. See Table 3, salable commodities.

b/ Wheat flour. See Table 3, salable commodities.

ECA: Far East Program Division
Revised: July 21, 1951

FY 1952 PROGRAM (ILLUSTRATIVE)

PHILIPPINES. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | | Cost of Salable Commodities a/ | |
|---|---|---|---|---|
| 1. Food | 1,095 | | 1,095 | |
| Bread Grains - Wheat flour | | 1,095 | | 1,095 |
| 2. Feed and Fertilizer | 3,050 | | 2,850 | |
| Fertilizer - Nitrogenous, phosphate, etc. | | 3,050 | | 2,850 |
| 3. Natural Fibers | 285 | | 285 | |
| Cotton (raw) | | 285 | | 285 |
| 4. Tobacco | - | | - | |
| 5. Other Agricultural Products | 2,952 | | 500 | |
| Seeds | | 219 | | - |
| Animal breeding stock | | 2,733 | | 500 |
| 6. Fuels | 1,818 | | 1,370 | |
| Petroleum and Products - diesel oil and lubricants | | 1,818 | | 1,370 |

FY 1952 PROGRAM (ILLUSTRATIVE)

PHILIPPINES. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | | Cost of Salable Commodities a/ | |
|---|---|---|---|---|
| 7. Industrial Raw Materials | 3,720 | | - | |
| Iron and Steel Mill Materials and Prod., including Ferro-Alloys | | 2,702 | | - |
| Bars, bridge steel, pipe, cables, sheet piling, etc. | | 2,702 | | - |
| Chemicals and Related Products | | 1,018 | | - |
| DDT and other pesticides | | 88 | | - |
| Penicillin, aureomycin, camoquin, etc. | | 492 | | - |
| Industrial chemicals - caustic soda, calcium carbide, etc. | | 438 | | - |
| 8. Capital Equipment | 12,854 | | 5,182 | |
| Agricultural Machinery | | 5,392 | | 3,732 |
| Tractors and parts | | 1,150 | | 1,000 |
| Other agricultural machinery and parts - harrows, plows, threshers, etc. | | 4,242 | | 2,732 |
| Industrial Machinery and Equipment | | 7,462 | | 1,450 |
| Generators and motors | | 60 | | - |
| Machine tools | | 328 | | - |
| Construction equipment - pumps, drill rigs, etc. | | 1,349 | | - |
| Bulldozers, scrapers, and other road building machinery and parts | | 4,718 | | 1,384 |
| Trucks, jeeps, station wagons and parts | | 941 | | - |
| Industrial machinery, n.e.c. - hand looms and spare parts | | 66 | | 66 |

FY 1952 PROGRAM (ILLUSTRATIVE)

PHILIPPINES. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

| Commodity Group | C & F Dollar Cost (in thousands) Total Cost | | Cost of Salable Commodities a/ | |
|---|---|---|---|---|
| 9. Other Manufactures and Raw Materials | 8,636 | | 6,918 | |
| Leather and Leather Products | | | | |
| Unmanufactured leather | | 1,697 | | 1,697 |
| Rubber and Rubber Products | | | | |
| Tires, tubes, hose, etc. | | 2,759 | | 2,759 |
| Textiles | | 2,462 | | 2,462 |
| Cotton yarn and twine | | 908 | | 908 |
| Burlap bags | | 1,423 | | 1,423 |
| Fish nets | | 131 | | 131 |
| Miscellaneous | | 1,718 | | - |
| Misc. iron and steel manufactures - plumbing equipment, hand tools, etc. | | 175 | | - |
| Hospital supplies and equipment - X-ray machines, microscopes, beds, forceps, retractors, needles, syringes, etc. | | 1,035 | | - |
| Commodities, n.e.c. - Compasses, transits, etc. | | 508 | | - |
| TOTAL DOLLAR COST | 34,410 b/ | | 18,200 | |
| Percent Salable Commodities | | | 52.9% | |

a/ Requisites for production plus other essential civilian supplies. See Table 2, item 9.
b/ For distribution by major project category, see Table 1, column 2.

## ASSOCIATED STATES OF INDOCHINA. ECA-FINANCED PROJECTS

1. Emergency Relief

Dollar Costs

FY 51: $1,195,000

FY 52: 1,600,000

With the outbreak of open civil war in Vietnam at the end of 1946, the rebel forces adopted a deliberate scorched earth policy as they withdrew from towns and villages. There followed not only widespread destruction of homes, public buildings and essential facilities such as hospitals, waterworks, power and irrigation plants, but also the loss of farm animals and tools, hand looms and other implements with which the villagers earned their livelihood. To escape starvation or violent death, the people in these areas moved en masse to urban centers, particularly Hanoi, Haiphong and Saigon. This movement has continued with the ebb and flow of civil war and was greatly accentuated by the big Communist offensive in North Vietnam in November and December 1950. As a result, these urban areas have been overcrowded with refugees lacking adequate food, clothing, housing or employment, and living under indescribably unsanitary and unhealthy conditions.

No stable government can survive unless the most acute refugee needs are met. The FY 51 program was designed to assist the Vietnam Government in attacking this troublesome problem. As part of that year's emergency relief project, ECA provided for free distribution to the refugees substantial quantities of milk for children, corned beef, blankets, cloth, needles and thread. Through the use of the ECA counterpart fund, employment on road projects was furnished several thousand of them and a start was made on the provision of emergency refugee housing.

The FY 52 emergency relief project will continue the work begun the previous year. During FY 52 ECA funds will be used in part to provide administrative assistants and essential operating support at the district and village level. A small dollar expenditure will be required to provide the necessary educational and training materials; piasters will provide salaries and operating expenses including internal transportation and interregional transport within the country. Young nationals will continue to be trained to assist in administering the aid program. These trainees will subsequently be assigned to help and advise chiefs of provinces and supervisors of districts where relief projects are under way.

During FY 52 ECA will also furnish direct relief in the form of materials such as cotton cloth, needles and thread for the making of clothes and blankets, and emergency food supplies such as canned milk for children. Such aid will help relieve the political tension, will increase the confidence of the nationals in their government, and will demonstrate the interest of the United States and the non-Soviet world in their welfare. Piasters will be provided for the purchase locally of rice, fish and other food for immediate distribution to refugees, and to finance work relief projects such as road repair and emergency housing. A typical example is the project in North Vietnam where several hundred refugees are currently employed in crushing stone to resurface roads between Hanoi and Haiphong. This project not only provides needed employment but also improves road transport vital to both the economic and military needs of the area.

Finally, ECA will help finance the construction of emergency housing. Around Saigon, where the population

has more than doubled since 1940, there are 17 large districts, veritable shanty towns, where squalor and filth breed disease, moral decay and subversion. A relatively small amount of ECA-financed imports, together with local materials and labor paid for out of the counterpart fund, will be devoted to providing simple but sanitary housing for thousands of refugee families.

2. Public Health

FY 51: $3,729,000

FY 52: 6,440,000

Ten years of war and insurrection have destroyed or disrupted hospitals, health centers and the already meager health services. The incidence of disease is consequently high and essential curative and preventative services are not available to the great majority of the Indochinese peoples, particularly in the rural areas. The Associated States wish to provide these essential services but lack not only health officers competent to develop and carry out the required program, but also the exchange needed to hire trained foreign personnel and to import essential educational, hospital and sanitation equipment.

Training and Information

FY 51: $ 30,000 a/

FY 52: 150,000

a/ Comprises part of $106,000 allocated to FY 51 Training and Research Project.

Training programs are carried on in connection with nearly all ECA-sponsored projects in the field of public health, with the object of preparing nationals of the Associated States to continue essential health services after ECA assistance is terminated.

Of particular importance is ECA's assistance in restoring and expanding training facilities in the medical schools at Hanoi, Saigon and Pnompenn. In FY 52 these schools will be given substantially greater aid than the year before in the form of basic equipment and staff necessary to bring them to an effective teaching level. Hospitals and health centers will be similarly assisted so that they can effectively train doctors and nurses. Health teams, operating in rural areas, will continue to instruct farm families in the rudiments of sanitation, hygiene and first aid. Other health projects will include similar training phases.

The informational aspect of the public health program has as its objective to bring to the people through media they can understand, instruction in health as well as to inform them of what their government and the non-Communist world are doing to better their lot. During FY 51 assistance was given in the production of pamphlets and cartoons, and the groundwork was laid for a series of broadcasts through a system of communal radio receiving sets. Aid in this form will be continued during FY 52.

Research

FY 51: $ 76,000 b/

FY 52: 625,000

b/ Comprises part of the $106,000 allocated to FY 51 Training and Research Project.

The FY 52 program will continue the start made the year before in supplying basic supplies, equipment and staff to restore and improve the research facilities of the medical schools at Hanoi, Saigon and Pnompenn. In addition, research equipment and supplies as well as technical advisors will be made available to hospitals and health centers.

Hospitals and Health Centers

FY 51: $1,432,000

FY 52: 1,275,000

ECA assistance to hospitals and health centers is designed to compensate for the destruction and inadequate maintenance resulting from World War II and the present civil conflict. The expansion of hospital and health center facilities and modernization of their equipment will also be undertaken. During FY 51 basic supplies were furnished for the 27 existing hospitals and for some of the health centers. In addition four new prefabricated, sixty-bed hospitals were provided for Vietnam to replace destroyed units. During FY 52 additional basic equipment and supplies will be furnished.

Endemic Disease Control (Malaria, Trachoma, Yaws, Gastro-Intestinal, etc.)

FY 51: $1,281,000 c/

FY 52: 2,745,000

c/ Includes $34,000 of interim funds made available before ECA's FY 51 program was initiated.

A vast majority of the people of Indochina live in rural villages far from established medical centers. The situation is now particularly acute because the French-established medical service has been disrupted by civil warfare. Thus, most rural dwellers lack any medical service and live without benefit of sanitation facilities. One consequence is that around 40 percent of all children born alive die before adolescence.

Preventable diseases such as malaria, tuberculosis, syphilis and the enteric group not only kill large numbers of all age groups but take a fearful toll in lowered vitality and reduced output and living standards. During FY 51 mobile Health Teams were organized under ECA supervision to attack such diseases as malaria, trachoma, yaws, and venereal and gastro-intestinal infections. The malaria control teams, for example, demonstrate the use of DDT and administer to the villagers prophylactic doses of the anti-malaria drug, aralen. They also train Indochinese technicians in methods of prevention, diagnosis and treatment of the disease. The FY 52 project will continue and expand the work begun the previous year.

Maternal and Child Care and Nutrition

FY 51: -

FY 52: $555,000

Maternal and Child Care projects, to be initiated in FY 52, are designed to attack the appalling mortality among mothers in child birth and among young children. In cooperation with UNICEF it is planned to furnish equipment and personnel to start basic work in prenatal, obstetrical and child care, and in nutrition.

Village Sanitation

FY 51: $178,000

FY 52: 310,000

The Sanitation project begun during FY 51 and to be continued in FY 52, contemplates the furnishing of supplies, equipment and local funds to enable the drilling of several thousand wells to provide uncontaminated drinking water. In addition, selected villages will be provided with bore-hole latrines for the disposal of human waste and, in larger centers, instruction will be given in garbage and sewage disposal. It is believed that no greater contribution can be made to the health of the average village than by reducing the gastro-intestinal infections caused by open wells and the lack of sanitary latrines.

Village First Aid

FY 51: $489,000

FY 52: 780,000

The Village First Aid project is an initial step in providing the medical care now lacking in most areas. During FY 51 supplies of simple remedies for treating serious cuts, burns, wounds and common ailments have been shipped by ECA to the Associated States for assembly into several thousand First Aid Kits. ECA doctors have supervised the training of villagers in the use of these kits. Piasters from the ECA counterpart fund will defray the training and local transportation costs involved. This project will be continued and expanded in FY 52.

Medical and Sanitary Services (N.E.C.)

FY 51: $243,000

FY 52: -

During FY 51 ECA aid was tapped to provide the services of doctors, scientists, technicians and sanitation specialists needed to advise the Government of the Associated States on current public health problems and to assist in formulating short and long-range plans for the improvement of local health conditions. Since these specialists worked on several rather than a single ECA-sponsored project, the dollar costs of their services have been included under a separate FY 51 project title. In FY 52 these costs will be allocated to specific projects on the basis of preponderant allotment of time.

3. Agriculture, Forestry, Fisheries

FY 51: $1,619,000

FY 52: 2,490,000

The three Associated States of Indochina are primarily agricultural and normally produce enough food to feed their peoples adequately and make possible large foodstuff exports. Notwithstanding an average yield per acre of only one-third of that in Japan, Indochina prior to World War II exported about 1 - 1½ million tons of rice per year and was second only to Burma as a rice exporting country. In addition, Indochina before the war was exporting annually about 500,000 tons of corn and 50,000 tons or more of rubber. These exports, with coal

and other miscellaneous commodities, provided needed foreign exchange and contributed substantially to the economic needs of the French Empire which absorbed most of the exports.

Owing to the civil conflict, rice exports have dwindled to less than 15 percent and corn to less than 10 percent of prewar averages. Rubber exports have held up better in response to the incentive of high prices. Rubber exports in 1950 were estimated at about 50,000 tons, half of which were absorbed by the United States. The causes of declining agricultural production and exports are disruption of transport; destruction of farm animals, tools, and storage and processing plants; neglect of irrigation facilities; and interruption of already inadequate agricultural extension services.

Indochina's forest industries also suffer from loss of equipment and lack of repairs, and the Government Forestry Services need strengthening both as to personnel and supplies. The country's forest resources are sufficient to meet local needs for most types of wood and to export limited quantities.

Fish is an important food resource and the principal source of protein for the mass of the people. Although possessed of a long coast line and potential fishing banks off the coast, fresh water fish from village and farm ponds, from the rivers and the large Tonle Sap Lake in Cambodia make up the most important source of fish supply. With more careful exploitation of existing fresh water fishing areas and greater exploitation of coastal waters, it is expected that fish production will be substantially increased.

The agricultural, forestry and fisheries potential of Indochina is large. Reattainment and eventual expansion of prewar exports of rice and corn are important both for internal stability and for the security of all Southeast Asia. Qualified specialists believe that the use of chemical fertilizers and improved seeds, the introduction of more modern but simple tools, and the improvement of irrigation practices make these goals attainable.

Greater development of forestry resources is also essential in order to provide a domestic source of construction materials, and as a means of increasing foreign exchange earnings and providing supplementary income for the rural population. Increased fish production is likewise required as the most feasible means of relieving the present dietary deficiency and thus contributing to better health and greater productivity. External aid in the form of supplies, equipment and technicians are needed as the initial step toward achievement of these goals.

Training and Information

FY 51: $125,000

FY 52: 100,000

An unparalleled opportunity exists for increasing present low yields of rice, corn and other crops by wider use of fertilizers and improved, simple farm implements and seeds. If by these measures yields in Indochina could be raised to Japanese and Formosan levels, production of basic crops would be more than doubled. It is not enough, however, to make these production aids available to the farmer. He must be convinced that their use will be beneficial. During FY 51 therefore ECA not only provided funds for the importation of such items but also assisted the agricultural services of the Associated States to demonstrate the efficacy of their use. Pamphlets, documentary films and other audio-visual media were used to convince the farmer of the advisability of using such means to increase crop production. A similar agricultural

training and informational program will be sponsored by ECA during FY 52. It is planned to provide necessary technicians as well as audio-visual and other informational supplies and equipment.

Research

FY 51: $726,000

FY 52: 335,000

FY 52 plans provide for the importation of laboratory equipment and scientific apparatus and supplies needed to restore and expand the agricultural research facilities of the Associated States. Similar assistance was made available during FY 51, with emphasis on soil analyses to determine the type of fertilizers best suited to various farming areas. Assistance was also provided for research in developing improved rice, other seeds and for experimentation with improved implements to determine those best adapted to local farming conditions.

Extension

FY 51: -

FY 52: $895,000

Agricultural extension, like the country's research facilities, were never adequate and have become much less so as the result of the war, the current internal conflict, and the substantial migration of French specialists. The natural consequence has been that Indochinese farmers are less informed than ever on even elementary techniques of expanding the pitifully low yields of rice, corn and other crops. As research facilities are improved, so must the extension service be improved and expanded to translate new knowledge into such concrete benefits to the farmer as higher rice and corn yields per hectare, and healthier livestock and poultry. Some supplies and equipment were made available for extension purposes during FY 51 and such assistance will be continued during FY 52.

Irrigation and Reclamation

FY 51: $319,000

FY 52: 245,000

In many areas irrigation is a vital factor in increasing rice yields, very often making possible a second crop within a single year. Destruction of canals and pumping equipment has been widespread and further damage by guerrilla raids is a constant threat. In FY 1951 a start was made in this field by importing pumping equipment and supplying local currency to rehabilitate the Sontay Irrigation Project in North Vietnam. A second annual rice crop of about 25,000 acres is expected as a result. During FY 52 additional irrigation rehabilitation will be undertaken and new agricultural areas will be developed. ECA's contribution will again be in the form of machinery, equipment and technical services.

Processing and Storage

FY 51: -

FY 52: $185,000

Tremendous losses of the two most important crops, rice and corn, result from spoilage caused by faulty

storage buildings, insect attack and improper milling. Studies during FY 51 of steps to remedy this situation will be translated into remedial projects during FY 52. Improvement of slaughter houses and refrigeration facilities to ensure a more sanitary meat supply are included in FY 52 plans.

Livestock Production and Disease Control

FY 51: $ 80,000

FY 52: 140,000

An American veterinarian, attached to STEM, will assist the Associated States in training young technicians to establish facilities for producing animal and poultry vaccines, and to inaugurate disease control programs aimed at improving livestock and poultry production. Equipment, scientific apparatus and supplies will be provided as recommended by this specialist.

Rodent Control

FY 51: -

FY 52: $30,000

Crop losses resulting from destruction by rodents are substantial, compared with the outlays necessary to control these pests. FY 52 plans provide for a team of specialists to visit Indochina and other Southeast Asia countries for instruction of the local population in the use of extermination methods. They will also advise on the design and construction of rice and corn storage units least vulnerable to rodent damage. The FY 51 program made no provision for this type of project.

Cooperatives and Rural Credit

FY 51: -

FY 52: $90,000

Technical assistance and supporting equipment will be provided through ECA during FY 52 to encourage the establishment of producers', consumers' and credit cooperatives among the farm population. Such cooperatives, it is believed, can be of real benefit to the great majority of peasants who farm only a few acres and have very limited financial and other resources. American experts will also be recruited to advise on ways and means of making credit available cheaply to farmers who now are forced to borrow at usurious rates.

Forestry

FY 51: $169,000

FY 52: 330,000

All three Associated States possess large forest stands with a great variety of trees, making Indochina self-sufficient in most types of wood. The forestry services, however, lack adequate personnel and equipment not only to safeguard and develop the forests but also to carry on lumbering operations at reasonable costs. Badly needed housing is held up by the high cost and scarcity of lumber. During FY 1951, ECA provided a modern portable sawmill to demonstrate cheap, efficient lumbering and it is planned to expand such aid this year. ECA-financed equipment and possibly technical services will be furnished the Forestry Services of the three states during FY 52.

Fisheries

FY 51: $200,000

FY 52: 140,000

During FY 51 ECA provided refrigerator trucks to transport fish from the Tonle Sap Lake in Cambodia and the Mekong River fisheries to the great markets of Pnompenn and Saigon. Orders were also placed for patrol and purse seine fishing boats. If the refrigerator trucks demonstrate the feasibility of transporting fish at reasonable cost to low income groups in the urban centers, more will be ordered in FY 52. Study is also being given to the advisability of recruiting a fish expert to strengthen the Fishery Services of the three states in the production, conservation, and processing of fish.

4. Transportation, Power, Other Public Works

FY 51: $3,316,000

FY 52: 2,950,000

Indochina's transportation system, fairly good by Southeast Asian standards before the war, has been severely damaged as the result of the war and the insurrection following. The principal railroad between Saigon and Hanoi has been cut and rail operations on this and other lines are too uncertain to count on railways as a primary means of transporting people and commodities. Reliance must therefore be placed on marine, highway and air transport. Port facilities are, however, in need of repair and many coastal vessels, barges and tugs have been destroyed or worn out. Highways desperately need maintenance and bridges need repairs and replacements. Air transport facilities are functioning reasonably well but are in need of expansion.

Electric power facilities, though inadequate for further industrialization and almost entirely lacking in areas distant from the principal population centers, are not to be expanded with ECA aid until more urgent needs of Indochina's economy have been provided for. An exception to this policy will be made for the procurement of mobile generators to furnish standby and emergency power.

Highways

FY 51: $2,037,000

FY 52: 1,265,000

This project will provide equipment and materials for the repair and maintenance of major highways. Asphalt and cutback were supplied during FY 51, together with dump trucks, tractors, bulldozers, angledozers and scarifiers needed to tackle the road maintenance problem. Increased aid is planned for FY 52. Local costs will be met out of the budgets of the Associated States with some assistance from the ECA counterpart fund. The benefits to the country will be manifold. Wear and tear on highway fleets will be lessened. Costs of moving goods will be reduced, and needed employment will be provided. Most important, the movement of military supplies and personnel required to suppress guerrilla activities will be facilitated.

Inland Waterways

FY 51: $721,000

FY 52: 520,000

Even in normal times a large percentage of local carrying trade was handled by barge and steamer. At present, with the disruption of railways, almost all cargo, except that which can be transported by air, must move on roads or inland waterways. Periodic attacks and damage to roads by guerrillas make road transport in many areas slow and costly. Thus in many parts of the country canal transport is the only answer. The inland waterways program is calculated to restore the minimum essential barges, tugs, small craft, and cargo-handling equipment needed to move crops, raw materials and manufactured goods over the networks of canals and rivers and along coastal waterways. During FY 51, cargo-handling equipment, spare parts for engines and miscellaneous materials were supplied. Studies are under way to determine the most suitable types of replacement craft and orders will be placed for such craft during FY 52.

Port Facilities

FY 51: -

FY 52: $500,000

This project aims principally at the rehabilitation of facilities at the important Port of Haiphong. Damage done during and since the war necessitates both reconstruction and repair of docks, warehouses and jetties. Buoys and pontoons must also be procured, and dredging is required. During FY 52 ECA will provide technical assistance and a small amount of machinery and equipment. No ECA funds were expended for port rehabilitation in FY 51.

Housing and
Urban Improvement

FY 51: $558,000

FY 52: 665,000

This project is designed to tackle the construction problem on the self-help principle. Widespread destruction of dwellings, schools and public buildings make a sizeable construction program imperative for political as well as social and economic reasons. Adequate supplies of basic materials such as cement, sand, and lumber, as well as the labor required, can be procured locally. ECA assistance is needed to provide a few imported articles, such as nails and carpentry tools and such modern construction aids as concrete mixers, block-moulding machines and dump trucks. Consideration is also being given to recruiting a construction expert with experience in low-cost tropical housing to train local personnel in modern cost-saving techniques in this field.

5. Handicraft and Manufacturing,
Other Industry and Labor

FY 51: -

FY 52: $510,000

Although Indochina is predominantly an agricultural area, manufacturing and mining play an important part in the economy. Important cotton mills and a modern cement plant are located in North Vietnam and small light industries exist in other areas, particularly around Saigon. Handicrafts play an even more important role in the economy of the three states.

Rich coal deposits in North Vietnam make Indochina self-sufficient in this important fuel and in prewar days yielded large quantities for export. Significant quantities of tin were also produced in North Vietnam and Laos. However, the North Vietnam mines are now in rebel hands and in Laos they are inoperative.

Under existing conditions in North Vietnam, it has seemed inadvisable to program any substantial aid for large industry and coal mines located chiefly in that area. Instead ECA is concentrating its efforts on the rehabilitation of small industry, particularly the handicraft and cottage types. As thousands of artisans have been deprived of their livelihood through destruction of their tools and equipment, it is believed that considerable political favor can be achieved through assistance in the form of technical advisors and tools and equipment.

Handicraft and Small Industry

FY 51: -

FY 52: $510,000

Efforts in this field during FY 52 are to be a continuation of the program begun during the previous fiscal year. Tools and materials will be made available to Artisan Centers which function as relocation points to assist refugee artisans bereft of equipment and tools to resume productive activity. Cotton yarn and other materials needed to revive and extend weaving and textile activities will also be made available. Tools and supplies will be provided to assist other industries, including wood working, metal working, and ivory carving in which special programs are required to reestablish artisan refugees. Assistance of this type seems well calculated to stimulate production of urgently needed consumer goods and thereby contribute to lessening social and political instability.

6. General Engineering Advisory Services None

7. Education

FY 51: $ 30,000

FY 52: 400,000

In the field of education great needs and peculiar problems exist. Although higher than in many Southeast Asia countries, the literacy rate is extremely low. Educational facilities have suffered severe damage after ten years of war and insurrection. Consequently there exists a great shortage of the school buildings, textbooks and other teaching aids as well as of the teachers and administrators needed to maintain the existing educational system and to bring about the necessary expansion.

The budgetary limitations of the Associated States preclude any substantial expansion of education programs without outside assistance. The need for this expansion, however, is imperative, not only to raise the general educational level but also to combat the incessant Communist propaganda that only under their system and in their areas are serious efforts being made to spread literacy and education among the masses.

The problem of assisting the three States in expanding their educational systems is complicated by the agreements between them and France that technical assistance will not be sought elsewhere unless France cannot

supply it. Furthermore, all formal education has heretofore been given in French, except for the most elementary courses given in the local languages. Unlike most Southeast and South Asia countries, little English is used or understood. Although these factors may limit the amounts and kinds of technical assistance the United States can give to Cambodia, Laos and Vietnam in strengthening their school systems, it is believed that these problems can be overcome and substantial technical and material assistance rendered in the fields of educational administration, mass education, teacher training and textbook research.

Educational Administration

FY 51: -

FY 52: $ 40,000

In FY 1952 assistance will be available to the respective Ministries of Education on means to make their educational systems more effective. A study may be made of the administration of the school systems, and recommendations offered for improving elementary schools, the teacher training program and adult education facilities.

Mass Education

FY 51: $ 30,000

FY 52: 275,000

Although planning for mass education was begun in FY 1951, and small quantities of critically needed basic school supplies such as notebooks, pencils, pens and ink were sent to Laos, this project will really begin to operate in FY 1952. The Ministries of Education of all three Associated States will be aided in reviving the literacy and mass education programs now underway in the villages, outside the formal school system. Currently used teaching methods and materials will be improved, and new materials developed for use in the expanded literacy program. Books and pamphlets to instruct the teachers as well as those for student use will be published in the local languages. Teaching materials will be developed that deal with living conditions of the villagers and with their daily problems, providing simple information on disease prevention and sanitary measures, agricultural techniques, public affairs, etc.. Attention generally will be focused as much as possible on fields where the U.S. is providing aid.

Teacher Training

FY 51: -

FY 52: $ 45,000

In FY 1952 a program will be inaugurated aimed at strengthening the Associated States' facilities for training teachers. Local leaders in education will obtain advanced training in the U.S. to increase their usefulness in training other leaders and teachers at home. American experts will be available to work with the Ministries of Education on revising and developing materials for use in teacher-training schools, including equipment for vocational and craft training.

Textbook Research

FY 51: -

FY 52: $ 40,000

The Ministries of Education will be assisted in providing textbooks for primary and adult education, printed in the local languages. Printing supplies and equipment will be furnished as well as technical advice where needed.

8. Public Administration

FY 51: $ 334,000

FY 52: -

During FY 51 the Ministries of Information of the three Associated States were strengthened through ECA procurement of equipment needed to modernize and improve their informational activities. Included in these imports were equipment for a radio training school, repair parts and additional equipment for Radio Vietnam, cameras, projectors, duplicating machinery, and other miscellaneous items. No additional procurement has as yet been programmed for FY 52.

9. Maintenance of Essential Supply

FY 51: $11,605,000

FY 52: 14,910,000

Provision with ECA funds of a large volume of salable commodities, comprised chiefly of producers goods but including also some consumers items, has been an essential part of both FY 51 and FY 52 programs. This is necessary for several reasons. The drastic decline in exports of rice, corn, coal and rubber as a result of World War II and the ensuing civil war, have produced very substantial foreign exchange deficits. These have been met by contributions from the French Union foreign exchange pool. There is a dearth of exchange, however, for the additional imports required for ECA-type projects; such import requirements must therefore be met by ECA.

Another compelling reason is that the Governments of the Associated States, faced with large defense expenditures, lack sufficient revenues to finance even the usual government functions. Hence they cannot defray the local currency costs connected with developmental projects.

The main purpose of ECA aid to the three States is to assist them in carrying on activities, which they could not otherwise finance, designed to have a favorable impact upon the people and arouse their loyalty and support. Such activities are limited by local currency availabilities. Only through the device of importing commodities to generate sales proceeds can the local currency project costs be adequately met. Hence the necessity for including salable commodities as part of the ECA program.

Furthermore, producers goods, imported through private trade channels, will not only generate the necessary local currency proceeds and help relieve inflationary pressures, but will in addition fill specific production needs of the economy. Consumer goods imports will also generate local currency proceeds and will, moreover, provide an incentive for greater work output, discourage hoarding of farm products and improve the morale of the civilian population.

In short, imports of salable commodities are required to (1) provide necessary local currency, (2) reduce

inflationary pressure, (3) relieve production bottlenecks, and (4) provide additional work incentive, discourage hoarding and improve morale.

Requisites of Production

FY 51: $ 8,815,000

FY 52: 10,410,000

Commodities classed as production requisites include essential salable items as follows: raw cotton, industrial chemicals, tinplate, miscellaneous agricultural equipment, trucks, jeeps, station wagons, construction equipment, engines and turbines, electrical apparatus, miscellaneous industrial equipment, yarn, thread, fish netting, burlap bags, hand tools, and miscellaneous manufactures. A similar list of imports was financed by ECA from FY 51 funds.

Other Essential Civilian Supplies

FY 51: $ 2,790,000

FY 52: 4,500,000

Salable items in this category will include such essential civilian commodities as the following: sugar, gasoline and lubricants, drugs and medicines, motor vehicles, tires and tubes, blankets and cloth, and surgical instruments. Similar imports were financed by ECA from FY 51 funds.

ECA: Far East Program Division
July 1951

FY 1951 PROGRAM

ECA: Far East Program Division
Revised: July 21, 1951

INDOCHINA. Table 1. Dollar Cost of Program By Major Project Category

| Major Project Category | Dollar Costs (in thousands) Total Dollar Cost | Cost of Supplies & Equipment | Cost of Services Total | T.A. Experts a/ | Trainees b/ |
|---|---|---|---|---|---|
| 1. Emergency Relief c/ | 1,195 | 1,195 | - | - | - |
| 2. Public Health | 3,729 d/ | 3,486 | 243 | 243 d/ | - |
| 3. Agriculture, Forestry, Fisheries | 1,619 | 1,576 | 43 | 43 | - |
| 4. Transportation, Power, Other Public Works | 3,316 | 3,316 | - | - | - |
| 5. Handicraft and Manufacturing, Mining, Other Industry | - | - | - | - | - |
| 6. General Engineering Advisory Services | - | - | - | - | - |
| 7. Education | 30 | 30 | - | - | - |
| 8. Public Administration | 334 | 334 e/ | - | - | - |
| 9. Maintenance of Essential Supply f/ | 11,605 | 11,605 | - | - | - |
| TOTAL DOLLAR COST OF PROGRAM | 21,828 d/ | 21,542 | 286 | 286 g/ | - |
| Percent of Total Program Cost | 100.0% | 98.7% | 1.3% | 1.3% | - |

INDOCHINA. Table 1.

(Footnotes)

a/ Experts sent to country. Cost shown represents actual dollar obligations.

b/ Persons brought from country for training. Cost shown represents actual dollar obligations.

c/ Includes food, clothing, blankets, medicines and temporary housing for refugees. Wherever feasible, raw materials rather than finished goods have been imported for fabrication by the refugees themselves.

d/ Includes $34 thousand MDAP funds used for salaries and other dollar expenses of initial group of technicians sent to inaugurate health program.

e/ Represents miscellaneous equipment - radios, radio station and school equipment, cameras, movie projectors, sound movie trucks, spare parts, etc. - procured for the Ministries of Information of the Associated States for use in modernizing and improving their informational activities.

f/ Requisites for production plus other essential civilian supplies. See Table 2, item 9.

g/ Provides for 26 persons distributed as follows: Public Health, 24; Agriculture, 2. Total man-year equivalent, approximately 23.

FY 1951 PROGRAM

ECA: Far East Program Division
Revised: July 21, 1951

INDOCHINA. Table 2. Estimated Breakdown of Program By Type of Project

Dollar Costs (in thousands)

| Type of Project | Total Dollar Cost of Project | | Percent of Total Program Dollar Cost | | Percent of Total Project Dollar Cost (excl. project #9) | |
|---|---|---|---|---|---|---|
| 1. Emergency Relief | 1,195 | | 5.5% | | 11.7% | |
| 2. Public Health | 3,729 | | 17.1 | | 36.5 | |
| Training and Research | | 106 | | 0.5 | | 1.0 |
| Hospitals and Health Centers | | 1,432 | | 6.6 | | 14.0 |
| Endemic Disease Control (malaria, trachoma, yaws, gastro-intestinal, etc.) | | 1,281 | | 5.9 | | 12.5 |
| Village Sanitation | | 178 | | 0.8 | | 1.8 |
| Village First Aid | | 489 | | 2.2 | | 4.8 |
| Medical and Sanitary Services (n.e.c.) | | 243 | | 1.1 | | 2.4 |
| 3. Agriculture, Forestry, Fisheries | 1,619 | | 7.4 | | 15.8 | |
| Agriculture | | 1,250 | | 5.7 | | 12.2 |
| Training and Research | | 851 | | 3.9 | | 8.3 |
| Irrigation and Reclamation | | 319 | | 1.5 | | 3.1 |
| Livestock Production and Disease Control | | 80 | | 0.3 | | 0.8 |
| Forestry | | 169 | | 0.8 | | 1.6 |
| Fisheries | | 200 | | 0.9 | | 2.0 |
| 4. Transportation, Power, Other Public Works | 3,316 | | 15.2 | | 32.4 | |
| Transportation | | 2,758 | | 12.6 | | 27.0 |
| Highways | | 2,037 | | 9.3 | | 19.9 |
| Inland Waterways | | 721 | | 3.3 | | 7.1 |

FY 1951 PROGRAM

INDOCHINA. Table 2. Estimated Breakdown of Program By Type of Project

| Type of Project | Dollar Costs (in thousands) Total Dollar Cost of Project | | Percent of Total Program Dollar Cost | | Percent of Total Project Dollar Cost (excl. project #9) | |
|---|---|---|---|---|---|---|
| Housing and Urban Development | | 558 | | 2.6 | | 5.4 |
| 5. Handicraft and Manufacturing, Mining, Other Industry | - | | - | | | |
| 6. General Engineering Advisory Services | - | | - | | | |
| 7. Education | 30 | | 0.1 | | 0.3 | |
| Mass Education | | 30 | | | | |
| 8. Public Administration | 334 | | 1.5 | | 3.3 | |
| 9. Maintenance of Essential Supply | 11,605 | | 53.2 | | - | |
| Requisites for Production | | 8,815 a/ | | 40.4 | | - |
| Other Essential Civilian Supplies | | 2,790 b/ | | 12.8 | | - |
| TOTAL DOLLAR COST OF PROGRAM | 21,828 | | 100.0% | | | |
| Dollar Cost of All Projects (excl. #9) | 10,223 | | | | 100.0% | |

FY 1951 PROGRAM

INDOCHINA. Table 2.

(Footnotes)

a/ Commodity components as follows: raw cotton, 2,738; tinplate, 27; cement bags, 222; insulating board, 45; paints, dyes, etc., 112; miscellaneous chemicals, 177; agricultural tractors and parts, 223; miscellaneous agricultural machinery, 161; generators and motors, 89; miscellaneous electrical apparatus, 26; engines and turbines, 459; pumps, drills, steam shovels, 266; miscellaneous industrial machinery, 1,238; trucks, jeeps, ambulances and parts, 1,073; miscellaneous construction equipment, 943; aircraft spare parts, 139; tires and tubes, 156; field hoes, hand tools and other iron and steel products, 366; burlap bags, 115; miscellaneous industrial materials from Korea stockpile, 240. See Table 3, salable commodities.

b/ Commodity components as follows: sugar, 860; gasoline and lubricants, 1,158; medicines and drugs, 156; miscellaneous textiles, 323; hospital equipment, 60; miscellaneous manufactured commodities, 199; miscellaneous paper products, 34. See Table 3, salable commodities.

ECA: Far East Program Division
Revised: July 21, 1951

FY 1951 PROGRAM

INDOCHINA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | | Cost of Salable Commodities a/ | |
|---|---|---|---|---|
| 1. Food | 1,082 | | 860 | |
| Sugar | | 860 | | 860 |
| Meat (canned) | | 100 | | - |
| Milk (canned and dried) | | 122 | | - |
| 2. Feed and Fertilizer | 575 | | - | |
| Fertilizer | | 575 | | - |
| 3. Natural Fibers | 2,738 | | 2,738 | |
| Cotton (raw) | | 2,738 | | 2,738 |
| 4. Tobacco | - | | - | |
| 5. Other Agricultural Products | - | | - | |
| 6. Fuels | 2,520 | | 1,158 | |
| Petroleum and Products | | 2,520 | | 1,158 |
| Asphalt | | 1,362 | | - |
| Gasoline and lubricants | | 1,158 | | 1,158 |
| 7. Industrial Raw Materials | 2,632 | | 773 | |
| Iron and Steel Mill Materials and Prod., including Ferro-Alloys | | 27 | | 27 |
| Tinplate | | 27 | | 27 |

FY 1951 PROGRAM

INDOCHINA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | | Cost of Salable Commodities a/ | |
|---|---|---|---|---|
| Aluminum and Aluminum Products | | 75 | | - |
| Corrugated roofing | | 75 | | - |
| Paper and Pulp | | 336 | | 301 |
| Paper bags - cement and grocery | | 231 | | 222 |
| Insulating board | | 45 | | 45 |
| Misc. products - school supplies, paper cups, etc. | | 60 | | 34 |
| Chemicals and Related Products | | 2,194 | | 445 |
| DDT and other pesticides | | 311 | | - |
| Medicinal and pharmaceutical preparations - aralen, aureomycin, cimedone, etc. | | 1,585 | | 156 |
| Paint, dyes, etc. | | 112 | | 112 |
| Misc. chemicals - calcium hypochloride | | 186 | | 177 |
| 8. Capital Equipment | 8,265 | | 4,617 | |
| Agricultural Equipment | | 488 | | 384 |
| Sprayers | | 19 | | - |
| Tractors and parts | | 293 | | 223 |
| Misc. equipment - harrows, plows, planters, etc. | | 176 | | 161 |

FY 1951 PROGRAM

INDOCHINA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | | Cost of Salable Commodities a/ | |
|---|---|---|---|---|
| Industrial Machinery and Equipment | | 7,777 | | 4,233 |
| Generators and motors - electric, diesel, etc. | | 341 | | 89 |
| Electrical apparatus - radio and broadcasting equipment, etc. | | 159 | | 26 |
| Engines and turbines - diesel and marine | | 518 | | 459 |
| Construction equipment - pumps, drills, steam shovels, etc. | | 347 | | 266 |
| Bulldozers, scrapers, concrete mixers and other road building machinery | | 439 | | - |
| Misc. construction equipment | | 1,083 | | 943 |
| Trucks, jeeps, station wagons, ambulances and parts | | 2,627 | | 1,073 |
| Aircraft spare parts | | 139 | | 139 |
| Vessels and equipment - fire tug, patrol and fishing boats, outboard motors | | 815 | | - |
| Industrial machinery, n.e.c. - portable sawmill, logging arch, portable machine shop, etc. | | 1,309 | | 1,238 |
| 9. Other Manufactures and Raw Materials | 3,730 | | 1,459 | |
| Rubber and Rubber Products | | 189 | | 156 |
| Tires and tubes | | 156 | | 156 |
| Fire hose | | 33 | | - |



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FY 1951 PROGRAM

INDOCHINA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | Cost of Salable Commodities a/ |
|---|---|---|
| Textiles | 1,322 | 438 |
| Blankets and calico cloth | 631 | - |
| Thread, yarn and mosquito netting | 253 | - |
| Burlap bags | 115 | 115 |
| Misc. textiles | 323 | 323 |
| Miscellaneous | 2,219 | 865 |
| Prefabricated tropical huts | 194 | - |
| Misc. iron and steel products - field hoes, hand tools, etc. | 428 | 366 |
| Hospital equipment - operating tables, X-ray and anesthesia equipment, beds, sutures, retractors, microscopes, etc. | 775 | 60 |
| Veterinary equipment | 62 | - |
| Asbestos roofing | 239 | - |
| Commodities, n.e.c. - cameras, sound projectors, phonographs, books, periodicals, etc. | 281 | 199 |
| Misc. industrial materials from Korea stockpile | 240 | 240 |
| TOTAL DOLLAR COST | 21,542 b/ | 11,605 |
| Percent Salable Commodities | | 53.9% |

a/ Requisites for production plus other essential civilian supplies. See Table 2, item 9.
b/ For distribution by major project category, see Table 1, column 2.

FY 1952 PROGRAM (ILLUSTRATIVE)

ECA: Far East Program Division
Revised: July 21, 1951

INDOCHINA. Table 1. Estimated Dollar Cost of Program a/
By Major Project Category

| Major Project Category | Dollar Costs (in thousands) Total Dollar Cost | Cost of Supplies & Equipment | Cost of Services Total | T.A. Experts b/ | Trainees c/ |
|---|---|---|---|---|---|
| 1. Emergency Relief d/ | 1,600 | 1,576 | 24 | 24 | - |
| 2. Public Health | 6,440 | 6,026 | 414 | 324 | 90 |
| 3. Agriculture, Forestry, Fisheries | 2,490 | 2,230 | 260 | 180 | 80 |
| 4. Transportation, Power, Other Public Works | 2,950 | 2,863 | 87 | 72 | 15 |
| 5. Handicraft and Manufacturing, Mining, Other Industry | 510 | 459 | 51 | 36 | 15 |
| 6. General Engineering Advisory Services | - | - | - | - | - |
| 7. Education | 400 | 106 | 294 | 144 | 150 |
| 8. Public Administration | - | - | - | - | - |
| 9. Maintenance of Essential Supply e/ | 14,910 | 14,910 | - | - | - |
| TOTAL DOLLAR COST OF PROGRAM | 29,300 | 28,170 | 1,130 | 780 f/ | 350 g/ |
| Percent of Total Program Cost | 100.0% | 96.1% | 3.9% | 2.7% | 1.2% |

INDOCHINA. Table 1.

(Footnotes)

a/ Does not include any portion of funds that may be approved for basic materials development (in Title I of proposed Mutual Security Act).

b/ Experts sent to country. Cost computed on uniform basis of $12,000 per person, allowing for average lapse of 3 months.

c/ Persons brought from country for training. Cost computed on uniform basis of $5,000 per person.

d/ Includes food, clothing, blankets, medicines and temporary housing for refugees. Wherever feasible, raw materials rather than finished goods will be imported for fabrication by the refugees themselves.

e/ Requisites for production plus other essential civilian supplies. See Table 2, item 9.

f/ Provides for an estimated 65 persons distributed as follows: Emergency Relief, 2; Public Health, 27; Agriculture, Forestry, Fisheries, 15; Transportation and Housing, 6; Handicraft and Small Industry, 3; Education, 12. Total man-year equivalent, approximately 54.

g/ Provides for an estimated 70 persons distributed as follows: Public Health, 18; Agriculture, Forestry, Fisheries, 16; Transportation and Housing, 3; Handicraft and Small Industry, 3; Education, 30. Total man-year equivalent, approximately 46.

FY 1952 PROGRAM (ILLUSTRATIVE)

ECA: Far East Program Division
Revised: July 21, 1951

INDOCHINA. Table 2. Estimated Breakdown of Program By Type of Project

Dollar Cost (in thousands)

| Type of Project | Total Dollar Cost of Project | | Percent of Total Program Dollar Cost | | Percent of Total Project Dollar Cost (excl. project #9) | |
|---|---|---|---|---|---|---|
| 1. Emergency Relief | 1,600 | | 5.4% | | 11.1% | |
| 2. Public Health | 6,440 | | 22.0 | | 44.8 | |
| Training and Information | | 150 | | 0.5 | | 1.0 |
| Research | | 625 | | 2.1 | | 4.3 |
| Hospitals and Health Centers | | 1,275 | | 4.3 | | 8.9 |
| Endemic Disease Control (malaria, trachoma, yaws, gastro-intestinal, etc. | | 2,745 | | 9.4 | | 19.1 |
| Maternal and Child Care and Nutrition | | 555 | | 1.9 | | 3.9 |
| Village Sanitation | | 310 | | 1.1 | | 2.2 |
| Village First Aid | | 780 | | 2.7 | | 5.4 |
| 3. Agriculture, Forestry, Fisheries | 2,490 | | 8.5 | | 17.3 | |
| Agriculture | | 2,020 | | 6.9 | | 14.0 |
| Training and Information | | 100 | | 0.3 | | 0.7 |
| Research | | 335 | | 1.1 | | 2.3 |
| Extension | | 895 | | 3.1 | | 6.2 |
| Irrigation and Reclamation | | 245 | | 0.9 | | 1.7 |
| Processing and Storage | | 185 | | 0.6 | | 1.3 |
| Livestock Production and Disease Control | | 140 | | 0.5 | | 1.0 |
| Rodent Control | | 30 | | 0.1 | | 0.2 |
| Cooperatives and Rural Credit | | 90 | | 0.3 | | 0.6 |
| Forestry | | 330 | | 1.1 | | 2.3 |
| Fisheries | | 140 | | 0.5 | | 1.0 |

FY 1952 PROGRAM (ILLUSTRATIVE)

INDOCHINA. Table 2. Estimated Breakdown of Program By Type of Project

| Type of Project | Dollar Costs (in thousands): Total Dollar Cost of Project | | Percent of Total Program Dollar Cost | | Percent of Total Project Dollar Cost (excl. project #9) | |
|---|---|---|---|---|---|---|
| 4. Transportation, Power, Other Public Works | 2,950 | | 10.1% | | 20.5% | |
| Transportation | | 2,285 | | 7.8 | | 15.9 |
| Highways | | 1,265 | | 4.3 | | 8.8 |
| Inland Waterways | | 520 | | 1.8 | | 3.6 |
| Port Facilities | | 500 | | 1.7 | | 3.5 |
| Housing and Urban Improvement | | 665 | | 2.3 | | 4.6 |
| 5. Handicraft and Manufacturing, Mining, Other Industry | 510 | | 1.7 | | 3.5 | |
| Handicraft and Small Industry | | 510 | | 1.7 | | 3.5 |
| 6. General Engineering Advisory Services | - | | - | | - | |
| 7. Education | 400 | | 1.4 | | 2.8 | |
| Educational Administration | | 40 | | 0.1 | | 0.3 |
| Mass Education | | 275 | | 1.0 | | 1.9 |
| Teacher Training | | 45 | | 0.2 | | 0.3 |
| Textbook Research | | 40 | | 0.1 | | 0.3 |
| 8. Public Administration | - | | - | | | |
| 9. Maintenance of Essential Supply | 14,910 | | 50.9 | | - | |
| Requisites for Production | | 10,410 a/ | | 35.5 | | - |
| Other Essential Civilian Supplies | | 4,500 b/ | | 15.4 | | - |

FY 1952 PROGRAM (ILLUSTRATIVE)

INDOCHINA. Table 2. Estimated Breakdown of Program By Type of Project

Dollar Costs (in thousands)

| Type of Project | Total Dollar Cost of Project | Percent of Total Program Dollar Cost | Percent of Total Project Dollar Cost (excl. project #9) |
|---|---|---|---|
| TOTAL DOLLAR COST OF PROGRAM | 29,300 | 100.0% | |
| Dollar Cost of All Projects (excl. #9) | 14,390 | | 100.0% |

a/ Commodity components as follows: raw cotton, 6,000; miscellaneous industrial papers, 350; industrial chemicals, 300; tinplate, 100; miscellaneous agricultural equipment, 150; trucks, jeeps, station wagons, etc., 600; construction equipment, 1,000; engines and turbines, 500; electrical apparatus, 200; miscellaneous industrial equipment, 200; yarn thread, mosquito and fish netting, 200; burlap bags, 100; hand tools, 510; miscellaneous manufactures, 200. See Table 3, salable commodities.

b/ Commodity components as follows: sugar, 900; gasoline and lubricants, 2,300; drugs and medicines, 300; motor vehicles, 600; tires and tubes, 200; blankets and cloth, 100; surgical instruments, 100. See Table 3, salable commodities.

ECA: Far East Program Division
Revised: July 21, 1951

FY 1952 PROGRAM (ILLUSTRATIVE)

INDOCHINA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | | Cost of Salable Commodities a/ | |
|---|---|---|---|---|
| 1. Food | 1,028 | | 900 | |
| Sugar | | 900 | | 900 |
| Milk (canned and dried) | | 128 | | - |
| 2. Feed and Fertilizer | 700 | | - | |
| Fertilizer | | 700 | | - |
| 3. Natural Fibers | 6,000 | | 6,000 | |
| Cotton (raw) | | 6,000 | | 6,000 |
| 4. Tobacco | - | | - | |
| 5. Other Agricultural Products | 50 | | - | |
| Seeds (including seed potatoes) | | 22 | | - |
| Animal Breeding Stock | | 28 | | - |
| 6. Fuels | 2,725 | | 2,300 | |
| Petroleum and Products | | 2,725 | | 2,300 |
| Asphalt | | 425 | | - |
| Gasoline and lubricants | | 2,300 | | 2,300 |
| 7. Industrial Raw Materials | 3,124 | | 1,050 | |
| Iron and Steel Mill Materials and Prod., including Ferro-Alloys | | 275 | | 100 |
| Tinplate | | 100 | | 100 |
| Iron and steel sheets | | 15 | | - |
| Structural steel | | 160 | | - |

FY 1952 PROGRAM (ILLUSTRATIVE)

INDOCHINA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | Cost of Salable Commodities a/ |
|---|---|---|
| Other Non-Ferrous Metals | 60 | - |
| Raw silver | 60 | - |
| Paper and Pulp | 440 | 350 |
| Book paper | 90 | - |
| Misc. industrial papers | 350 | 350 |
| Chemicals and Related Products | 2,349 | 600 |
| DDT and other pesticides | 124 | - |
| Medicinal and pharmaceutical preparations - aralen, aureomycin, cimedone, etc. | 1,908 | 300 |
| Misc. industrial chemicals | 300 | 300 |
| Other chemicals - dyes, etc. | 17 | - |
| 8. Capital Equipment | 8,961 | 3,250 |
| Agricultural Equipment | 699 | 150 |
| Sprayers | 147 | - |
| Tractors and parts | 270 | - |
| Misc. equipment - plows, planters, cultivators, etc. | 282 | 150 |

FY 1952 PROGRAM (ILLUSTRATIVE)

INDOCHINA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | | Cost of Salable Commodities a/ | |
|---|---|---|---|---|
| Industrial Machinery and Equipment | | 8,262 | | 3,100 |
| Generators and motors - electric, diesel, etc. | | 320 | | - |
| Engines and turbines - diesel and marine | | 550 | | 500 |
| Electrical appartus - radio equipment, misc. appliances, etc. | | 395 | | 200 |
| Construction equipment - pumps, pipe, drill rigs, etc. | | 750 | | - |
| Bulldozers, scrapers, rollers and other road building equipment | | 1,052 | | - |
| Misc. construction equipment | | 1,000 | | 1,000 |
| Industrial equipment, n.e.c. - refrigerating and food processing equipment, etc. | | 1,102 | | 200 |
| Machine tools - drills, lathes, etc. | | 150 | | - |
| Trucks, jeeps, station wagons and parts | | 2,218 | | 1,200 |
| Vessels and equipment - dredge, patrol and fishing boats, etc. | | 725 | | - |
| 9. Other Manufactures and Raw Materials | 5,582 | | 1,410 | |
| Leather and Leather Products | | 15 | | - |
| Leather | | 15 | | - |
| Rubber and Rubber Products | | 200 | | 200 |
| Tires and tubes | | 200 | | 200 |

FY 1952 PROGRAM (ILLUSTRATIVE)

INDOCHINA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | Cost of Salable Commodities a/ |
|---|---|---|
| Textiles | 1,751 | 400 |
| Blankets and cloth | 917 | 100 |
| Yarn, thread, mosquito and fish netting | 734 | 200 |
| Burlap bags | 100 | 100 |
| Miscellaneous | 3,616 | 810 |
| Misc. iron and steel manufactures - hand tools, etc. | 654 | 510 |
| Hospital equipment - X-ray machines, beds, microscopes, clamps, sutures, retractors, needles, etc. | 1,958 | 100 |
| Commodities, n.e.c. - cameras, sound projectors, phonographs, sewing machines, technical books and periodicals, etc. | 779 | 200 |
| Non-metallic minerals and products - asbestos roofing | 225 | - |
| TOTAL DOLLAR COST | 28,170 b/ | 14,910 |
| Percent Salable Commodities | | 52.9% |

a/ Requisites for production plus other essential civilian supplies. See Table 2, item 9.

b/ For distribution by major types of project, see Table 1, column 2.

# BURMA. ECA-FINANCED PROJECTS

1. Emergency Relief — None

2. Public Health — Dollar Costs

FY 51: $1,786,000

FY 52: 3,750,000

War and insurrection in Burma over the past ten years have destroyed many of the country's essential health facilities. The result is a lack of essential services in all phases of public health and an increasing incidence of disease. The Government of Burma in attempting to restore the national health plant is laboring under two major handicaps. The country lacks trained, competent health officers required to plan and implement a remedial program. It lacks also exchange with which to hire foreign personnel and to import the equipment and supplies necessary to restore educational, hospital, sanitation, quarantine and clinical services and facilities. The Burmese Government has consequently attached the greatest importance to securing U. S. assistance for procuring the needed personnel, supplies and equipment.

Teams for Health Education and Disease Control (Malaria, Smallpox, Tuberculosis, etc.)

FY 51: $1,515,000

FY 52: 1,000,000

Health Teams and other projects aimed specifically at controlling certain endemic diseases were included as part of the FY 51 program. During FY 52 Health Team operations will again be supported by ECA funds in order that Burmese living in areas remote from health centers (estimated at about 80 percent of the total population) may receive some medical attention. These teams, led by American doctors, will concentrate on the control of such diseases as malaria, smallpox, tuberculosis, syphilis and enteric ailments, which constitute the main causes in rural Burma of death and incapacity for hard work. While treating villagers and farmers, the health teams will also instruct them in rudiments of sanitation and hygiene. Burmese technicians will also be trained to carry on rural health activities in the future.

Hospitals and Health Centers

FY 51: $ 100,000

FY 52: 2,350,000

As part of the FY 51 program, a limited amount of medical supplies were made available to major hospitals, rural health centers and mobile health units. The FY 52 program will continue this type of assistance on an expanded scale. The aim of the current year's undertaking will be to bring existing establishments up to reasonably modern standards in terms of equipment and facilities, and to provide these institutions with basic medical supplies.

Assistance to the Rangoon General Hospital, the principal diagnostic, treatment and medical training center in Burma, will be provided out of FY 52 funds allotted for this project. More specifically, it is proposed to make available an American doctor to serve as Director of Medical and Health Services, with prime responsibility for practical research. It is also proposed to provide funds for the procurement of necessary research equipment and supplies.

Vaccine Production and Other Diagnostic Facilities

FY 51: $ 20,000

FY 52: 150,000

During FY 51, with the assistance of ECA consultants, a study was made of vaccine production capacity in Burma and of the adequacy of her diagnostic facilities. This study revealed a shocking inadequacy with respect to both, and ECA procurement of selected emergency equipment was initiated. The FY 52 program provides for substantially increased ECA aid in terms of technicians and equipment to bring these facilities up to reasonable standards of operation and productive capacity.

Quarantine Facilities and Fumigation Services

FY 51: $ 19,000

FY 52: 80,000

During FY 51 ECA funds were tapped to provide new fumigating and sterilizing equipment for the Port of Rangoon. This was considered essential for minimum assurance that plague and other diseases would not be carried into or out of Burma in ship cargoes. An American specialist was also provided to advise the Burmese Government on quarantine and sanitary regulations and practices.

The quarantine project proposed for FY 52 would provide additional equipment for the Port of Rangoon and would expand this assistance to cover limited quarantine facilities at other ports. If funds permit, fumigating and sterilizing equipment will also be supplied to major airdromes.

Training and Information

FY 51: $ 132,000 a/

FY 52: 170,000

In FY 51 the dollar costs of training and information of activities were for the most part included in the totals shown (Table 2) for individual public health projects. As a standard operating procedure American specialists used audio-visual aids to impart elementary knowledge of sanitation, hygiene and therapy to thousands of Burmese. In the training field, ECA's main contribution was in the form of laboratory equipment, books, specimens, periodicals and other items including technical assistance made available to the Rangoon University Medical College.

During FY 52 audio-visual aids and specialists in the use of these media will be provided on an enlarged scale. Provisions will also be made for such supplies, scientific apparatus and equipment, and technicians as may be needed to improve the facilities of Rangoon General Hospital for training graduate doctors, nurses, medical technicians and other practical health workers.

a/ Represents Training Facilities project only in FY 51.

3. Agriculture, Forestry, Fisheries

FY 51: $1,243,000

FY 52: 2,800,000

The predominance of agriculture is perhaps the most salient feature of the Burmese economy. Historically, Burma has been a net exporter of foodstuffs and the world's largest exporter of rice (around 3 million metric tons were exported annually before the war). Rice exports have thus traditionally provided Burma with needed foreign exchange and have compensated for the food production deficits of other Asiatic countries. Currently, however, Burma's rice exports are less than half the prewar volume. This is due in part to the interruption of communications by insurgents. Other contributing factors include the reversion of rice lands to jungle during World War II, inadequate maintenance of irrigation and flood control facilities, loss of draft animals from disease, and lack of adequate processing facilities and agricultural extension services.

The teakwood industry, which normally yields another important export product, also suffers from loss of equipment and insufficient maintenance of sawmills. In short, Burma's great agricultural potential cannot be realized without the assistance of foreign technicians, equipment and supplies.

Research, Experimentation, Extension, Surveys

FY 51: $ 355,000

FY 52: 375,000

During FY 51 ECA provided technical assistance, supplies, equipment and scientific apparatus for the following: Rehabilitation of the Rangoon University Agricultural College (Mandalay) and Experimental Station; research and experimentation in rodent and insect control, and restoration of entomological and mycological laboratories; development and distribution of improved rice and tobacco seeds; exploratory work toward strengthening of the Agricultural Extension Service; improvement of cotton quality and yields; and initiation of a land-use survey.

In FY 52 ECA will provide supplementary assistance in these and other fields. The objective is to reach all geographic areas through the existing Extension Service, which will be furnished equipment, supplies and technicians. Rehabilitation of the Agricultural College at Mandalay will be continued and through agricultural training, demonstration and research activities, direct assistance will be given farmers in technical instruction on better utilization of soil and water resources, the introduction and use of fertilizers, and the development of cooperative teaching centers.

Food Processing and Storage

FY 51: $ 320,000

FY 52: 1,075,000

ECA assistance in this field during FY 51 consisted chiefly of providing materials for the construction of modern rice storage facilities. The program proposed for ECA financing in FY 52 contemplates the following: rehabilitation of existing rice mills; installation of a modern pilot rice mill; and further development of storage facilities. These projects are calculated to reduce substantially

losses resulting from improper storage and poor milling facilities, now estimated at between $15 million and $25 million annually.

Irrigation and Reclamation

FY 51: $ 310,000

FY 52: 200,000

During FY 51 equipment and supplies were made available for the initiation of irrigation, flood control and soil conservation projects. With main emphasis on irrigation, these will be continued during FY 52 with a view to increasing agricultural production and thereby achieving political support for the existing government among the large segment of the population engaged in agricultural pursuits.

At present the Irrigation Department of the Burmese Government is responsible for supplying water, through a system hundreds of years old, to at least 1,500,000 acres. Antiquated as they are, these facilities must be adequately maintained, for with irrigation some areas can produce two crops of rice instead of one each year. In addition to materials and equipment necessary for maintenance and repair, FY 52 plans provide for modern sluice gates and for extension of existing irrigation facilities. Provision is also made for aid to land reclamation projects and for continuation of flood control and soil conservation projects begun during the previous year.

Agricultural Program - Frontier States

FY 51: $ 182,000

FY 52: 1,000,000

In FY 51 a beginning was made to improve conditions in the Shan States, one of the least developed areas economically and consequently most exposed to subversive propaganda. Limited quantities of seeds, fertilizers, insecticides and farm machinery for demonstration purposes were provided, as well as the services of an American agricultural advisor. Provision was also made for an American animal husbandry expert and for the importation of foundation stocks of breeding cattle. In addition, materials were furnished for the development of canning techniques. Local reaction to these activities was favorable and the program will be carried forward on an expanded scale during FY 52.

Training and Information

FY 51: $ 76,000

FY 52: 150,000

American technicians assigned to the various FY 51 agricultural projects quite generally relied on audio-visual aids on methods and techniques particularly applicable to Burma. Special assistance was given the Agricultural College at Mandalay. FY 52 plans provide for the continued rehabilitation of the Agricultural College and for the strengthening of its training facilities. Films, lectures, records, and radio will be the principal media employed.

4. Transportation, Power, Other Public Works

FY 51: $3,616,000

FY 52: 2,850,000

During World War II there was wholesale destruction of transportation, power and public works facilities. Further deterioration has occurred since the war through damage inflicted by the insurrection. As a result, harbor facilities are inadequate for even subnormal activity. Railroads have suffered severe damage to rails, bridges and rolling stock; highways have not been maintained. Housing facilities have been destroyed and refugee migration to the metropolitan areas has aggravated already grave social and health hazards.

Port Rehabilitation

FY 51: $3,515,000

FY 52: 1,750,000

Facilities of the Port of Rangoon, which historically has handled about 80 percent of Burma's seaborne traffic, were almost entirely destroyed during the second World War. Almost all of its buildings were totally or partially demolished. Practically every pontoon and jetty was sunk, and only one steamer mooring remained out of a prewar total of 35.

The first phase of the Port's rehabilitation was undertaken with ECA aid during FY 51. Ten 120' x 20' pontoons and one 500' x 40' pontoon were constructed. Three transit sheds were built and additional machinery and equipment for workshops were procured. In addition, technical assistance was provided for planning the overall reconstruction of the Port and for examining the related problems of the Inland Waterway System.

FY 52 plans provide for assisting the Burmese Government with the second phase also. This will comprise the construction of five 500' x 40' tank pontoons and of two 80' and one 108' span bridges for pontoons. Pontoon moorings and fixed moorings will also be procured. An assembly supervisor will be employed and four Burmese will receive two years training in the U.S. in hydrography and harbor maintenance. The FY 52 program makes provision also for essential pier supplies for other important ports, and for the purchase of a dredge to remove silt now handicapping outport shipping.

Railroads

FY 51: -

FY 52: $ 500,000

Burma's railways were seriously damaged during the war and rehabilitation efforts since then have been largely nullified by guerilla activity. Restoration will be seriously undertaken, however, with ECA aid during FY 52. Assistance, to be based on needs estimated by American specialists, will take the form of rolling stock and auxiliary machinery, and equipment for roadway and bridge repair.

Highways

FY 51: -

FY 52: $ 500,000

Road improvement projects were not financed by ECA during FY 51. In FY 52, however, ECA will provide technical assistance and road construction machinery, equipment and material needed for the more urgent road repair and construction projects. Most of the expenses to be incurred for these projects will be for local labor and building materials to be provided by the Government.

Inland Waterways

FY 51: $ 15,000

FY 52: -

Inland waterways are a highly important artery of commerce in Burma. During FY 51 ECA made available an expert in this field to advise on current operational problems and to assist in planning the rehabilitation of inland waterway facilities. No ECA aid for this purpose has been planned for FY 52.

Low Cost Housing

FY 51: $ 86,000

FY 52: 100,000

Throughout Burma, World War II and the insurrection that followed have left a trail of demolished and severely damaged homes. In the Rangoon area alone it is estimated that 20 to 25 percent of dwelling accommodations were destroyed. In Akyab only a few prewar houses are standing. In Kyaukpyu only six prewar houses are left. Large sections of Mandalay were completely devastated. Since the invasion, thousands of refugees have crowded into the cities and towns, still further aggravating the housing problem.

A first step toward relieving the situation was taken with ECA aid during FY 51. Four U. S. housing technicians - a low-cost housing director, an architect, an economist and a sanitary engineer - were made available to help the Burmese Government develop a program and to supervise the erection of demonstration units. For FY 52 the Government has requested ECA assistance to hire additional housing technicians and to purchase certain equipment and supplies needed to exploit or supplement indigenous building materials.

5. Handicraft and Manufacturing, Mining, Other Industry

FY 51: 19,000

FY 52: $1,200,000

Manufacturing plays a relatively unimportant role in the Burmese economy and will undoubtedly continue to occupy a position secondary to that of agriculture. No major program of industrial expansion is contemplated for the near future since available resources will be largely absorbed in the rehabilitation of existing facilities. Plans for expansion are currently limited to the construction of a textile mill, which will utilize domestic cotton and will curtail textile imports. In conjunction with the United Nations, however, plans

are under way to develop cottage and small-scale industries which will utilize indigenous materials, provide supplementary employment and income to a large segment of the rural population, reduce consumer goods, import requirements and free foreign exchange for the purchase of essential machinery and equipment.

In contrast with manufacturing, mining has historically afforded a major source of foreign exchange. The mining industry is currently nonproductive not so much because of the lack of equipment or trained personnel as because of internal disorder and run-down transportation facilities. Sufficient capacity already exists for the production of significant quantities of tin, lead, zinc, tungsten and other strategic metals. As internal order is restored, the country's mines will come back into production and will again provide substantial earnings of foreign exchange.

Handicraft and Small Industry

FY 51: -

FY 52: $1,200,000

No ECA funds were allotted for the development of cottage industries during FY 51. FY 52 activities in this area will consist mainly of implementing a developmental plan prepared by the preliminary UN Technical Mission to Burma. ECA's contribution will consist principally of machinery and equipment for demonstration and pilot plants in the hard fiber, textile, woodworking, sugar and salt industries. The intention is to display these plants, set up on river boats, in every accessible section of the country in order to stimulate the development of these types of enterprise. The technical assistance necessary to support the program will be provided by the UN.

Mining and Technical Services

FY 51: $ 19,000

FY 52: -

ECA obligated FY 51 funds for one mining engineer who spent three months in Burma advising the Government on current operational problems. ECA also made available a mechanical engineer to advise on current operational problems of manufacturing and service industries. No additional assistance for these purposes is planned for FY 52.

6. General Engineering Advisory Services

FY 51: $ 800,000

FY 52: 700,000

In order to provide its Economic Council with adequate technical advice in coordinating and guiding the country's development, the Burmese Government has had to draw on external sources for the specialists required. On the basis of competitive bidding, it has awarded a contract for such technical advisory sources to an American firm, the Knappen, Tippetts, Abbett Engineering Company. ECA will defray the dollar costs of the contract and the Burmese Government will meet the internal currency costs,

including provision for housing American technicians as well as local office space, interpreters, translators and other Burmese personnel required by the engineering firm.

7. Education

FY 51: $ 648,000

FY 52: 1,400,000

Burma needs more educated and vocationally trained people. However, there are neither a large enough number of schools nor sufficient teachers to provide adequate educational and training opportunities. It is estimated that less than half of Burmese children of school age are in school at any given time. The situation, bad even before the second World War, has since deteriorated. School buildings destroyed or damaged have not been rebuilt. School equipment, such as text books and laboratory apparatus, have been lost or worn out and not replaced. To aggravate the situation, the relative economic position of the teacher has grown worse. Remedial efforts of the Government have been frustrated by lack of funds.

During FY 51 ECA extended aid to the following educational organizations and institutions and similar assistance is contemplated for FY 52: (1) The Burmese Rehabilitation Corps; (2) The Mass Educational Council; (3) The Insein Technical Training Institute; (4) The Kachin State Vocational School; (5) Rangoon University; and (6) Burmese Post Primary Schools.

The Rehabilitation Corps, modeled on the U. S. Civilian Conservation Corps and engaged in providing gainful employment for demobilized soldiers and guerillas, amnestied political offenders and unemployed groups generally, was provided in FY 51 with necessary shop and training equipment for three of its brigades. This will be supplemented in FY 52 with such items as forges, drills, bandsaws, planers, hand tools, etc.

The Burmese Mass Educational Council, whose objective is to raise intellectual, social and moral standards as well as to provide vocational training, received both technical assistance and supplies for the printing and dissemination of information.

The Technical Training Institute located at Insein, offering education in various fields including manual arts and mechanics as well as agriculture, was provided with essential equipment and supplies.

The Kachin State Vocational School, devoted to teaching hill agricultural methods and certain corollary manual skills such as carpentry and blacksmithing, was given both technical assistance and needed supplies.

Rangoon University, the key Burmese institution for engineering and scientific education, was provided with laboratory and scientific apparatus, and other equipment and supplies. This year a limited number of instructors and lecturers will also be made available.

To help overcome the shortage of technically trained people, scientific apparatus and equipment required for elementary training was granted to post primary schools. Taken together, it is believed that these ECA-sponsored projects will help broaden educational and vocational opportunities and will thereby contribute to increased economic and political stability.

8. Public Administration

FY 51: $ 32,000

FY 52: -

This project was undertaken to help the Union Bank of Burma function more effectively as a central banking institution. ECA provided an American expert to aid in developing the Bank's research and statistical section and to assist in training Burmese for such positions. A coding expert was also made available to help the Bank develop a cipher code and improve its bookkeeping system. Additional funds were expended for the procurement of money and note-sorting equipment. No further outlays have been programmed for FY 52.

9. Maintenance of Essential Supply

FY 51: $2,630,000

FY 52: 1,800,000

The inclusion of salable producer and consumer goods as part of ECA assistance to Burma was and still is, believed necessary in order to achieve the following: (1) To fill specific production needs of the economy (for example, cotton is required to get the Government's new spinning mill into operation); (2) To generate local currency to cover part of the local costs connected with ECA-sponsored projects (Government revenues are not adequate to cover all such expenses); (3) To provide work incentives by making additional consumer goods available for purchase by workers; (4) By absorbing purchasing power, to offset inflationary tendencies which may arise.

Requisites for Production

FY 51: $2,413,000

FY 52: 1,600,000

In FY 52, as in the previous year, this category will comprise items such as yarn and cotton for the relief of specific production bottlenecks in the Burmese economy.

Other Essential Civilian Supplies

FY 51: $ 217,000

FY 52: 200,000

Medical supplies, mostly antibiotics, were and will continue to be the most important item in this category.

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July 1951

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ECA: Far East Program Division
Revised: July 21, 1951

BURMA. Table 1. Dollar Cost of Program
By Major Project Category

| Major Project Category | Dollar Costs (in thousands) Total Dollar Cost | Cost of Supplies & Equipment | Cost of Services Total | T.A. Experts a/ | Trainees b/ |
|---|---|---|---|---|---|
| 1. Emergency Relief | - | - | - | - | - |
| 2. Public Health | 1,786 | 1,486 | 300 | 300 | - |
| 3. Agriculture, Forestry, Fisheries | 1,243 | 1,189 | 54 | 49 | 5 |
| 4. Transportation, Power, Other Public Works | 3,616 | 3,505 | 111 | 98 | 13 |
| 5. Handicraft and Manufacturing, Mining, Other Industry | 19 | - | 19 | 19 | - |
| 6. General Engineering Advisory Services | 800 | - | 800 c/ | 800 c/ | - |
| 7. Education | 648 | 478 | 170 | 170 | - |
| 8. Public Administration | 32 | 10 | 22 | 22 | - |
| 9. Maintenance of Essential Supply d/ | 2,630 | 2,630 | - | - | - |
| TOTAL DOLLAR COST OF PROGRAM | 10,774 | 9,298 | 1,476 | 1,458 e/ | 18 f/ |
| Percent of Total Program Cost | 100.0% | 86.3% | 13.7% | 13.5% | 0.2% |

BURMA. Table 1.

(Footnotes)

a/ Experts sent to country. Cost shown represents actual dollar obligations.

b/ Persons brought from country for training. Cost shown represents actual dollar obligations.

c/ Total cost of contract with U. S. engineering firm. Includes fixed fee, cost of back-up provided by home office, administrative and overhead expenses, etc., in addition to pay of personnel sent to field.

d/ Requisites for production plus other essential civilian supplies. See Table 2, item 9.

e/ Provides for an estimated 54 persons and covers additional services rendered under engineering contract. Total number of persons distributed as follows: Public Health, 23; Agriculture, 2; Transportation and Housing, 5; Manufacturing and Mining, 2; General Engineering Advisory Services, 14 (estimated); Education, 6; Public Administration, 2. Total man-year equivalent, approximately 47.

f/ Provides for 3 persons - 2 in Agriculture and 1 in Transportation. Total man-year equivalent, 3.

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ECA: Far East Program Division
Revised: July 21, 1951

**BURMA.** Table 2. Estimated Breakdown of Program By Type of Project

Dollar Costs (in thousands)

| Type of Project | Total Dollar Cost of Project | Percent of Total Program Dollar Cost | Percent of Total Project Dollar Cost (excl. project #9) |
|---|---|---|---|
| 1. Emergency Relief | - | - | - |
| 2. Public Health | 1,786 | 16.6% | 21.9% |
| Teams for Health Education and Disease Control (malaria, smallpox, tuberculosis, etc.) | 1,515 | 14.1 | 18.6 |
| Hospitals and Health Centers | 100 | 0.9 | 1.2 |
| Vaccine Production and Other Diagnostic Facilities | 20 | 0.2 | 0.3 |
| Quarantine Facilities and Fumigation Services | 19 | 0.2 | 0.2 |
| Training Facilities (Rangoon Medical College) | 132 | 1.2 | 1.6 |
| 3. Agriculture, Forestry, Fisheries | 1,243 | 11.6 | 15.3 |
| Research, Experimentation, Extension, Surveys | 355 | 3.3 | 4.5 |
| Seed Improvement and Distribution (rice and other) | 279 | 2.6 | 3.5 |
| Insect and Rodent Control | 22 | 0.2 | 0.3 |
| Livestock Disease Control | 28 | 0.3 | 0.4 |
| Agricultural Extension | 13 | 0.1 | 0.2 |
| Research Laboratory | 10 | 0.1 | 0.1 |
| Land and Water Classification | 3 | 0.0 | 0.0 |
| Rice Storage | 320 | 3.0 | 3.9 |

FY 1951 PROGRAM

BURMA. Table 2. Estimated Breakdown of Program By Type of Project

| Type of Project | Dollar Costs (in thousands) Total Dollar Cost of Project | | Percent of Total Program Dollar Cost | | Percent of Total Project Dollar Cost (excl. project #9) | |
|---|---|---|---|---|---|---|
| Irrigation and Reclamation | | 310 | | 2.9% | | 3.8% |
| Soil Conservation | | 6 | | 0.1 | | 0.1 |
| Irrigation | | 70 | | 0.6 | | 0.8 |
| Flood Control | | 234 | | 2.2 | | 2.9 |
| Agricultural Program - Frontier States | | 182 | | 1.7 | | 2.2 |
| Agricultural Improvement - Shan | | 99 | | 0.9 | | 1.2 |
| Canning Improvement - Shan | | 10 | | 0.1 | | 0.1 |
| Animal Production - Shan | | 73 | | 0.7 | | 0.9 |
| Training and Information (Agricultural College, Mandalay) | | 76 | | 0.7 | | 0.9 |
| 4. Transportation, Power, Other Public Works | 3,616 | | 33.5 | | 44.4 | |
| Port Rehabilitation | | 3,515 | | 32.6 | | 43.2 |
| Inland Waterways | | 15 | | 0.1 | | 0.2 |
| Low-Cost Housing | | 86 | | 0.8 | | 1.0 |
| 5. Handicraft and Manufacturing, Mining, Other Industry | 19 | | 0.2 | | 0.2 | |
| Mining and Technical Services | | 19 | | 0.2 | | 0.2 |
| 6. General Engineering Advisory Services | 800 | | 7.4 | | 9.8 | |
| 7. Education | 648 | | 6.0 | | 8.0 | |
| Rehabilitation Corps | | 24 | | 0.2 | | 0.3 |
| Technical Training and Information | | 475 | | 4.4 | | 5.9 |

FY 1951 PROGRAM

BURMA. Table 2. Estimated Breakdown of Program By Type of Project

| Type of Project | Dollar Costs (in thousands) Total Dollar Cost of Project | | Percent of Total Program Dollar Cost | | Percent of Total Project Dollar Cost (excl. project #9) | |
|---|---|---|---|---|---|---|
| Educational Facilities - Rangoon University | | 149 | | 1.4 | | 1.8 |
| 8. Public Administration - Union Bank of Burma | 32 | | 0.3 | | 0.4 | |
| 9. Maintenance of Essential Supply | 2,630 | | 24.4 | | - | |
| Requisites for Production | | 2,413 a/ | | 22.4 | | - |
| Other Essential Civilian Supplies | | 217 b/ | | 2.0 | | - |
| TOTAL DOLLAR COST OF PROGRAM | 10,774 | | 100.0% | | | |
| Dollar Cost of All Projects (excl. #9) | 8,144 | | | | 100.0% | |

a/ Commodity components as follows: raw cotton, 245; cotton yarn, 2,041; newsprint, 127. See Table 3, salable commodities.

b/ Medicines and drugs. See Table 3, salable commodities.

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FY 1951 PROGRAM

BURMA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | | Cost of Salable Commodities a/ | |
|---|---|---|---|---|
| 1. Food | - | | - | |
| 2. Feed and Fertilizer | 25 | | - | |
| Fertilizer | | 25 | | - |
| 3. Natural Fibers | 245 | | 245 | |
| Cotton (raw) | | 245 | | 245 |
| 4. Tobacco | - | | - | |
| 5. Other Agricultural Products | 63 | | - | |
| Seeds, vegetable, field, etc. | | 13 | | - |
| Animal breeding stock | | 50 | | - |
| 6. Fuels | - | | - | |
| 7. Industrial Raw Materials | 2,505 | | 344 | |
| Iron and Steel Mill Materials and Prod., including Ferro-Alloys | | 1,532 | | - |
| Corrugated iron sheets | | 210 | | - |
| Structural steel - sheets, beams, trusses, plates, etc. | | 702 | | - |
| Pontoon jetties | | 620 | | - |
| Pulp, Paper and Paper Products | | 127 | | 127 |
| Newsprint | | 127 | | 127 |

FY 1951 PROGRAM

BURMA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | | Total Cost | Cost of Salable Commodities a/ |
|---|---|---|---|
| Chemicals and Related Products | | 846 | 217 |
| Alcohol | | 1 | - |
| DDT and other pesticides | | 351 | - |
| Medicinal and pharmaceutical preparations - aralen, penicillin, aureomycin, etc. | | 494 | 217 |
| 8. Capital Equipment | 2,266 | | - |
| Agricultural Equipment | | 61 | - |
| Tractors and parts | | 17 | - |
| Misc. equipment - thrashers, cultivators, sprayers, etc. | | 44 | - |
| Industrial Machinery and Equipment | | 2,205 | - |
| Generators and motors - gasoline | | 19 | - |
| Electrical apparatus - welders | | 4 | - |
| Construction equipment - mixers, scrapers, pumping units, elec. cranes, etc. | | 449 | - |
| Vessels and equipment - dredges, derrick, winches, buckets, floating lines, etc. | | 1,200 | - |
| Industrial machinery, n.e.c. - milling machine, canning equipment, air compressors, office machines, etc. | | 204 | - |
| Trucks, jeeps, station wagons and parts | | 329 | - |

FY 1951 PROGRAM

BURMA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | | Cost of Salable Commodities a/ | |
|---|---|---|---|---|
| 9. Other Manufactures and Raw Materials | 4,194 | | 2,041 | |
| Textiles | | 2,041 | | 2,041 |
| Cotton yarn | | 2,041 | | 2,041 |
| Miscellaneous | | 2,153 | | - |
| Cement and cement roofing | | 293 | | - |
| Misc. iron and steel manufactures - sluice gates, prefabricated tropical huts, mooring and channel buoys, small hand tools, fabricated plates and sheets for pontoons | | 946 | | - |
| Laboratory equipment - field kits, measuring equipment for soil and water flow, furnaces, fumigators, ventilators, dessicators, microscopes, etc. | | 255 | | - |
| Hospital supplies and equipment - operating tables, beds, thermometers, syringes, needles, etc. | | 313 | | - |
| Commodities, n.e.c. - cameras, film, projectors, technical books and publications, etc. | | 346 | | - |
| TOTAL DOLLAR COST | 9,298 b/ | | 2,630 | |
| Percent Salable Commodities | | | 28.3% | |

a/ Requisites for production plus other essential civilian supplies. See Table 2, item 9.
b/ For distribution by major project category, see Table 1, Column 2.

FY 1952 PROGRAM (ILLUSTRATIVE)

ECA: Far East Program Division
Revised: July 21, 1951

BURMA. Table 1. Estimated Dollar Cost of Program a/
By Major Project Category

Dollar Costs (in thousands)

| Major Project Category | Total Dollar Cost | Cost of Supplies & Equipment | Cost of Services | | |
|---|---|---|---|---|---|
| | | | Total | T.A. Experts b/ | Trainees c/ |
| 1. Emergency Relief | - | - | - | - | - |
| 2. Public Health | 3,750 | 3,327 | 423 | 348 | 75 |
| 3. Agriculture, Forestry, Fisheries | 2,800 | 2,524 | 276 | 216 | 60 |
| 4. Transportation, Power, Other Public Works | 2,850 | 2,772 | 78 | 48 | 30 |
| 5. Handicraft and Manufacturing, Mining, Other Industry | 1,200 | 1,200 | - | - | - |
| 6. General Engineering Advisory Services | 700 | - | 700 d/ | 700 d/ | - |
| 7. Education | 1,400 | 1,329 | 71 | 36 | 35 |
| 8. Public Administration | - | - | - | - | - |
| 9. Maintenance of Essential Supply e/ | 1,800 | 1,800 | - | - | - |
| TOTAL DOLLAR COST OF PROGRAM | 14,500 | 12,952 | 1,548 | 1,348 f/ | 200 g/ |
| Percent of Total Program Cost | 100.0% | 89.3% | 10.7% | 9.3% | 1.4% |

BURMA. Table 1.

(Footnotes)

a/ Does not include any portion of funds that may be approved for basic materials development (in Title I of proposed Mutual Security Act).

b/ Experts sent to country. Cost computed on uniform basis of $12,000 per person, allowing for average lapse of 3 months.

c/ Persons brought from country for training. Cost computed on uniform basis of $5,000 per person.

d/ Total cost of contract with U. S. engineering firm. Includes fixed fee, cost of back-up provided by home office, administrative and overhead expenses, etc., in addition to pay of personnel sent to field.

e/ Requisites for production plus other essential civilian supplies. See Table 2, item 9.

f/ Provides for an estimated 67 persons and covers additional services rendered under engineering contract. Total number of persons distributed as follows: Public Health, 29; Agriculture, 18; Transportation and Housing, 4; General Engineering Advisory Services, 13 (estimated); Education, 3. Total man-year equivalent, approximately 60.

g/ Provides for an estimated 40 persons distributed as follows: Public Health, 15; Agriculture, 12; Transportation and Housing, 6; Education, 7. Total man-year equivalent, approximately 32.

FY 1952 PROGRAM (ILLUSTRATIVE)

ECA: Far East Program Division
Revised: July 21, 1951

BURMA: Table 2. Estimated Breakdown of Program By Type of Project

| Type of Project | Dollar Costs (in thousands) Total Dollar Cost of Project | Percent of Total Program Dollar Cost | Percent of Total Project Dollar Cost (excl. project #9) |
|---|---|---|---|
| 1. Emergency Relief | - | - | - |
| 2. Public Health | 3,750 | 25.9% | 29.4% |
| Teams for Health Education and Disease Control (malaria, smallpox, tuberculosis, etc.) | 1,000 | 6.9 | 7.8 |
| Hospitals and Health Centers | 2,350 | 16.2 | 18.5 |
| Vaccine Production and Other Diagnostic Facilities | 150 | 1.0 | 1.2 |
| Quarantine Facilities and Fumigation Services | 80 | 0.6 | 0.6 |
| Training and Information | 170 | 1.2 | 1.3 |
| 3. Agriculture, Forestry, Fisheries | 2,800 | 19.3 | 22.1 |
| Research, Experimentation, Extension, Surveys | 375 | 2.6 | 3.0 |
| Food Processing and Storage | 1,075 | 7.4 | 8.5 |
| Irrigation and Reclamation | 200 | 1.4 | 1.6 |
| Agricultural Program - Frontier States | 1,000 | 6.9 | 7.8 |
| Training and Information | 150 | 1.0 | 1.2 |
| 4. Transportation, Power, Other Public Works | 2,850 | 19.6 | 22.5 |
| Port Rehabilitation | 1,750 | 12.1 | 13.9 |
| Railroads | 500 | 3.4 | 3.9 |
| Highways | 500 | 3.4 | 3.9 |
| Low-Cost Housing | 100 | 0.7 | 0.8 |

FY 1952 PROGRAM (ILLUSTRATIVE)

BURMA. Table 2. Estimated Breakdown of Program By Type of Project

| Type of Project | Dollar Costs (in thousands): Total Dollar Cost of Project | | Percent of Total Program Dollar Cost | | Percent of Total Project Dollar Cost (excl. project #9) | |
|---|---|---|---|---|---|---|
| 5. Handicraft and Manufacturing, Mining, Other Industry | 1,200 | | 8.3% | | 9.3% | |
| Handicraft and Small Industry | | 1,200 | | 8.3 | | 9.3 |
| 6. General Engineering Advisory Services | 700 | | 4.8 | | 5.6 | |
| 7. Education | 1,400 | | 9.7 | | 11.1 | |
| 8. Public Administration | - | | - | | - | |
| 9. Maintenance of Essential Supply | 1,800 | | 12.4 | | - | |
| Requisites for Production | | 1,600 a/ | | 11.0 | | - |
| Other Essential Civilian Supplies | | 200 b/ | | 1.4 | | - |
| TOTAL DOLLAR COST OF PROGRAM | 14,500 | | 100.0% | | 100.0% | |
| Dollar Cost of All Projects (excl. #9) | 12,700 | | | | | |

a/ Commodity components as follows: fertilizer, 500; raw cotton, 500; agricultural tractors and parts, 400; miscellaneous agricultural equipment and parts, 100; cement, 100. See Table 3, salable commodities.

b/ Medicines and drugs. See Table 3, salable commodities.

FY 1952 PROGRAM (ILLUSTRATIVE)

ECA: Far East Program Division
Revised: July 21, 1951

BURMA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | | Cost of Salable Commodities a/ | |
|---|---|---|---|---|
| 1. Food | - | | - | |
| 2. Feed and Fertilizer | 600 | | 500 | |
| Fertilizer | | 600 | | 500 |
| 3. Natural Fibers | 500 | | 500 | |
| Cotton (raw) | | 500 | | 500 |
| 4. Tobacco | - | | - | |
| 5. Other Agricultural Products | 20 | | - | |
| Seeds | | 20 | | - |
| 6. Fuels | - | | - | |
| 7. Industrial Raw Materials | 2,344 | | 200 | |
| Iron and Steel Mill Materials and Products, including Ferro - Alloys | | 609 | | - |
| Iron and Steel sheets | | 357 | | - |
| Structural steel | | 252 | | - |
| Paper and Pulp | | 70 | | - |
| Newsprint | | 70 | | - |
| Chemicals and Related Products | | 1,665 | | 200 |
| DDT and other pesticides | | 400 | | - |
| Medicinal and pharmaceutical preparations - aralen, penicillin, aureomycin, etc. | | 735 | | 200 |
| Misc. chemicals | | 530 | | - |

FY 1952 PROGRAM (ILLUSTRATIVE)

BURMA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | | Cost of Salable Commodities a/ | |
|---|---|---|---|---|
| 8. Capital Equipment | 5,861 | | 500 | |
| Agricultural Equipment | | 1,491 | | 500 |
| Sprayers | | 16 | | - |
| Tractors and parts | | 1,275 | | 400 |
| Misc. equipment and parts | | 200 | | 100 |
| Industrial Machinery and Equipment | | 4,370 | | - |
| Construction equipment - pumping units, drill rigs, concrete mixers, etc. | | 241 | | - |
| Excavators, scrapers, cranes and other road building equipment | | 505 | | - |
| Railroad transportation equipment and parts | | 500 | | - |
| Generators and motors | | 10 | | - |
| Trucks, jeeps, station wagons and parts | | 405 | | - |
| Electrical apparatus - welders, substation equipment, etc. | | 45 | | - |
| Machine tools - lathes, planers, shapers, etc. | | 1,200 | | - |
| Vessels and equipment - patrol and fire boats | | 765 | | - |
| Industrial machinery, n.e.c. - sawmill, printing press, rice milling equipment, etc. | | 699 | | - |
| 9. Other Manufactures and Raw Materials | 3,627 | | 100 | |
| Cement | | 470 | | 100 |
| Misc. iron and steel manufactures - sluice gates, mooring buoys, pontoons, hand tools, etc. | | 929 | | - |
| Laboratory equipment - crucibles, lamps, microscopes, tanks, trays, scales, etc. | | 539 | | - |
| Hospital supplies and equipment - X-ray machines, retractors, sutures, forceps, scissors, etc. | | 1,125 | | - |
| Commodities, n.e.c. - cameras, film, projectors, technical books, etc. | | 564 | | - |

FY 1952 PROGRAM (ILLUSTRATIVE)

BURMA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | Cost of Salable Commodities a/ |
|---|---|---|
| TOTAL DOLLAR COST | 12,952 b/ | 1,800 |
| Percent Salable Commodities | | 13.9% |

a/ Requisites for production plus other essential civilian supplies. See Table 2, item 9.

b/ For distribution by major project category, see Table 1, column 2.

# INDONESIA. ECA-FINANCED PROJECTS

1. Emergency Relief — None

2. Public Health

| | Dollar Costs |
|---|---|
| FY 51: | $2,836,000 |
| FY 52: | 2,600,000 |

Public health requirements in Indonesia are enormous. The need for ECA assistance in this field is best indicated by a few vital statistics. The proportion of doctors to population is one to 100,000. This compares with one to 40,000 in China, one to 6,000 in the Philippines and one to 735 in the United States. Life expectancy at birth is 32, compared with 67 years in the United States. One out of every three children born dies before reaching the age of one year. An estimated 15 to 20 percent of the people have yaws, 30 percent malaria, and mortality from tuberculosis is over three percent. The Indonesians, in short, have serious health problems they themselves cannot handle - they do not have the doctors or the nurses, or the facilities and the technical knowledge they require.

Malaria, Tuberculosis and Trachoma Control

| | |
|---|---|
| FY 51: | $ 788,000 |
| FY 52: | 1,150,000 |

Specific disease control projects aided by ECA in FY 51 dealt only with malaria. ECA's contribution comprised technical assistance and such supplies and equipment as the following: DDT and sprayers, anti-malaria drugs (aralen in particular), and laboratory equipment. In FY 52 ECA's participation in malaria control work will be continued on an expanded scale, and tuberculosis and trachoma control projects will be undertaken as well.

All anti-malaria plans will be coordinated with those conducted by the World Health Organization. The bulk of the ECA outlay will again be for aralen, DDT and sprayers, with a modest expenditure for additional laboratory equipment. Present FY 52 plans provide for four American malaria experts to advise the Indonesian Health Authorities and for ten Indonesians to be trained in the U.S. A small additional sum has been earmarked to provide jeeps for anti-malaria teams working in outlying districts. As in FY 51, rapid relief of symptoms will be the primary aim in order to achieve maximum psychological impact.

The bulk of the trachoma allotment will be spent on drugs, and the remainder will be used (1) to provide jeeps for mobile trachoma teams, (2) to obtain the services of an American expert in the field, and (3) to train one Indonesian in the U.S. in modern techniques for combating the disease.

The small amount set aside for tuberculosis control will be for the following: X-ray equipment, antibiotics, and the training of two Indonesian specialists in the U. S. All tuberculosis control projects financed by ECA will be coordinated with the BCG program to be conducted by WHO and UNICEF.

Maternal and Child Care

FY 51: $518,000

FY 52: 260,000

The FY 51 allotment in this field was used mainly to provide urgently needed medical equipment and supplies for the maternity wards of various Indonesian city hospitals, for the pediatrics department of the Central Hospital in Djakarta, and for the obstetrics branch of the Djakarta Medical School. Funds were also provided for training aids for midwives, and American personnel - mainly nurses - with experience in obstetrics and pediatrics were sent to Indonesia.

The bulk of the FY 52 allotment will again be used for medical supplies and equipment, but whereas in FY 51 they were distributed to the maternity and pediatric departments of larger city hospitals, this year they will be provided for prenatal and postnatal care to the few out-patient clinics, mainly in Java, remaining from before the war. As in the previous year, there will be outlays for training aids for midwives and for American personnel to train and advise Indonesians in maternal and child health matters. In addition, provision will be made for similar training of Indonesians in the U. S. Jeeps may also be procured for use by mobile teams. These teams would operate in more remote rural areas, but would use clinics and other established medical installations as their base of operations.

Village Sanitation

FY 51: $ 11,000

FY 52: 280,000

ECA's contribution to village sanitation during FY 51 consisted of earmarking funds for an American sanitation engineer to advise the Indonesian health authorities on planning of rural sanitation projects. The FY 52 program provides for the boring of village wells. These wells are to be used for demonstration purposes, i.e., to show the rural population how to improve public health standards. For the time being, the project will be limited to areas where the water level permits the use of tube wells. It is estimated that this project will provide safe drinking water and sanitary latrines for about two million people in hundreds of villages.

ECA aid in FY 52 will in part be spent for drilling equipment, pipes and tubes, hand pumps and vehicles. In addition, American experts will provide supervisory guidance and Indonesian specialists will be trained in the U.S. in modern methods and techniques of village sanitation.

Rural Demonstration Centers

FY 51: -

FY 52: $270,000

No projects of this type were undertaken with ECA funds during FY 51. In FY 52 it is proposed to send an American expert to assist in establishing demonstration

and training centers in Java, Sumatra, and the Celebes. These installations will serve as clinics, providing medical services for the local population, and will also afford training facilities for practical workers in all fields of public health. These trainees will subsequently be sent to staff other medical installations. ECA funds will be used to assist the Indonesian Government in procuring hospital and laboratory equipment, and construction materials for these installations. ECA will also provide for the training of Indonesians in the U. S.

Clinic Boats and Equipment

FY 51: -

FY 52: $100,000

Since many of the islands and regions of Indonesia have few roads, transportation is chiefly by water and inland clinics are consequently impractical. To serve such areas, six motorized boats will be purchased and equipped as clinics to make regular calls at many points where medical and dental services would otherwise be unavailable.

Hospital and Laboratory Equipment and Supplies (n.e.c.)

FY 51: $1,121,000

FY 52: 200,000

Approximately half of the equipment and supplies financed by ECA during FY 51 was made available to the Medical Supply Center of the Indonesian Department of Health for distribution to hospitals, aid stations, rural health centers and other medical installations which suffered most from the Japanese occupation and subsequent civil strife. The remaining FY 51 funds were used for the following: laboratory equipment for the Indonesian Government's Central Laboratory and for the Nutrition Institute; quonset huts to serve as emergency clinics and aid stations in areas where hospital facilities are lacking; basic supplies and equipment such as hospital beds, mosquito netting, blankets, sheets, pillows and towels for hospitals and health centers. During FY 52 ECA contemplates providing additional scientific and professional apparatus to the Government's Medical Supply Center for distribution to medical establishments. It will probably be necessary also to provide additional beds, netting, blankets and other basic hospital supplies.

Drugs (for Government Supply Centers)

FY 51: $398,000

FY 52: 200,000

ECA funds allocated for this project are used to supply the Indonesian Government's Medical Supply Center with drugs for distribution to medical establishments most in need of them. These supplies will supplement those made available by ECA in connection with the malaria, tuberculosis, and trachoma control projects previously described. Approximately 90 percent of the funds apportioned for this supply project in both FY 51 and FY 52 will be used for the procurement of various types of

penicillin. The remaining funds will be used to purchase small quantities of several hundred different laboratory reagents essential to the operation of hospital and medical research laboratories.

Training and Information

FY 51: -

FY 52: $140,000

As part of the FY 52 health program, ECA will help initiate a campaign of enlightenment on personal and environmental sanitation, preventive medicine, and available hospital and other curative facilities. ECA will provide audio-visual aids, classroom equipment, and reference books and materials. In addition, two American health educators will be sent to Indonesia and two Indonesian specialists in health education will be brought to the U. S. for training.

3. Agriculture, Forestry, Fisheries

FY 51: $2,548,000

FY 52: 3,240,000

The principal agricultural problems in Indonesia are the prevalence of low production and primitive techniques. While the soil of Java was originally rich because of its volcanic origin, it now requires fertilizer and it and other islands need improvement of the rundown irrigation facilities. Java and Madura are too densely populated and have not enough farm land per capita, while other principal islands such as Sumatra, Borneo and the Celebes are under-populated and have much fertile land not yet cultivated.

Livestock Production and Disease Control

FY 51: $ 60,000

FY 52: 285,000

The only activity in this area during FY 51 consisted of making funds available for the purchase of technical equipment required by the Indonesian Foot and Mouth Disease Laboratory. FY 52 projects are calculated to develop and improve livestock and poultry, expand breeding centers and increase dairy and beef stock. Dairy bulls will be imported and the facilities of the animal breeding station at Bogor improved. The construction of battery laying houses and the purchase of modern incubators will make possible volume distribution of improved chicks. Modern equipment and instruments will also be provided to the Government Veterinary Service. In the service category, three U. S. experts--probably two livestock specialists and one veterinarian--will be sent to Indonesia and six Indonesians will receive training in animal husbandry and animal diseases in the U. S.

Plant Disease Control

FY 51: $ 88,000

FY 52: 550,000

ECA's contribution to plant disease control during FY 51 consisted of providing funds for the purchase of fertilizer to be used in demonstrating to Indonesian farmers its effectiveness in decreasing the incidence of plant diseases. Such demonstrations will be continued on an expanded scale during FY 52. In addition, funds will be made available for the procurement of laboratory equipment, dusters, blowers and sprayers. American experts will be recruited to advise on appropriate methods of plant disease control and Indonesian technicians will be brought to the U. S. for similar study.

Irrigation and Drainage

FY 51: $ 71,000

FY 52: 440,000

During FY 51 ECA provided 50 kerosene irrigation pumps for demonstration projects. For FY 52 substantially increased ECA aid has been planned because of the growing need to restore and expand irrigation facilities in order to stimulate rice production. The principal foreign exchange requirements will be for pumps needed to regulate the local water supply and reclaim flooded or damaged land areas. In terms of equipment and technical assistance, ECA will also provide dredges, draglines, and similar machinery, and an American irrigation engineer to advise on work in Indonesia. It is further planned to bring five Indonesians to the U. S. to study irrigation methods, techniques and problems.

Sugar Processing of Smallholders' Production

FY 51: -

FY 52: $85,000

Indonesia no longer produces sugar for export, but the cane is still grown extensively by smallholders for home consumption, in crudely manufactured form. As the large sugar mills were almost completely destroyed in the course of fighting between the Dutch and Indonesians after the war, small mills are badly needed to process sugar for domestic consumption. It is currently planned therefore to use a modest amount of ECA FY 52 funds to procure relatively crude equipment for many village-size crushing mills. Evaporating apparatus using wood for fuel will also be procured. This undertaking is expected to provide a supply of brown sugar cake satisfactory for local consumption.

Grain Processing and Storage

FY 51: -

FY 52: $175,000

Since humidity and warm temperatures encourage the growth of mould and insect larvae in stored grains, storage--though essential as an incentive to increased production and maintenance of fair prices and planned distribution--is little practiced in Indonesia. Serious losses, however, have resulted from inadequate grain storage and

processing facilities. The project planned for FY 52 will make possible an experiment and demonstration in storing corn in steel bins, with artificial drying equipment to reduce moisture content and therefore control mould and infestation. If found to be successful and economical, such improved methods of handling food-grains could extend to and have a profound effect throughout Southeast Asia. Provision will also be made by ECA during FY 52 for one American storage technician to work in Indonesia and for two Indonesians to study storage methods in the U. S.

Aid to Agricultural Cooperatives (Production, Marketing and Credit)

FY 51: -

FY 52: $120,000

Due to the active interest of the Indonesian Government in agricultural cooperatives and the great scope for their activities, ECA assistance is believed advisable for FY 52. The plan is to send two American experts to Indonesia to advise local farmers on the organization, functions and techniques of cooperatives in the fields of production, marketing and credit. Five Indonesians will also be brought to this country to study rural cooperative activities. In addition, ECA will provide jeeps and audio-visual equipment to be used by mobile teams of cooperatives experts. Small amounts of office equipment (file cabinets, etc.) may also be made available for local cooperative headquarters.

Research

FY 51: $103,000

FY 52: 70,000

ECA assistance to general agricultural research in FY 51 provided nine American technicians to serve with the various institutes associated with the famous Bogor Research Center. Only a very small amount of equipment (agricultural reference books and abstracts) was provided. The FY 52 program contemplates continuing the services of American technicians to the Bogor Research Center as well as bringing six Indonesian agricultural researchers to the U. S. for study.

Training and Information

FY 51: $ 11,000

FY 52: 125,000

ECA assistance in this area during FY 51 provided funds for a three-months study tour of the U. S. by six agricultural "youth leaders". They visited a national 4H Club camp, observed activities of state extension youth leaders and in addition were given an opportunity to live briefly with typical American farm families. The FY 52 program, on the other hand, contemplates outlays to provide audio-visual training equipment (projectors, slides, films, etc.) and textbooks for agricultural technical schools and mobile teams. A U. S. agricultural educator with special experience in the use of such equipment will also be made available.

Small Farm Rehabilitation

FY 51: $247,000

FY 52: -

To meet the immediate and pressing need for basic tools among the poorest of the smallholders in the most

distressed areas, there was included in the FY 51 program an emergency Small Farm Rehabilitation project which provided for the purchase of ploughs, hand tools (such as hoes, choppers and axes), and a small number of knapsack sprayers, mist blowers, and hand dusters.

Forestry

FY 51: $598,000

FY 52: 100,000

ECA aid to Indonesian forestry development in FY 51 consisted of providing basic hand tools (files, saws, axes, hoes) for the Government Forestry Service and furnishing essential equipment for ten small sawmills to be established at appropriate locations in the more densely wooded areas. These mills will produce rough lumber primarily for construction purposes. The program for FY 52 envisages the training of selected Indonesian foresters in the U. S., and provision of machinery and apparatus for small pilot installations to demonstrate the feasibility of indigenous production of paper, celotex, veneers, plywood and other items made of wood. Such pilot operations, if successful, should encourage the inflow of private capital to meet larger scale industrial needs.

Fishing Boats and Parts

FY 51: $1,127,000

FY 52: 320,000

Indonesia's diet has always been deficient in protein and particularly so in recent years, because of the loss of small fishing craft and the resulting serious decline of the fishing industry. Comparatively large sums were budgeted, therefore, in both the FY 51 and the FY 52 aid programs for the rehabilitation and modernization of this vital sector of the Indonesian economy. Items secured or ordered with ECA FY 51 funds include 75 small sailing boats of various types; 100 marine diesel engines; and three all-steel fish carriers. The FY 52 program will provide another 100 marine diesel engines for the motorization of small sailing craft.

Refrigeration Trucks and Plants

FY 51: -

FY 52: $615,000

During FY 51 restoration of the fishing fleet was the primary target of ECA aid to the fisheries program. In FY 52 ECA proposes to provide modern refrigerating equipment for fish preservation. Refrigeration and icing facilities are to be installed at a few important fishing ports and a limited number of refrigerated trucks needed to assure delivery of fresh fish to inland centers will be procured. The remaining funds are for stateside training of Indonesian personnel in the maintenance, repair and use of this equipment.

Marketing Equipment

FY 51: -

FY 52: $300,000

This project, closely related to that preceding, is designed to remedy the present lack of wharves and installations for the wholesale marketing of fish. The

funds allotted will provide miscellaneous iron and steel manufactures essential for the construction of modern wholesale markets and piers to be erected by the Indonesian Government.

Research

FY 51: $ 243,000

FY 52: 55,000

ECA assistance during FY 51 provided the Indonesian Department of Fisheries with a research vessel equipped for use as a floating laboratory and for exploring new areas of production. The bulk of the FY 52 allotment for research has been earmarked for laboratory and other technical equipment for a newly established Institute of Inland Fisheries which will study more effective methods of using river and lake fish resources. A small part of the total allotment will be used to cover the services of an American expert recruited for this institute.

4. Transportation, Power, Other Public Works

FY 51: -

FY 52: $ 410,000

The relatively small allocation to this project category does not indicate that Indonesian transportation and power facilities are well developed or that needs in the public works field are not pressing. To the contrary, requirements in the transportation, power and public works area are urgent, though perhaps less so than those of agriculture and public health. ECA assistance required in this field is lessened by the adaptability of certain projects to loan financing by the Export-Import Bank.

Public Buildings and Housing

FY 51: -

FY 52: $ 410,000

The need for construction of low-cost houses and of public buildings stems from a striking increase in the population of Djakarta to nearly 2½ million since prewar. The proposed project will involve procurement of hardware and other essential imported materials and construction equipment needed to support government low-cost housing projects in Djakarta. This is the only ECA project designed to assist the capitol city directly and should have considerable political impact.

5. Handicraft and Manufacturing, Mining, Other Industry

FY 51: $1,889,000

FY 52: 500,000

Indonesia has long been a major producer of raw materials but has done little processing. For example, two-thirds of the crude rubber produced in the country is re-processed in Singapore before shipment to its ultimate market, and practically all the tin ore produced is smelted in the Netherlands or the U. S. Other basic materials, such as cement, chemicals, paper, cotton yarns and glass (which could be produced locally) are almost entirely imported. Vast quantities of scrap iron and steel are available for conversion.

Except for a few foreign companies established in Indonesia before the war, private capital has been reluctant to venture into the country in view of the insecure conditions. The government proposes to develop some of these industries on a pilot scale, in order to meet the economy's most pressing needs and at the same time encourage private industry to follow with larger installations. ECA contemplates assisting with procurement of necessary machinery, equipment, supplies and technical assistance.

Handicraft and Small Industry Rehabilitation and Modernization

FY 51: ₱634,000

FY 52: 500,000

The bulk of the FY 51 funds allocated to this project were used to provide mechanical and other hand tools for small indigenous enterprises in the following fields: ceramics, metal, wood and leather working, and umbrella manufacturing. Additional funds were made available for the purchase of miscellaneous machinery required by small scale textile industry. Technical assistance during FY 51 was limited to one American small-industry specialist who spent six months in Indonesia. During FY 52 ECA plans to provide additional tools, equipment and materials to small scale enterprises. In addition, about six American technicians will be sent to Indonesia to advise on the rehabilitation and development of these industries, and eight Indonesians will be brought to the U. S. for training.

Rubber Processing of Smallholder's Production

FY 51: ₱555,000

FY 52: -

Indonesian rubber is processed almost exclusively in Singapore. In order to enable smallholders to process at least part of the rubber they produce, ECA funds were made available in FY 51 to procure such items as rubber coagulating pans, rubber mangles, corrugated iron for rubber smoke house roofing, and equipment for 10 small rubber sheet-producing pilot plants. No ECA funds have been set aside for this project in FY 52 since it seemed advisable to observe the results of the initial experiment before allotting additional amounts.

Canning

FY 51: ₱700,000

FY 52: -

In response to an insistent Indonesian request for tin plate for the Indonesian food canning industry, funds were set aside in FY 51 for procurement of several thousand tons. It is expected that in FY 52 the country's tin plate requirements will be met by the importation of tin plate financed with dollars or other foreign currency earned through Indonesian exports.

6. General Engineering Advisory Services

FY 51: ₱700,000

FY 52: 550,000

This item provides for the continuation of the engineering service requested by the Indonesians for the 1951 and 1952 period. The contract signed on January 13, 1951 was for two years duration. Its terms call for the J. G. White Engineering Corporation to advise the Indonesians on the most effective uses to be made of the country's total resources. Because of its comprehensive nature, this project will be interrelated with strategic materials development and with other projects in the FY 51 and FY 52 programs. By the end of FY 51 an engineering mission of 15 had actually started work in Indonesia.

7. Education

FY 51: -

FY 52: $300,000

The Indonesians regard the improvement of education as one of their most challenging problems. With the achievement of independence, greater educational opportunities and the extension of literacy were among the first benefits which the Indonesian expected of his government. Ninety percent of the total population and 94 percent of the native Indonesian population are illiterate. Substitution of the native vernacular for Dutch and establishment of English as the secondary language have created new obstacles. Textbooks have to be redeveloped and teachers have to be newly trained.

Education projects of the type contemplated by ECA for FY 52 were not included in the FY 51 program. It is proposed that during FY 52 ECA make available funds to finance the following four programs:

Elementary School Teacher Training

FY 51: -

FY 52: $65,000

It is estimated that a minimum of 200,000 additional primary school teachers are needed by the Indonesian school system. One or two American technicians as well as teaching equipment and materials will be made available to improve and expand facilities for training elementary school teachers.

Curriculum Development and Secondary Teacher Training

FY 51: -

FY 52: $102,000

ECA funds in connection with this project will provide the services of an American educator to develop school curricula adaptable to Indonesia's needs. Educational materials (audio-visual aids, etc.) and classroom equipment will also be made available.

English Teacher Training

FY 51: -

FY 52: $68,000

ECA funds will pay for the services of two American educators, as well as for such supplies and equipment as

may prove necessary. These American experts will develop methods and techniques of teaching English to present and prospective Indonesian teachers.

Text Book Development

FY 51: -

FY 52: $65,000

ECA funds will be used for the development, revision and publication of text books for elementary schools and mass education. An American specialist as well as supplies, especially books, will be required.

It is proposed that six American technicians be assigned to Indonesia during FY 52 to work on the projects outlined and that essential equipment and teaching materials be furnished as well. The ECA-sponsored education program will be coordinated with the UNESCO program and with the proposed USIE plan of establishing in Indonesia a bi-national English language teaching center.

8. Public Administration

FY 51: -

FY 52: $400,000

Until nationals can be adequately trained, foreign technicians and advisors will be required to assist in the operation of government and industry. ECA and United Nations representatives who have studied the matter agree as to the need, and all projects in this budget are devised and will be applied to provide the maximum of training benefits.

Public Administration School

FY 51: -

FY 52: $100,000

It is proposed to establish, in cooperation with the United Nations agencies, a school of public administration to give intensive training to lower-echelon employees in the Ministeries and to young people graduating from the universities and secondary schools who desire to follow careers in government service. This school would probably prove to be permanent but ECA financing would be confined to providing three U. S. staff members to serve on the faculty for one year; also two Indonesians will be brought to the U. S. for training, and a limited amount of supplies and equipment will be made available.

Public Administration Specialists

FY 51: -

FY 52: $100,000

The Government of Indonesia has requested the employment of economists, to work in the Ministeries of Finance, Trade and Industry and Agriculture, to help establish policies and procedures in such fields as taxation, public finance, foreign exchange, export and import, production credit, cooperatives and project planning. Other advisors are needed with respect to statistical methods, labor policy and organization and government administration. In all categories, it is estimated that at least ten such public administration specialists should be employed at the capitol and in the major political subdivisions while Indonesians are being trained to take their places.

Fellowships

FY 51: -

FY 52: $200,000

A third budget item under Public Administration is that of fellowships. Approximately forty such fellowships are to be provided by ECA for travel and study in the United States by partially trained Indonesian experts in various fields of public administration.

9. Maintenance of Essential Supply — None

FY 1951 PROGRAM

ECA: Far East Program Division
Revised: July 21, 1951

INDONESIA. Table 1. Dollar Cost of Program By Major Project Category

| Major Project Category | Dollar Costs (in thousands) Total Dollar Cost | Cost of Supplies & Equipment | Cost of Services Total | T.A. Experts a/ | Trainees b/ |
|---|---|---|---|---|---|
| 1. Emergency Relief | - | - | - | - | - |
| 2. Public Health | 2,836 | 2,736 | 100 | 100 | - |
| 3. Agriculture, Forestry, Fisheries | 2,548 | 2,435 | 113 | 102 | 11 |
| 4. Transportation, Power, Other Public Works | - | - | - | - | - |
| 5. Handicraft and Manufacturing, Mining, Other Industry | 1,889 | 1,884 | 5 | 5 | - |
| 6. General Engineering Advisory Services | 700 | - | 700 c/ | 700 c/ | - |
| 7. Education | - | - | - | - | - |
| 8. Public Administration | - | - | - | - | - |
| 9. Maintenance of Essential Supply | - | - | - | - | - |
| TOTAL DOLLAR COST OF PROGRAM | 7,973 | 7,055 | 918 | 907 d/ | 11 e/ |
| Percent of Total Program Cost | 100.0% | 88.5% | 11.5% | 11.4% | 0.1% |

INDONESIA Table 1.

(Footnotes)

a/ Experts sent to country. Cost shown represents actual dollar obligations.

b/ Persons brought from country for training. Cost shown represents actual dollar obligations.

c/ Total cost of contract with U. S. engineering firm. Includes fixed fee, cost of back-up provided by home office, administrative and overhead expenses, etc., in addition to pay of personnel sent to field.

d/ Provides for an estimated 39 persons and covers additional services rendered under engineering contract. Total number of persons distributed as follows: Public Health, 8; Agriculture, 12; Handicraft and Manufacturing (small industries), 1; General Engineering Advisory Services, 18 (estimated). Total man-year equivalent, approximately 32.

e/ Provides for 6 persons - agricultural youth leaders -for a period of 3 months each. Total man-year equivalent, 1½.

ECA: Far East Program Division
Revised: July 21, 1951

FY 1951 PROGRAM

INDONESIA. Table 2. Estimated Breakdown of Program By Type of Project

Dollar Costs (in thousands)

| Type of Project | Total Dollar Cost of Project | | Percent of Total Program Dollar Cost | | Percent of Total Project Dollar Cost (excl. project #9) | |
|---|---|---|---|---|---|---|
| 1. Emergency Relief | - | | - | | - | |
| 2. Public Health | 2,836 | | 35.6% | | 35.6% | |
| Malaria Control | | 788 | | 9.9 | | 9.9 |
| Maternal and Child Care | | 518 | | 6.5 | | 6.5 |
| Village Sanitation | | 11 | | 0.1 | | 0.1 |
| Hospital and Laboratory Equipment and Supplies (n.e.c.) | | 1,121 | | 14.1 | | 14.1 |
| Drugs (for Gov't Supply Centers) | | 398 | | 5.0 | | 5.0 |
| 3. Agriculture, Forestry, Fisheries | 2,548 | | 31.9 | | 31.9 | |
| Agriculture | | 580 | | 7.2 | | 7.2 |
| Small Farm Rehabilitation | | 247 | | 3.1 | | 3.1 |
| Livestock Disease Control | | 60 | | 0.7 | | 0.7 |
| Plant Disease Control | | 88 | | 1.1 | | 1.1 |
| Irrigation and Drainage | | 71 | | 0.9 | | 0.9 |
| Research | | 103 | | 1.3 | | 1.3 |
| Training | | 11 | | 0.1 | | 0.1 |
| Forestry | | 598 | | 7.5 | | 7.5 |
| Hand Tools | | 190 | | 2.4 | | 2.4 |
| Sawmill Equipment | | 408 | | 5.1 | | 5.1 |
| Fisheries | | 1,370 | | 17.2 | | 17.2 |
| Fishing Boats and Parts | | 1,127 | | 14.1 | | 14.1 |
| Research | | 243 | | 3.1 | | 3.1 |

FY 1951 PROGRAM

INDONESIA. Table 2. Estimated Breakdown of Program By Type of Project

| Type of Project | Dollar Costs (in thousands) Total Dollar Cost of Project | | Percent of Total Program Dollar Cost | | Percent of Total Project Dollar Cost (excl. project #9) | |
|---|---|---|---|---|---|---|
| 4. Transportation, Power, Other Public Works | - | | - | | - | |
| 5. Handicraft and Manufacturing, Mining, Other Industry | 1,889 | | 23.7 | | 23.7 | |
| Handicraft and Small Industry Rehabilitation | | 634 | | 7.9 | | 7.9 |
| Rubber Processing of Smallholders' Production | | 555 | | 7.0 | | 7.0 |
| Canning | | 700 | | 8.8 | | 8.8 |
| 6. General Engineering Advisory Services | 700 | | 8.8 | | 8.8 | |
| 7. Education | - | | - | | - | |
| 8. Public Administration | - | | - | | - | |
| 9. Maintenance of Essential Supply | - | | - | | - | |
| TOTAL DOLLAR COST OF PROGRAM | 7,973 | | 100.0% | | | |
| Dollar Cost of All Projects (excl.#9) | 7,973 | | | | 100.0% | |

FY 1951 PROGRAM

ECA: Far East Program Division
Revised: July 21, 1951

INDONESIA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | | Cost of Salable Commodities |
|---|---|---|---|
| 1. Food | - | | None |
| 2. Feed and Fertilizer | 75 | | |
| Fertilizer | | 75 | |
| 3. Natural Fibers | - | | |
| 4. Tobacco | - | | |
| 5. Other Agricultural Products | - | | |
| 6. Fuels | - | | |
| 7. Industrial Raw Materials | 1,952 | | |
| Iron and Steel Mill Materials and Prod., including Ferro-Alloys | | 772 | |
| Tinplate | | 700 | |
| Corrugated iron | | 72 | |
| Aluminum and Aluminum Products | | 89 | |
| Aluminum tanks | | 89 | |
| Chemicals and Related Products | | 1,091 | |
| DDT | | 365 | |
| Penicillin, camoquin, streptomycin, etc. | | 726 | |

FY 1951 PROGRAM

INDONESIA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

| Commodity Group | C & F Dollar Cost (in thousands) Total Cost | | Cost of Salable Commodities |
|---|---|---|---|
| 8. Capital Equipment | 2,486 | | None |
| Agricultural Machinery | | 74 | |
| Sprayers, dusters, blowers, etc. | | 27 | |
| Misc. agric. machinery - plows, etc. | | 47 | |
| Industrial Machinery and Equipment | | 2,412 | |
| Misc. industrial elec. apparatus | | 2 | |
| Engines and turbines - diesel | | 223 | |
| Construction equipment - pumping units, drill rigs, etc. | | 73 | |
| Industrial machinery, n.e.c. - textile machines, mangels and parts | | 369 | |
| Sawmill equipment - saws, motors, etc. | | 408 | |
| Trucks, station wagons and parts | | 5 | |
| Machine tools - soldering lamps, shapers, grinders, files, hammers, etc. | | 200 | |
| Fishing vessels, boats and parts | | 1,132 | |
| 9. Other Manufactures and Raw Materials | 2,542 | | |
| Textiles | | 193 | |
| Textile products - Sheets, blankets, towels, mosquito nets, etc. | | 193 | |

FY 1951 PROGRAM

INDONESIA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

| Commodity Group | C & F Dollar Cost (in thousands) Total Cost | Cost of Salable Commodities |
|---|---|---|
| Miscellaneous | 2,349 | None |
| Misc. iron and steel manufactures - hand tools, prefabricated tropical huts, etc. | 1,021 | |
| Laboratory equipment - microscopes, cameras, medicrome slides, dissecting instruments, glassware, distilling apparatus, etc. | 814 | |
| Hospital supplies and equipment - beds, stretchers, operating tables, X-ray machines and parts, syringes, needles, forceps, etc. | 513 | |
| Commodities, n.e.c. - technical books and publications | 1 | |
| TOTAL DOLLAR COST | 7,055 a/ | None |
| Percent Salable Commodities | | - |

a/ For distribution by major project category; see Table 1, Column 2.

FY 1952 PROGRAM (ILLUSTRATIVE)

ECA: Far East Program Division
Revised: July 21, 1951

INDONESIA. Table 1. Estimated Dollar Cost of Program a/
By Major Project Category

Dollar Costs (in thousands)

| Major Project Category | Total Dollar Cost | Cost of Supplies & Equipment | Cost of Services | | |
|---|---|---|---|---|---|
| | | | Total | T.A. Experts b/ | Trainees c/ |
| 1. Emergency Relief | - | - | - | - | - |
| 2. Public Health | 2,600 | 2,258 | 342 | 192 | 150 |
| 3. Agriculture, Forestry, Fisheries | 3,240 | 2,861 | 379 | 204 | 175 |
| 4. Transportation, Power, Other Public Works | 410 | 374 | 36 | 36 | - |
| 5. Handicraft and Manufacturing, Mining, Other Industry | 500 | 400 | 100 | 60 | 40 |
| 6. General Engineering Advisory Services | 550 | - | 550 d/ | 550 d/ | - |
| 7. Education | 300 | 228 | 72 | 72 | - |
| 8. Public Administration | 400 | 70 | 330 | 120 | 210 |
| 9. Maintenance of Essential Supply | - | - | - | - | - |
| TOTAL DOLLAR COST OF PROGRAM | 8,000 | 6,191 | 1,809 | 1,234 e/ | 575 f/ |
| Percent of Total Program Cost | 100.0% | 77.4% | 22.6% | 15.4% | 7.2% |

INDONESIA. Table 1.

(Footnotes)

a/ Does not include any portion of funds that may be approved for basic materials development (in Title I of proposed Mutual Security Act).

b/ Experts sent to country. Cost computed on uniform basis of $12,000 per person, allowing for average lapse of 3 months.

c/ Persons brought from country for training. Cost computed on uniform basis of $5,000 per person.

d/ Total cost of contract with U.S. engineering firm. Includes fixed fee, cost of back-up provided by home office, administrative and overhead expenses, etc., in addition to pay of personnel sent to field.

e/ Provides for an estimated 75 persons and covers additional services rendered under engineering contract. Total number of persons distributed as follows: Public Health, 16; Agriculture and Fisheries, 17; Public Works (Housing), 3; Handicraft and Small Industry, 5; General Engineering Advisory Services, 18 (estimated); Education, 6; Public Administration, 10. Total man-year equivalent, approximately 63.

f/ Provides for an estimated 115 persons distributed as follows: Public Health, 30; Agriculture, Forestry, Fisheries, 35; Small Industry, 8; Public Administration, 42. Total man-year equivalent, approximately 97.

FY 1952 PROGRAM (ILLUSTRATIVE)

ECA: Far East Program Division
Revised: July 21, 1951

INDONESIA. Table 2. Estimated Breakdown of Program By Type of Project

Dollar Costs (in thousands)

| Type of Project | Total Dollar Cost of Project | | Percent of Total Program Dollar Cost | | Percent of Total Project Dollar Cost (excl. project #9) | |
|---|---|---|---|---|---|---|
| 1. Emergency Relief | - | | - | | - | |
| 2. Public Health | 2,600 | | 32.5% | | 32.5% | |
| Malaria, Tuberculosis and Trachoma Control | | 1,150 | | 14.3 | | 14.3 |
| Maternal and Child Care | | 260 | | 3.3 | | 3.3 |
| Village Sanitation | | 280 | | 3.5 | | 3.5 |
| Rural Demonstration Centers | | 270 | | 3.4 | | 3.4 |
| Clinic Boats and Equipment | | 100 | | 1.3 | | 1.3 |
| Hospital and Laboratory Equipment and Supplies (n.e.c.) | | 200 | | 2.5 | | 2.5 |
| Drugs (for Gov't. Supply Centers) | | 200 | | 2.5 | | 2.5 |
| Training and Information | | 140 | | 1.7 | | 1.7 |
| 3. Agriculture, Forestry, Fisheries | 3,240 | | 40.5 | | 40.5 | |
| Agriculture | | 1,850 | | 23.1 | | 23.1 |
| Livestock Production and Disease Control | | 285 | | 3.5 | | 3.5 |
| Plant Disease Control | | 550 | | 6.9 | | 6.9 |
| Irrigation and Drainage | | 440 | | 5.5 | | 5.5 |
| Sugar Processing of Smallholders' Production | | 85 | | 1.1 | | 1.1 |
| Grain Processing and Storage | | 175 | | 2.2 | | 2.2 |
| Aid to Agricultural Cooperatives (Production, Marketing and Credit) | | 120 | | 1.5 | | 1.5 |
| Research | | 70 | | 0.9 | | 0.9 |
| Training and Information | | 125 | | 1.5 | | 1.5 |

FY 1952 PROGRAM (ILLUSTRATIVE)

INDONESIA. Table 2. Estimated Breakdown of Program By Type of Project

Dollar Costs (in thousands)

| Type of Project | Total Dollar Cost of Project | | Percent of Total Program Dollar Cost | | Percent of Total Project Dollar Cost (excl. project #9) | |
|---|---|---|---|---|---|---|
| Forestry | | 100 | | 1.3 | | 1.3 |
| Fisheries | | 1,290 | | 16.1 | | 16.1 |
| Fishing Boats and Parts | | 320 | | 4.0 | | 4.0 |
| Refrigeration Trucks and Plants | | 615 | | 7.7 | | 7.7 |
| Marketing Equipment | | 300 | | 3.8 | | 3.8 |
| Research | | 55 | | 0.6 | | 0.6 |
| 4. Transportation, Power, Other Public Works | 410 | | 5.1 | | 5.1 | |
| Public Buildings and Housing | | 410 | | 5.1 | | 5.1 |
| 5. Handicraft and Manufacturing, Mining, Other Industry | 500 | | 6.3 | | 6.3 | |
| Handicraft and Small Industry - Rehabilitation and Modernization | | 500 | | 6.3 | | 6.3 |
| 6. General Engineering Advisory Services | 550 | | 6.9 | | 6.9 | |
| 7. Education | 300 | | 3.7 | | 3.7 | |
| Elementary School Teacher Training | | 65 | | 0.8 | | 0.8 |
| Curriculum Development and Secondary Teacher Training | | 102 | | 1.3 | | 1.3 |
| English Teacher Training | | 68 | | 0.8 | | 0.8 |
| Text Book Development | | 65 | | 0.8 | | 0.8 |

FY 1952 PROGRAM (ILLUSTRATIVE)

INDONESIA. Table 2. Estimated Breakdown of Program By Type of Project

Dollar Costs (in thousands)

| Type of Project | Total Dollar Cost of Project | | Percent of Total Program Dollar Cost | | Percent of Total Project Dollar Cost (excl. project #9) | |
|---|---|---|---|---|---|---|
| 8. Public Administration | 400 | | 5.0 | | 5.0 | |
| Public Administration School | | 100 | | 1.3 | | 1.3 |
| " " Specialists | | 100 | | 1.2 | | 1.2 |
| Fellowships | | 200 | | 2.5 | | 2.5 |
| 9. Maintenance of Essential Supply | - | | - | | - | |
| TOTAL DOLLAR COST OF PROGRAM | 8,000 | | 100.0 | | | |
| Dollar Cost of All Projects (excl. #9) | 8,000 | | | | 100.0 | |

ECA: Far East Program Division
Revised: July 21, 1951

FY 1952 PROGRAM (ILLUSTRATIVE)

INDONESIA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

| Commodity Group | C & F Dollar Cost (in thousands) Total Cost | | Cost of Salable Commodities |
|---|---|---|---|
| 1. Food | - | | None |
| 2. Feed and Fertilizer | 388 | | |
| Fertilizer | | 388 | |
| 3. Natural Fibers | - | | |
| 4. Tobacco | - | | |
| 5. Other Agricultural Products | 100 | | |
| Animal Breeding Stock | | 100 | |
| 6. Fuels | - | | |
| 7. Industrial Raw Materials | 1,489 | | |
| Iron and Steel Mill Materials and Prod., | | | |
| including Ferro-Alloys | | 349 | |
| Pipe and fittings | | 75 | |
| Structural steel and reinforcing bars | | 174 | |
| Steel bins | | 100 | |
| Chemicals and Related Products | | 1,140 | |
| DDT | | 400 | |
| Aralen, penicillin, aureomycin, etc. | | 708 | |
| Misc. pesticides | | 32 | |

FY 1952 PROGRAM (ILLUSTRATIVE)

INDONESIA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | | Cost of Salable Commodities |
|---|---|---|---|
| 8. Capital Equipment | 2,393 | | None |
| Agricultural Equipment | | 203 | |
| Sprayers and dusters | | 50 | |
| Misc. agric. machinery - incubators, burners, blowers, dryers, etc. | | 153 | |
| Industrial Machinery and Equipment | | 2,190 | |
| Engines and turbines - diesel | | 230 | |
| Pumping equipment - pumps, drills, drill rigs, etc. | | 120 | |
| Excavators, bulldozers, dredging machines | | 403 | |
| Misc. construction equipment | | 200 | |
| Machine tools - hand polishing, boring and grinding machines | | 150 | |
| Industrial machinery, n.e.c. - refrigerating equipment, textile machinery and parts, sawmill equipment, etc. | | 645 | |
| Trucks, jeeps, accessories and parts | | 312 | |
| Fishing vessels, other boats and parts | | 130 | |
| 9. Other Manufactures and Raw Materials | 1,821 | | |
| Misc. iron and steel manufactures - blocks, tackle, cleavers, hooks, fishing equipment, hand tools, etc. | | 508 | |
| Scientific and professional instruments - X-ray equipment, microscopes, sterilizers, etc. | | 869 | |

FY 1952 PROGRAM (ILLUSTRATIVE)

INDONESIA. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

| Commodity Group | C & F Dollar Cost (in thousands) Total Cost | Cost of Salable Commodities |
|---|---|---|
| Commodities, n.e.c. - slide projectors, cameras, film, technical books and publications, office equipment | 444 | |
| TOTAL DOLLAR COST | 6,191 a/ | None |
| Percent Salable Commodities | - | |

a/ For distribution by major project category, see Table 1, column 2.

# THAILAND. ECA-FINANCED PROJECTS

1. Emergency Relief None

2. Public Health

Dollar Costs

FY 51: $2,008,000

FY 52: 2,860,000

Extending and improving public health services represents a major method for bringing the Thai Government closer to its people and strengthening the country's will to resist internal Communist aggression. As a key to higher labor productivity, better public health is a first ranking priority in the Thai economy.

Prewar expenditures for medical and public health were the equivalent of only six cents per capita. Without the stimulus of ECA aid, this low level of expenditure will continue.

Such easily preventable and curable diseases as malaria, dysentery, yaws and trachoma are widely prevalent, and there is a high incidence of leprosy and tuberculosis. Although several international organizations have shown interest and have rendered some assistance, their efforts have not even begun to solve the country's basic problems in this field. The Thai Government has therefore particularly welcomed American assistance in the control of endemic diseases, initiated on a substantial scale in FY 51.

Teams for Health Education and Disease Control (malaria, filariasis, leprosy, trachoma, etc.)

FY 51: $ 732,000

FY 52: 1,000,000

During FY 51 plans were formulated, supplies and equipment procured, and personnel recruited for health teams to deal with the control of endemic diseases. This type of activity will be expanded in FY 52 and will bring sorely needed relief to rural dwellers living in areas remote from hospitals and health centers. Prompt assistance will have an immediate beneficial effect and will provide the technical knowledge needed to continue such programs.

In many areas of Thailand, especially in the north, malaria infects nearly one-third of the population, and it is estimated that about six million persons are constantly ill with this disease. In FY 52 it is planned to extend malaria control to six additional population units of 100,000 each, by dispensing medicines and anti-malaria drugs, and by environmental sanitation methods directed toward eliminating the malaria mosquito vector. Other programs are directed toward the control of filariasis, leprosy, trachoma, gastro-intestinal and venereal diseases. The major dollar expense in all cases will be that required for drugs; a modest additional sum will be needed for jeeps. The local currency cost of personnel and transportation will be borne by the local committees and will be roughly equivalent to the value of imported commodities.

Village Sanitation (water purification, sewage, drainage, etc.)

FY 51: $182,000

FY 52: 700,000

Many of the enteric diseases such as typhoid fever, typhus, dysentery and cholera are caused by a lack of even rudimentary sanitation facilities and the scarcity of uncontaminated drinking water in rural Thailand. A large percentage of the population is supplied only with water from shallow wells, springs and rivers. To decrease the incidence of these diseases and thereby stimulate higher rural labor productivity, ECA proposes to provide funds to drill artesian wells for selected villages throughout the country; to supervise the construction of sanitary latrines in villages; and to encourage and assist construction of elementary waste disposal facilities. In addition, one water analysis station for laboratory control of water supplies may be established.

These projects will concentrate on sanitation improvement in selected villages to provide, in effect, demonstration centers for the dissemination of improved techniques throughout the country. ECA will provide from FY 52 funds such items as well drilling machinery and equipment, and construction equipment and supplies not available in Thailand. A limited amount of FY 51 funds were obligated for similar purposes.

Hospitals and Health Centers (modernization, expansion, etc.)

FY 51: $607,000

FY 52: 390,000

In FY 51 ECA provided hospitals and health centers with medical supplies and equipment and technical personnel. For FY 52, funds are requested for equipment and supplies for ten additional provincial hospitals, so as to bring medical care to the people living in areas remote from main population centers. A recent survey shows that provincial hospitals are clean and fairly well administered, but that equipment for modern X-ray, operating and laboratory needs is very inadequate.

The FY 52 program also calls for the supply of specific drugs to 50 rural health centers. It is further planned to establish provincial health demonstration centers which will function as focal points for training. Following qualified training in these centers, technicians will be returned to their sub-stations for service. This type of demonstration activity is expected to provide the country with local training facilities for its own technicians, and to encourage greater use of Thailand's own resources for these purposes.

Maternal and Child Care and Nutrition

FY 51: $ 26,000 a/

FY 52: 250,000

In FY 52, ECA will work jointly with UNICEF and the Thai Government in this field. The Thai Government, with some ECA aid but largely utilizing its own resources, will provide imported transportation and hospital equipment.

a/ Represents FY 51 outlay for Nutritional and Biological Research.

Medical Research

FY 51: $11,000 b/

FY 52: 220,000

ECA activity in health research during FY 51 was limited to planning a program of research projects in the field of insect control which will be undertaken during the current fiscal year. Methods of insect control affecting animals, as well as humans, will be investigated. Facilities for this type of research are to be available at an insect control center to be established with ECA assistance. Other research projects will be carried on at two medical schools in Bangkok as well as in hospitals and rural health centers. ECA assistance to these projects will take the form of scientific apparatus, laboratory equipment, supplies and technical services, and will act as a catalyst to stimulate the wider use of Thailand's own resources in this field.

Training and Information

FY 51: $200,000 b/

FY 52: 300,000

During FY 51 practical workers in public health were trained in rural medical centers established with ECA aid. Under the supervision and direction of health center staffs, workers were trained in the spraying of houses, in vaccination techniques, and in the installation of village excreta disposal facilities and the construction of village wells.

b/ Comprises part of $211,000 allocated to FY 51 Medical Research and Training project.

As part of the FY 52 program, ECA plans to expand this phase of training and in addition to undertake several other training projects. A particularly valuable project continued into FY 52 involves an arrangement whereby the Washington University Medical School of St. Louis will provide instructors and technicians to assist two Bangkok medical schools in training teachers needed to staff other medical institutions in Thailand. Other American instructors will be supplied to assist training programs in the schools of dentistry, pharmacy and veterinary science. A school of nursing will be conducted in a provincial hospital.

Technical Services, n.e.c.

FY 51: $250,000

FY 52: -

During FY 51 doctors, technicians, scientists and experts were made available to advise the Thai Government on current health problems and on the formulation of both long and short-run public health planning. As these specialists worked on several rather than a single ECA-sponsored health project, the cost of their services has been included under a separate project title. In FY 52 these costs will be allocated insofar as possible to individual projects on the basis of preponderant allotment of time.

3. Agriculture, Forestry, Fisheries

FY 51: $2,317,000

FY 52: 2,310,000

Over 90 percent of Thailand's population is engaged in agriculture. Although conditions in this area are on the whole better than in other Southeast Asian countries, Government services are nonetheless inadequate. Farmers do not receive sufficient extension guidance on improved techniques and methods necessary to compensate for increasing population and to maintain and increase agricultural exports, particularly of rice. Animal and plant diseases are not properly controlled. Extreme poverty in some areas, especially in those adjacent to Indochina, provides a ready weapon for Communist propagandists. Despite the availability of some competent and highly qualified technicians and the Thai Government's genuine interest in bettering the welfare of the agricultural population, tradition and conservatism obstruct the translation of governmental interest into concrete benefits for the farmer.

Although lumber production is important in Thailand, the forests are to a large extent still unsurveyed and are inadequately protected against exploitation. Valuable natural teak resources are rapidly being depleted, no comprehensive plan of reforestation has been evolved, and the Thai forestry school is not equipped to train adequately the requisite forest officers and timber developers. A fairly well-developed forestry department exists in the government, the forestry school has a well-trained staff, and there are forest experiment stations and some reforestation centers. Equipment is needed, however, to make them effective focal points for the development of progressive forest practices.

Fresh water and marine fish are important as a protein source in the Thai diet. Increasing population and the limited supply of animal products make necessary an increase in protein supply, which can be partly realized by judicious use and development of existing sources of fish supply and the effective storage and distribution of excess catches. Government efforts heretofore have been concentrated on fresh water fish. It has established a fisheries experiment station and is slated to receive expert fishery counsel through FAO. FY 52 ECA aid is designed to continue and integrate the assistance begun after field analyses in FY 51.

Research

FY 51: $606,000

FY 52: 210,000

ECA assistance to agricultural research in FY 51 consisted largely of procuring laboratory equipment and supplies, and recruiting technical advisors for the proposed National Agricultural Center (discussed below under Experimentation, Demonstration, etc.). Among the more important research subjects will be the development and multiplication of higher yielding rice and other seeds, as well as vaccines and methods and techniques of controlling rinderpest and other animal diseases. During FY 52 ECA will again provide technical assistance and some laboratory apparatus and supplies.

Training and Information

FY 51: $300,000 c/

FY 52: 500,000

During FY 51 ECA procured supplies and equipment and recruited personnel for agricultural training activities

c/ Comprises part of $906,000 allocated to FY 51 Research and Training project.

which will get well under way in the current fiscal year, notably those to be undertaken by the National Agricultural Center. In addition, supplies, laboratory equipment and personnel, which cannot be provided by either the Thai Government or the FAO, will be made available by ECA to improve the training facilities of the country's only forestry school.

In conjunction with other types of assistance planned for FY 52, ECA will provide audio-visual equipment as well as the experts needed to carry out such an information program. Such aids can more widely disseminate improved agricultural techniques than the provision of equipment alone.

Experimentation, Demonstration, Extension and Soil Surveys

FY 51: $305,000

FY 52: 700,000

ECA aid in this field during FY 51 consisted largely of procuring equipment and supplies and recruiting technical advisors for the National Agricultural Center and other projects to be undertaken during the current fiscal year. The proposed National Center will coordinate all agricultural teaching and extension activities which are now scattered through the Thai Ministry of Agriculture in an unorganized and uncoordinated manner. Its program will include training, teaching and research directed toward the problems of production and distribution, and development of an extension service to bring current knowledge and experience to Thai farms and villages.

One important activity of the center, already initiated, will be a comprehensive rice improvement program to develop, test and distribute superior strains of rice. The Government is providing the necessary land and buildings, and some technical assistance is being furnished by FAO. ECA will provide some additional technical experts and some of the laboratory and field equipment required. ECA also proposes to supply technical assistance, field and laboratory equipment, and experimental seeds and livestock to other agencies of the Thai Government engaged in demonstration, experimentation and extension work.

Irrigation and Reclamation

FY 51: $997,000

FY 52: 610,000

During FY 51 ECA began procurement of machinery and supplies, and recruitment of technical experts for improving Thailand's irrigation and land reclamation facilities. This assistance will be continued in FY 52.

Thailand has developed an extensive system of irrigation works and projects, and its Department of Irrigation is fairly well organized and ably directed. But there are still large areas, especially in the Northeast, comprising 1/3 the national population, where drought losses are serious. Land productivity could be substantially increased by better control of water supply and drainage.

The Thai Government has secured an $18 million loan from the IBRD to construct a large irrigation and flood control dam in the Central plains; this will take five to seven years to complete. Additional aid is required, however, for the completion of work begun on other projects.

During FY 52 ECA proposes to fully equip the Irrigation Department with portable pumps, excavating machinery and land clearing equipment; to supply specialists in canal design, shop management and use of water; and to provide for a trainee program to send Thai engineers for on-the-job training with the U.S. Reclamation and Soil Conservation Services and for advanced training at U. S. colleges and universities.

In addition to her needs for an extended irrigation system, Thailand also requires assistance in the field of land reclamation. There are substantial areas of land formerly under cultivation that should be put back into production. In FY 51 ECA provided some equipment for experimental operations in this field. In FY 52 it is proposed to provide enough additional equipment to enable the Thai Government to conduct large-scale tests on methods of land reclamation and specific types of equipment needed.

Forestry

FY 51: -

FY 52: $260,000

No ECA funds were devoted to forestry development in FY 51. In FY 52, however, ECA proposes to supply the Forestry School with technical assistance not available through FAO. This will round out the advisors needed for the teaching staff and permit a well balanced curriculum in forestry. In addition, ECA will supply the necessary equipment for the FAO specialists; laboratory equipment for teaching and research at the Forestry School; and equipment for the forest experiment stations and the reforestation plantations (tractors, stump pullers, trucks and tools).

Fisheries

FY 51: $109,000

FY 52: 30,000

During FY 51 an ECA specialist assisted the Thai Fisheries Department in the study of marine and fresh water fisheries, and advised on boat construction and fishing gear. In FY 52, ECA plans to provide equipment and supplies for the use of FAO and Thai fisheries specialists at the National Agricultural Center, in order to advance the hatching, distribution and nutritional work under way. A pilot plant will be established to develop adequate freezing, storage and distribution practices.

4. Transportation, Power, Other Public Works

FY 51: $3,932,000

FY 52: 250,000

Transportation presents one of Thailand's greatest problems. The only modern means of reaching the interior is by the Royal State Railway. During and immediately following the war, the railways suffered from partial destruction and lack of maintenance, with the result that both rolling stock and roadbeds require rehabilitation. The Thai Government has obtained a loan of $3.0 million for this purpose from the IBRD. And ECA in FY 51 provided assistance to the Makkasan Railway Repair Shop which will permit rapid rehabilitation of some of the rolling stock now out of use.

The railways, however, serve only limited portions of the country and highways are necessary feeders from the outlying areas. With the exception of a few hundred kilometers of feeder highways to the Royal State Railways, hard-surfaced highways are non-existent in Thailand. Because of the inaccessibility of the outlying provinces, the movement of rice, produce, timber and mining products is greatly limited, and in many instances transportation costs are so excessive as to discourage the producer from shipping these essential commodities or from attempting to expand production.

The electric power situation is almost equally bad. There is an extreme shortage of power plants and even the existing plants are badly in need of repair. As a result no power is available for new industries. In most of the outlying rural areas, electric power facilities are entirely lacking.

Transportation

FY 51: $3,515,000

FY 52: 250,000

During FY 51 ECA contributed to several projects designed to improve the Thai transportation system. Part of the equipment required for dredging Bangkok harbor was provided; equipment and technical advisors were made available to assist the Thai Government's program of highway construction; assistance was rendered for the emergency repair of locomotives and other railway rolling stock, pending IBRD assistance.

In FY 52 ECA plans to provide a small amount of equipment needed for clearing and earthwork construction in connection with the planned highway network. Some of this equipment, furnished under the FY 51 program, will be used for the repair and extension of existing highways; the additional equipment to be furnished during FY 52 is intended for use in further construction of the highway system. The Thai Government has appropriated the equivalent of $10 million in local currency for this road project, while the cost of the equipment which ECA is to furnish is estimated at $250,000.

Electric Power

FY 51: $417,000

FY 52: -

Because of the extreme shortage of power plants and their present state of disrepair, power is not available even for the operation of existing industries; the development of new industries requiring electric power is therefore impractical. As a partial remedy, ECA in FY 51 made available five diesel electricity-generating units to serve as booster stations to supplement the Bangkok power plant, which operates on wood and rice husks. Due to the even greater urgency of other projects, however, ECA does not contemplate the use of FY 52 funds for electric power development.

5. Handicraft and Manufacturing, Mining, Other Industry

FY 51: $619,000

FY 52: 650,000

Modern, mass-production manufacturing is non-existent in Thailand and any extensive industrialization seems unlikely in the near future. However, handicrafts and other small industries, such as coconut processing, ceramics, wood carving and chemical manufacturing, play an important part in the Thai economy.

Modernization and expansion of mining is also of importance to Thailand's economy as well as to U.S. stockpiling for defense needs. The principal metals mined are tin, tungsten and lesser amounts of lead and zinc, but the bulk of production is accomplished by antiquated hand methods with very little underground mining. Recent Thai-ECA explorations have shown encouraging results. Lignite is not being mined but workable deposits are known to exist and their development will greatly strengthen the Thai economy.

Handicraft and Small Industry (Modernization and Expansion)

FY 51: -

FY 52: $500,000

ECA assistance for industrial development was not programmed for FY 51. The allocation for FY 52 is to be utilized for assisting small enterprises (in coconut and food processing, textile weaving, and sodium chloride and calcium sulphate manufacture) to procure necessary machines and equipment. Such developmental aid will stimulate production of many commodities in short supply and will provide villagers with additional work and income.

Lignite and Strategic Metals Development (Tin, Tungsten, etc.)

FY 51: $619,000

FY 52: 150,000

ECA assistance to the Thai mining industry during FY 51 took the form of machinery for lignite and metal mining. This type of aid will be continued during the current fiscal year and, in addition, mine experts will train Thai nationals in the operation of modern equipment. Thai officials and STEM experts are in agreement on the importance and feasibility of stimulating production of lignite and other strategic metals such as tin, tungsten, etc. The development of lignite mining is particularly important in order to preserve the country's timber resources, which now furnish the principal fuel used. No lignite is being mined at present but preliminary investigations have demonstrated the practicability of development by methods now used in Australia.

To determine the areas that can be most rapidly brought into production, machinery will be needed to explore more fully the extent, thickness and quantity of lignite deposits and to begin small-scale strip mining. ECA plans to procure the necessary machinery and equipment.

And to demonstrate that a desirable fuel can be economically produced in Thailand on a commercial scale, a pilot briquetting plant is being provided. A minimum exploration program is also planned for tin and tungsten in order to determine whether the mining of these ores can be further expanded. ECA will provide the equipment for such exploration.

6. General Engineering Advisory Services

None

7. Education

FY 51: -

FY 52: $930,000

Despite the fact that there has been compulsory and free elementary education since 1921 for children between the ages of 7 and 11, the illiteracy rate in Thailand is high - 70 percent of those over 10 years of age are unable to read or write. The number receiving formal education beyond the elementary school level is extremely small. Less than 250,000 students are enrolled in recognized post-elementary schools. Scarcity of teachers, inadequate buildings and educational supplies, as well as the inability of many families to spare the children from farm work and to defray the cost of schooling account for this situation. The Thai Government has indicated a keen desire for advice and help in coping with the problem.

In early 1949 UNESCO, at the request of the Thai Government, sent a mission to Thailand to develop a program for the basic reorganization and improvement of the educational system. This program, which calls for an extended effort over a period of 10-15 years, has provided the Thai Government with its fundamental blueprint for the long overdue reform of its educational system. UNESCO has already given preliminary technical and financial aid for the implementation of this program and has at present a request for additional assistance from the Thai Government.

In January 1951 the U.S. Office of Education sent an expert to Thailand to determine, in consultation with the Thai Government and UNESCO, the need for and scope of U.S. bilateral assistance. On the basis of this report an integrated Thai-UNESCO-U.S. education program was developed. ECA aid was not extended to education projects in Thailand during FY 51.

Vocational Education

FY 51: -

FY 52: $500,000

As a means of meeting the country's growing need for skilled workers, the Thai Government has assigned first priority to vocational training. There are 190 public and 80 private vocational schools, but except for eight or nine secondary schools, they are all on the elementary level. The total enrollment in these schools is only 13,000 and the training is generally inadequate to qualify candidates for jobs in private enterprise.

To correct this deficiency, it is proposed that a Technical and Industrial Institute be established. The Thai Government will provide the buildings and the basic facilities. The cost of the necessary modern training equipment and machinery would be borne by the U.S. The school is to have accomodations for 900 students and a faculty of 80-90 teachers. In order to provide, from the outset, a competent faculty, it is planned to assign to the school seven American vocational instructors in the fields of auto mechanics, building trades, industrial arts, commercial subjects, printing and mechanical training for the blind and handicapped.

Adult Education

FY 51: -

FY 52: $80,000

There is now a small but active program of adult education in Thailand. Classes are conducted in various parts of the Kingdom in some 500 schools, located principally in the provinces. It is proposed that ECA provide an expert in the organization and operation of adult education programs and that two trainees be brought to the U.S. for study of modern extension and adult education methods. A small amount of modern teaching equipment will also be provided.

Scientific Education

FY 51: -

FY 52: $150,000

To relieve the acute shortage of skilled professional personnel, it is proposed that two American college professors be assigned to Thailand's leading scientific school, Chulalongkorn University, to give instruction in engineering and applied (industrial) science, and that either two graduate students or two Thai University professors be brought to the U.S. in FY 52 to study engineering and science. In addition, small amounts of laboratory equipment will be provided for scientific education. It is also proposed that one American college professor of business administration be assigned to the University of Moral and Political Science.

Elementary School Teacher Training

FY 51: -

FY 52 $200,000

The elementary school system consists of less than 19,000 schools with a total enrollment of around 2.7 million students. To provide teachers for this system there are 26 training schools, but only 14 percent of the 73,000 elementary school teachers have a teaching certificate. Many of them work only on a part-time basis. The long-term program for educational improvement prepared by UNESCO recommended that the most practical first steps in the field of elementary education are to improve the competence of the teachers and to develop adequate textbooks.

To implement this program, it is planned, in conjunction with the Thai Government and UNESCO, to establish a model center for teacher training. It is expected that

UNESCO will provide four experts each year. The U.S. Government contribution would consist of at least five instructors and supporting equipment and supplies.

The U.S. would also provide three experts to advise on the selection of American textbooks and their adaptation, translation, preparation and printing in Thai. It is planned that, as the teachers are themselves trained in the use of these textbooks, the texts will be generally distributed by the Thai Government throughout the school system. It is also anticipated that a small number (estimated at six) of Thai teachers will be brought to the U.S. in FY 52 for advanced teacher training. The purpose of this training program is to provide a nucleus of competent Thai teachers who will be able to carry on the program with gradually diminishing U.S. and UNESCO assistance.

8. Public Administration None

9. Maintenance of Essential Supply None

FY 1951 PROGRAM

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THAILAND. Table 1. Dollar Cost of Program By Major Project Category

| Major Project Category | Dollar Costs (in thousands) Total Dollar Cost | Cost of Supplies & Equipment | Cost of Services Total | T.A. Experts a/ | Trainees b/ |
|---|---|---|---|---|---|
| 1. Emergency Relief | - | - | - | - | - |
| 2. Public Health | 2,008 | 1,547 | 461 | 450 | 11 |
| 3. Agriculture, Forestry, Fisheries | 2,317 | 2,100 | 217 | 175 | 42 |
| 4. Transportation, Power, Other Public Works | 3,932 | 3,818 | 114 | 110 | 4 |
| 5. Handicraft and Manufacturing, Mining, Other Industry | 619 | 589 | 30 | 30 | - |
| 6. General Engineering Advisory Services | - | - | - | - | - |
| 7. Education | - | - | - | - | - |
| 8. Public Administration | - | - | - | - | - |
| 9. Maintenance of Essential Supply | - | - | - | - | - |
| TOTAL DOLLAR COST OF PROGRAM | 8,876 | 8,054 | 822 | 765 c/ | 57 d/ |
| Percent of Total Program Cost | 100.0% | 90.0% | 9.3% | 8.6% | 0.7% |

a/ Experts sent to country. Cost shown represents actual dollar obligations.
b/ Persons brought from country for training. Cost shown represents actual dollar obligations.
c/ Provides for 62 persons distributed as follows: Public Health, 27; Agriculture, 26; Transportation, Power, Other Public Works, 7; Manufacturing and Mining, 2. Total man-year equivalent, approximately 47.
d/ Provides for 14 persons distributed as follows: Public Health, 2; Agriculture, 10; Transportation, 2. Total man-year equivalent, 12.

FY 1951 PROGRAM

ECA: Far East Program Division
Revised: July 21, 1951

THAILAND. Table 2. Estimated Breakdown of Program By Type of Project

Dollar Costs (in thousands)

| Type of Project | Total Dollar Cost of Project | | Percent of Total Program Dollar Cost | | Percent of Total Project Dollar Cost (excl. project #9) | |
|---|---|---|---|---|---|---|
| 1. Emergency Relief | - | | - | | - | |
| 2. Public Health | 2,008 | | 22.6% | | 22.6% | |
| Teams for Health Education and Disease Control (malaria, filariasis, leprosy, trachoma, etc.) | | 732 | | 8.2 | | 8.2 |
| Village Sanitation (water purification, sewage, drainage, etc.) | | 182 | | 2.1 | | 2.1 |
| Hospital Maintenance and Equipment | | 607 | | 6.8 | | 6.8 |
| Biological and Nutritional Research | | 26 | | 0.3 | | 0.3 |
| Medical Research and Training | | 211 | | 2.4 | | 2.4 |
| Technical Services, n.e.c. | | 250 | | 2.8 | | 2.8 |
| 3. Agriculture, Forestry, Fisheries | 2,317 | | 26.1 | | 26.1 | |
| Agriculture | | 2,208 | | 24.9 | | 24.9 |
| Research and Training | | 906 | | 10.2 | | 10.2 |
| Experimentation, Demonstration, Extension and Soil Surveys | | 305 | | 3.5 | | 3.5 |
| Irrigation and Reclamation | | 997 | | 11.2 | | 11.2 |
| Fisheries | | 109 | | 1.2 | | 1.2 |
| 4. Transportation, Power, Other Public Works | 3,932 | | 44.3 | | 44.3 | |
| Transportation | | 3,515 | | 39.6 | | 39.6 |
| Road Building and Repair | | 1,381 | | 15.6 | | 15.6 |
| Railroad Maintenance and Repair | | 965 | | 10.9 | | 10.9 |
| Harbor Development and Administration | | 801 | | 9.0 | | 9.0 |
| Improvement of Air Traffic Control Facilities | | 368 | | 4.1 | | 4.1 |
| Electric Power (for rural centers) | | 417 | | 4.7 | | 4.7 |

FY 1951 PROGRAM

THAILAND. Table 2. Estimated Breakdown of Program By Type of Project

Dollar Costs (in thousands)

| Type of Project | Total Dollar Cost of Project | | Percent of Total Program Dollar Cost | | Percent of Total Project Dollar Cost (excl. project #9) | |
|---|---|---|---|---|---|---|
| 5. Handicraft and Manufacturing, Mining, Other Industry | 619 | | 7.0 | | 7.0 | |
| Lignite and Strategic Metals Development (tin, tungsten, etc.) | | 615 | | 6.9 | | 6.9 |
| Geological Survey | | 4 | | 0.1 | | 0.1 |
| 6. General Engineering Advisory Services | - | | - | | - | |
| 7. Education | - | | - | | - | |
| 8. Public Administration | - | | - | | - | |
| 9. Maintenance of Essential Supply | - | | - | | - | |
| TOTAL DOLLAR COST OF PROGRAM | 8,876 | | 100.0 | | | |
| Dollar Cost of All Projects (excl. #9) | 8,876 | | | | 100.0 | |

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FY 1951 PROGRAM

THAILAND. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | | Cost of Salable Commodities |
|---|---|---|---|
| 1. Food | - | | None |
| 2. Feed and Fertilizer | 5 | | |
| Fertilizer | | 5 | |
| 3. Natural Fibers | - | | |
| 4. Tobacco | - | | |
| 5. Other Agricultural Products | - | | |
| 6. Fuels | 33 | | |
| Coal and Related Products | | 33 | |
| Foundry coke | | 33 | |
| 7. Industrial Raw Materials | 1,477 | | |
| Iron and Steel Mill Materials and Prod., including Ferro-Alloys | | 584 | |
| Car wheel and axle assemblies | | 300 | |
| Steel sheets, bars, rivets and pipe fittings | | 284 | |
| Other Non-Ferrous Metals | | 1 | |
| Platinum crucibles | | 1 | |
| Pulp, Paper and Paper Products | | 2 | |
| Grocery bags and seed envelopes | | 2 | |

FY 1951 PROGRAM

THAILAND. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | | Cost of Salable Commodities |
|---|---|---|---|
| Chemicals and Related Products | | 890 | None |
| DDT and other pesticides | | 340 | |
| Medicinal and pharmaceutical preparations - penicillin, aureomycin, camoquin,etc. | | 549 | |
| Misc. industrial chemicals | | 1 | |
| 8. Capital Equipment | 5,875 | | |
| Agricultural Equipment | | 245 | |
| Insecticide sprayers and parts | | 37 | |
| Tractors and parts | | 166 | |
| Misc. equipment - threshers, plows, etc. | | 42 | |
| Industrial Machinery and Equipment | | 5,630 | |
| Generators and motors - electric, diesel and gasoline | | 643 | |
| Electrical apparatus - transformers and switches | | 8 | |
| Construction equipment - pumping units, drill rigs and parts | | 1,105 | |
| Mining equipment - hoists, dump cars, air compressors and parts | | 411 | |
| Excavators, bulldozers and other road building equipment | | 1,553 | |
| Misc. industrial equipment, n.e.c. - milling, refrigerating and office machines | | 104 | |
| Trucks, jeeps, station wagons and parts | | 391 | |

FY 1951 PROGRAM

THAILAND. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | | Cost of Salable Commodities |
|---|---|---|---|
| Aircraft, parts and handling equipment - radio beacons, landing instruments, etc. | | 345 | None |
| Railroad repair equipment and parts | | 234 | |
| Vessels and equipment - dredge, tow boats, barges and fishing boats | | 836 | |
| 9. Other Manufactures and Raw Materials | 664 | | |
| Rubber and Rubber Products | | 4 | |
| Heavy duty mine hose | | 4 | |
| Textiles | | 2 | |
| Textile products - cloth bags | | 2 | |
| Miscellaneous | | 658 | |
| Misc. iron and steel manufactures - small hand tools, soldering outfits, prefabricated tropical huts, etc. | | 103 | |
| Laboratory equipment - microscopes, cameras, lamps, scalpels, crucibles, scissors, forceps, trays, scales, etc. | | 200 | |
| Hospital supplies and equipment - operating tables, X-ray machines, beds, sutures, syringes, needles, etc. | | 276 | |
| Commodities, n.e.c. - technical books, library supplies, sound units, bicycles, trailers, etc. | | 79 | |
| TOTAL DOLLAR COST | 8,054 a/ | | None |
| Percent Salable Commodities | | | - |

a/ For distribution by major project category, see Table 1, column 2.

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FY 1952 PROGRAM (ILLUSTRATIVE)

THAILAND. Table 1. Estimated Dollar Cost of Program a/
By Major Project Category

| Major Project Category | Dollar Costs (in thousands) Total Dollar Cost | Cost of Supplies & Equipment | Cost of Services Total | T.A. Experts b/ | Trainees c/ |
|---|---|---|---|---|---|
| 1. Emergency Relief | - | - | - | - | - |
| 2. Public Health | 2,860 | 2,404 | 456 | 336 | 120 |
| 3. Agriculture, Forestry, Fisheries | 2,310 | 1,668 | 642 | 432 | 210 |
| 4. Transportation, Power, Other Public Works | 250 | 147 | 103 | 48 | 55 |
| 5. Handicraft and Manufacturing, Mining, Other Industry | 650 | 590 | 60 | 60 | - |
| 6. General Engineering Advisory Services | - | - | - | - | - |
| 7. Education | 930 | 786 | 144 | 144 | - |
| 8. Public Administration | - | - | - | - | - |
| 9. Maintenance of Essential Supply | - | - | - | - | - |
| TOTAL DOLLAR COST OF PROGRAM | 7,000 | 5,595 | 1,405 | 1,020 d/ | 385 e/ |
| Percent of Total Program Cost | 100.0% | 79.9% | 20.1% | 14.6% | 5.5% |

THAILAND. Table 1.

(Footnotes)

a/ Does not include any portion of funds that may be approved for basic materials development (in Title I of proposed Mutual Security Act).

b/ Experts sent to country. Cost computed on uniform basis of $12,000 per person, allowing for average lapse of 3 months.

c/ Persons brought from country for training. Cost computed on uniform basis of $5,000 per person.

d/ Provides for an estimated 85 persons distributed as follows: Public Health, 28; Agriculture and Forestry, 36; Transportation, 4; Handicraft, Small Industry and Mining, 5; Education, 12. Total Man-Year equivalent, approximately, 73.

e/ Provides for an estimated 77 persons distributed as follows: Public Health, 24; Agriculture, Forestry and Fisheries, 42; Transportation, 11. Total Man-Year equivalent, approximately 58.

FY 1952 PROGRAM (ILLUSTRATIVE)

ECA: Far East Program Division
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THAILAND. Table 2. Estimated Breakdown of Program By Type of Project

Dollar Costs (in thousands)

| Type of Project | Total Dollar Cost of Project | | Percent of Total Program Dollar Cost | | Percent of Total Project Dollar Cost (excl. project #9) | |
|---|---|---|---|---|---|---|
| 1. Emergency Relief | - | | - | | - | |
| 2. Public Health | 2,860 | | 40.8% | | 40.8% | |
| Teams for Health Education and Disease Control (malaria, filariasis, leprosy, trachoma, etc.) | | 1,000 | | 14.3 | | 14.3 |
| Village Sanitation (water purification, sewage, drainage, etc.) | | 700 | | 10.0 | | 10.0 |
| Hospitals and Health Centers (modernization, expansion, etc.) | | 390 | | 5.6 | | 5.6 |
| Maternal and Child Care and Nutrition | | 250 | | 3.5 | | 3.5 |
| Medical Research | | 220 | | 3.1 | | 3.1 |
| Training and Information | | 300 | | 4.3 | | 4.3 |
| 3. Agriculture, Forestry, Fisheries | 2,310 | | 33.0 | | 33.0 | |
| Agriculture | | 2,020 | | 28.9 | | 28.9 |
| Research | | 210 | | 3.0 | | 3.0 |
| Training and Information | | 500 | | 7.2 | | 7.2 |
| Experimentation, Demonstration, Extension and Soil Surveys | | 700 | | 10.0 | | 10.0 |
| Irrigation and Reclamation | | 610 | | 8.7 | | 8.7 |
| Forestry (experimentation and reforestation) | | 260 | | 3.7 | | 3.7 |
| Fisheries (experimentation and development) | | 30 | | 0.4 | | 0.4 |
| 4. Transportation, Power, Other Public Works | 250 | | 3.6 | | 3.6 | |
| Transportation - Road Building | | 250 | | 3.6 | | 3.6 |

FY 1952 PROGRAM (ILLUSTRATIVE)

THAILAND. Table 2. Estimated Breakdown of Program By Type of Project

Dollar Costs (in thousands)

| Type of Project | Total Dollar Cost of Project | | Percent of Total Program Dollar Cost | | Percent of Total Project Dollar Cost (excl. project #9) | |
|---|---|---|---|---|---|---|
| 5. Handicraft and Manufacturing, Mining, Other Industry | 650 | | 9.3 | | 9.3 | |
| Handicraft and Small Industry (modernization and expansion) | | 500 | | 7.2 | | 7.2 |
| Lignite and Strategic Metals Development (tin, tungsten, etc.) | | 150 | | 2.1 | | 2.1 |
| 6. General Engineering Advisory Services | - | | - | | - | |
| 7. Education | 930 | | 13.3 | | 13.3 | |
| Vocational Education | | 500 | | 7.2 | | 7.2 |
| Adult Education | | 80 | | 1.1 | | 1.1 |
| Scientific Education | | 150 | | 2.1 | | 2.1 |
| Elementary School Teacher Training | | 200 | | 2.9 | | 2.9 |
| 8. Public Administration | - | | - | | - | |
| 9. Maintenance of Essential Supply | - | | - | | - | |
| TOTAL DOLLAR COST OF PROGRAM | 7,000 | | 100.0 | | | |
| Dollar Cost of All Projects (excl. #9) | 7,000 | | | | 100.0 | |

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Revised: July 21, 1951

FY 1952 PROGRAM (ILLUSTRATIVE)

THAILAND. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | Total Cost | | Cost of Salable Commodities |
|---|---|---|---|
| 1. Food | - | | None |
| 2. Feed and Fertilizer | 5 | | |
| Fertilizer | | 5 | |
| 3. Natural Fibers | - | | |
| 4. Tobacco | - | | |
| 5. Other Agricultural Products | 1 | | |
| Seeds - vegetable, field and grass | | 1 | |
| 6. Fuels | - | | |
| 7. Industrial Raw Materials | 1,208 | | |
| Chemicals and Related Products | | 1,208 | |
| DDT and other pesticides | | 121 | |
| Medicinal and pharmaceutical preparations - penicillin, aralen, aureomycin, streptomycin, etc. | | 1,082 | |
| Misc. industrial chemicals | | 5 | |
| 8. Capital Equipment | 3,499 | | |
| Agricultural Equipment | | 531 | |
| Sprayers and parts | | 237 | |
| Tractors and parts | | 199 | |
| Misc. equipment - harvesters, plows, harrows, platform scales, grinders, wood testing machines, etc. | | 95 | |

FY 1952 PROGRAM (ILLUSTRATIVE)

THAILAND. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

C & F Dollar Cost (in thousands)

| Commodity Group | | Total Cost | Cost of Salable Commodities |
|---|---|---|---|
| Industrial Machinery and Equipment | | 2,968 | None |
| Generators and motors - electric, diesel and gasoline | | 127 | |
| Construction equipment - pumps, pipe, tanks, drill rigs, supports, etc. | | 647 | |
| Mining equipment - drills, hoists, dump cars, air compressors, etc. | | 130 | |
| Excavators, bulldozers, road rollers, and other road building equipment | | 560 | |
| Misc. industrial equipment, n.e.c. - refrigerating equipment, food processing machinery, etc. | | 515 | |
| Trucks, jeeps, station wagons and parts | | 389 | |
| Machine tools - lathes, drilling machines, planers, woodworking machines, etc. | | 600 | |
| 9. Other Manufactures and Raw Materials | 882 | | |
| Textiles | | 7 | |
| Textile products - tents | | 7 | |
| Miscellaneous | | 875 | |
| Misc. iron and steel manufactures - small hand tools, barbed wire, wire fencing, etc. | | 15 | |
| Laboratory equipment - microscopes, ovens, burners, tanks, scales, dessicators, forceps, crucibles, glassware, etc. | | 580 | |

FY 1952 PROGRAM (ILLUSTRATIVE)

THAILAND. Table 3. Estimated Breakdown of Supplies and Equipment By Commodity Group

| Commodity Group | C & F Dollar Cost (in thousands) Total Cost | Cost of Salable Commodities |
|---|---|---|
| Hospital supplies and equipment - X-ray machines, beds, sterilizers, syringes, needles, operating tables, etc. | 183 | None |
| Commodities, n.e.c. - technical books, meteorological instruments, cameras, projectors, film, surveying equipment, bicycles, etc. | 97 | |
| TOTAL DOLLAR COST | 5,595 a/ | None |
| Percent Salable Commodities | | - |

a/ For distribution by major project category, see Table 1, Column 2.